



CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

Thursday, September 25, 2008

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

(Lunch will be served)

AT THE CHINO BASIN WATERMASTER OFFICES
9641 San Bernardino Road
Rancho Cucamonga, CA 91730
(909) 484-3888





CHINO BASIN WATERMASTER

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9:00 a.m. – Advisory Committee Meeting

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(Lunch will be served)

AGENDA PACKAGE



**CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING**

9:00 a.m. – September 25, 2008
At The Offices Of
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

AGENDA

CALL TO ORDER

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

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

A. MINUTES

1. Minutes of the Advisory Committee Meeting held July 24, 2008 *(Page 1)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of July 2008 *(Page 21)*
2. Watermaster Visa Check Detail *(Page 25)*
3. Combining Schedule for the Period July 1, 2007 through June 30, 2008 *(Page 27)*
4. Treasurer's Report of Financial Affairs for the Period June 1, 2008 through June 30, 2008 *(Page 28)*
5. Budget vs. Actual July 2007 through June 2008 *(Page 31)*
6. Cash Disbursements for the month of August 2008 *(Page 33)*
7. Watermaster Visa Check Detail *(Page 37)*
8. Combining Schedule for the Period July 1, 2008 through July 31, 2008 *(Page 39)*
9. Treasurer's Report of Financial Affairs for the Period July 1, 2008 through July 31, 2008 *(Page 41)*
10. Budget vs. Actual July 2007 through July 2008 *(Page 43)*

C. INTERVENTION

1. Consider Approval for Intervention into the Overlying (Non-Agricultural Pool) – City of Ontario (as an Overlying Non-Agricultural Party) *(Page 45)*

II. BUSINESS ITEMS

A. SEMI-ANNUAL STATUS REPORT

Consider Approval for the Semi-Annual Status Report *(Page 51)*

B. BUDGET AMENDMENT

Consider Approval for the Proposed Budget Amendment Request for \$151,594.00 *(Page 61)*

C. INLAND EMPIRE UTILITIES AGENCY DRY YEAR YIELD REPORT BY IEUA STAFF

Discussion and Possible Action I *(Page 65)*

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Santa Ana River Water Right Final Decision
2. LRP Funding Agreement *(Page 97)*
3. Report on the Issue of Governance
4. Status of Judge Selection
5. MOU of Water Accounting Procedures in Chino Basin *(Page 125)*

B. ENGINEERING REPORT

1. Oral Progress Report on Engineering Activities, July – August 2008

C. CEO/STAFF REPORT

1. Legislative Update
2. Financial Audit Update
3. Recharge Update
4. MWD Groundwater Conjunctive Use Study
5. Report on Anticipated Board Closed Session Items
6. Strategic Planning Conference Update
7. Regional Board Meeting on Max Benefit
8. November and December Meeting Dates

D. INLAND EMPIRE UTILITIES AGENCY

1. Drought and MWD IRP/5 Year Supply Plan Update *(Page 137)*
2. Water Softener Rebate Program *(Page 151)*
3. Final Water Demand and Supply Forecasts for Chino Basin Dry Year Yield Expansion Program CEQA Analysis *(Page 165)*
4. Recycled Water Newsletter *(Page 171)*
5. Monthly Water Conservation Programs Report *(Page 197)*
6. Monthly Imported Water Deliveries Report
7. State and Federal Legislative Report *(Page 207)*
8. Community Outreach/Public Relations Report *(Page 239)*

E. OTHER METROPOLITAN MEMBER AGENCY REPORTS

IV. INFORMATION

1. Chino Basin Recycled Water Groundwater Recharge Program Quarterly Monitoring Report for April Through June 2008 *(Page 247)*
2. Senator Dianne Feinstein Secures Senate Committee Approval of Key Water Supply Legislation for the Chino Basin *(Page 279)*
3. Newspaper Articles *(Page 281)*

V. COMMITTEE MEMBER COMMENTS

VI. OTHER BUSINESS

VII. FUTURE MEETINGS

September 25, 2008	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
September 25, 2008	9:00 a.m.	Advisory Committee Meeting
September 25, 2008	11:00 a.m.	Watermaster Board Meeting
September 28-30, 2008		Strategic Planning Conference, Lake Arrowhead Resort
October 9, 2008	10:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
October 21, 2008	9:00 a.m.	Agricultural Pool Meeting @ IEUA

October 23, 2008	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
October 23, 2008	9:00 a.m.	Advisory Committee Meeting
October 23, 2008	11:00 a.m.	Watermaster Board Meeting

Meeting Adjourn

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**CHINO BASIN WATERMASTER
BOARD MEETING**

11:00 a.m. – September 25, 2008
At The Offices Of
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

AGENDA

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PLEDGE OF ALLEGIANCE

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A. MINUTES

1. Minutes of the Watermaster Board Meeting held July 24, 2008 *(Page 7)*
2. Minutes of the Watermaster Board Conference Call held August 8, 2008 *(Page 13)*
3. Minutes of the Watermaster Board Conference Call held August 13 & 14, 2008 *(Page 17)*

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1. Legislative Update
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6. Regional Board Meeting on Max Benefit
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V. BOARD MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Pursuant to Article 2.6 of the Watermaster Rules & Regulations, a Confidential Session will be held during the Watermaster Board meeting for the purpose of discussion and possible action regarding three items:

1. Hanson Aggregates Litigation
2. Tongva American Indian Possible Litigation
3. OIA / Chino Airport Possible Litigation

VIII. FUTURE MEETINGS

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October 23, 2008	11:00 a.m.	Watermaster Board Meeting

Meeting Adjourn



CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Advisory Committee Meeting – July 24, 2008



Draft Minutes
CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING

July 24, 2008

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga CA, on July 24, 2008 at 9:00 a.m.

ADVISORY COMMITTEE MEMBERS PRESENT

Appropriative Pool

Robert DeLoach, Chair	Cucamonga Valley Water District
Mohamad El-Amamy	City of Ontario
Bill Kruger	City of Chino Hills
Robert Tock	Jurupa Community Services District
J. Arnold Rodriguez	Santa Ana River Water Company
Anthony La	City of Upland
Mike McGraw	Fontana Water Company
Robert Young	Fontana Union Water Company
Dave Crosley	City of Chino
Charles Moorrees	San Antonio Water Company
Raul Garibay	City of Pomona

Non-Agricultural Pool

Bob Bowcock	Vulcan Materials Company (Calmat Division)
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Agricultural Pool

Jeff Pierson	Ag Pool, Crops
Jennifer Novak	Department of Justice/CIM
Pete Hall	State of California/CIM
Nathan Mackamul	State of California/CIW

Watermaster Board Members Present

Terry Catlin	Inland Empire Utilities Agency
Ken Willis	City of Upland

Watermaster Staff Present

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

Watermaster Consultants Present

Scott Slater	Brownstein, Hyatt, Farber & Schreck
Mark Wildermuth	Wildermuth Environmental Inc.
Tom McCarthy	Wildermuth Environmental Inc.

Others Present

Gary Meyerhofer	Carollo Engineers
Gerald Thibeault	Regional Water Quality Control Board
John Rossi	Western Municipal Water District
Tom Crowley	Western Municipal Water District
Jack Safely	Western Municipal Water District
Michael Hughes	Department of Justice
Scott Burton	City of Ontario

Eldon Horst	Jurupa Community Services District
Eric Schoenen	City of Pomona
Ron Craig	RBF Consulting/Chino Hills
Bob Lemons	RBF Consulting/Chino Hills
Michael Hughes	Department of Justice/CIM
Pat Shields	Inland Empire Utilities Agency
Eunice Ulloa	Chino Basin Water Conservation District
Rick Rees	Geomatrix Consultants, Inc.
Steven G. Lee	Reid & Hellyer
Martha Davis	Inland Empire Utilities Agency

Mr. DeLoach, chair, called the Advisory Committee meeting to order at 9:07 a.m.

AGENDA - ADDITIONS/REORDER

There were no additions or reorders made to the agenda.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Advisory Committee Meeting held June 26, 2008

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of June 2008
2. Watermaster Visa Check Detail
3. Combining Schedule for the Period July 1, 2007 through May 31, 2008
4. Treasurer's Report of Financial Affairs for the Period May 1, 2008 through May 31, 2008
5. Budget vs. Actual July 2007 through May 2008

C. INTERVENTION

1. Consider Approval for Intervention into the Agricultural Pool – Michael Y. Park

D. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – Cucamonga Valley Water District has agreed to lease 4,500 acre-feet of water from the City of Pomona. This lease is to be taken first from the FY 2007/08 allocation from the City of Pomona's net underproduction, if any, with any remainder from Pomona's local storage account. Date of Application: May 9, 2008
2. **Consider Approval for Notice of Sale or Transfer** – Cucamonga Valley Water District (CVWD) has agreed to the transfer of 8,530.000 acre-feet of water from San Antonio Water Company (SAWCO). This transfer is made from SAWCO's annual production right. Date of Application: May 30, 2008
3. **Consider Approval for Notice of Sale or Transfer** – Attachment G of the Chino Basin Watermaster Peace II documents allows for a one-time special water transfer of 8,530.000 acre-feet from Vulcan Materials to San Antonio Water Company (SAWCO). SAWCO is purchasing the transferring 8,530.000 acre-feet of Vulcan Material's water in storage. Date of Application: May 30, 2008

Motion by El Amamy, second by Moorrees, and by unanimous vote

Moved to approve consent calendar items A through D, as presented

II. BUSINESS ITEMS

A. O&M AGREEMENT

Mr. Manning stated this item is an amendment to the Operation and Maintenance Agreement which is a four party agreement. This agreement is formalizing the language which was in the Peace II Agreement whereby Inland Empire Utilities Agency would be contributing to the O&M budget based on a percentage of recycled water recharge into the basins. There are a set of documents that discusses O&M and how it is dealt with and those documents will be used as

the basis for separating out the other costs as a percentage as well. Staff is in approval of this agreement and is asking for an approval at this meeting. A meeting with Mr. Atwater regarding application of the O&M amendment will take place next week. A discussion regarding the pro-rata share for recycled water costs ensued. Mr. Manning stated staff will take the spreadsheet used for O&M costs, then the percentage for the total overall that it represents will be calculated, and then that will translate into a cost so that IEUA is paying its proportionate share of the overall cost. Mr. Manning noted that cost breakdown be different than basin by basin; it will be aggregated amongst all of them. A discussion regarding this matter ensued.

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

Moved to approve the adoption of the first amendment to Attachment 2 to the agreement for operation and maintenance of facilities to implement the Chino Basin Recharge Master Plan to conform with the agreement to the Peace II agreement section 8.1(a), as presented

B. HYDRAULIC CONTROL PROGRESS REPORT

Mr. Manning noted this item will be a three part presentation first; a background on this item will be given by me, Mr. Meyerhofer will give a presentation on the Chino Desalters, and finally, Counsel Slater will address the legal aspects of this item in relation to Peace II. Mr. Thibeault is also available to offer comment and/or answer questions. Mr. Manning stated as part of the Peace II adoption the court asked as condition subsequent no. 6 that clarification be made with the Regional Water Quality Control Board on what it is that the RWQCB use as the definition of the creation of Hydraulic Control. This question was presented to the RWQCB and CBWM asked that their reply be made in the form of a letter; that letter was received by Watermaster. In that letter, a request was made by the RWQCB asking for updated schedules and a request to the court that the RWQCB become more involved and active in the processes. A revised schedule was presented to the RWQCB and the revised schedule was reviewed in detail by Mr. Manning. Mr. Manning noted with the changes made on the revised schedule, a one year loss of time is anticipated and the RWQCB was not satisfied with this one year loss. A hearing was scheduled for September 5, 2008 for IEUA and CBWM to go to the RWQCB and explain the change in schedule and other difficulties with this project in greater detail. Mr. Manning referenced a letter from Western Municipal Water District regarding their inclusion into the CDA was received recently. In that letter from WMWD it was stated that if the inclusion of WMWD into the CDA did not take place, WMWD is prepared to move on their own with the expansion of the desalters. The desalter expansion issue is being dealt with also by the City of Chino and the City of Chino Hills and a list of items that need to be addressed has been received by Watermaster; a meeting regarding this matter is going to be held later this week.

Mr. Meyerhofer gave the Chino Desalter Phase 3 Project presentation. Mr. Meyerhofer reviewed the nine benefits for the desalter expansion in detail. A discussion ensued with regard to Mr. Meyerhofer's presentation.

Counsel Slater stated he is going to describe the penalties if this project fails to proceed and noted this is no trivial matter. The entire Peace II process was predicated on the assumption that we are moving forward on the management strategy which is Hydraulic Control. On that basis, the court authorized a withdrawal of 400,000 acre-feet from the basin in excess of what the Operating Safe Yield is and the court further added a reporting schedule to continue to appraise the court on the progress. If the parties were to fall off schedule they could lose Max Benefit and there is the prospect that the availability of the 400,000 acre-feet which is presently being used to offset existing desalter production would be jeopardized. There is a relationship to existing water in storage and losses at hand. There is a potential litigation issue with Orange County Water District associated with the loss of Max Benefit. Lastly, there are serious creditability issues with the court if we move off schedule. There is a meeting scheduled next week and there is high anticipation that any outstanding issues will be resolved.

A discussion regarding Counsel Slater's noted penalties and issues with WMWD joining the CDA ensued.

Mr. Thibeault commented on the two airport plumes. Mr. Thibeault noted a new order was issued to the county because the first one was not clear enough for the county to proceed on clean up.

A discussion regarding Hydraulic Control, potential penalties, and grants associated with this item ensued. A discussion regarding a possible conference call to discuss the progress on the CDA issue ensued. It was decided a conference call will be held on August 8, 2008.

No motion was made regarding this item; it was presented as information only

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. August 21 Hearing

Counsel Slater stated there are a variety of items that will be heard at this upcoming hearing. This hearing has been rescheduled a couple times due to various reasons from the court. The majority of the items being presented are routine, however, there is another element that could be much different regarding the Monte Vista Water District's issues with potential effects of decline in Operating Safe Yield over a number of years. The court has been made aware of the status of the Max Benefit and the Hydraulic Control issues and staff and counsel are hopeful that a resolution to that issue will be reported to the court at that August 21, hearing. There was a filing made by Cucamonga Valley Water District regarding the status of the special referee and joinders have been filed in support of CVWD's filing. Watermaster staff and counsel view this issue as a subject which involves governance and court process; consequently counsel is providing no recommendation and is waiting direction from the board on how to proceed.

2. SWRCB Permit

Counsel Slater stated there is a draft order which has been published by the State Water Resource Control Board proposing to grant Watermaster's application for a 68,000 acre-foot entitlement in the form of a permit.

B. CEO/STAFF REPORT

1. Legislative Update

Mr. Manning stated there is no budget yet and that is the main focus for all parties involved. Mr. Manning noted starting on page 143 of the meeting packet is the legislative update from IEUA which provides more detailed information on bills and legislative information.

2. Recharge Update

Mr. Manning stated the updated recharge update spreadsheet is provided as a handout on the back table.

3. August Meetings

Mr. Manning stated the three Pools agreed that Watermaster can go dark in the month of August for their meetings.

4. Appropriative Pool Committee Regarding Analysis of Residual Agricultural Pumping

Mr. Manning stated Monte Vista Water District had some issues related to the analysis of residual agricultural pumping as it relates to the loss of safe yield and had Watermaster staff put together, as part of the stipulation, some information. That was done and the Appropriative Pool asked that a sub-committee be established to review this issue to see if there could be resolution before the August 21st court hearing. The first meeting of that committee which is made up of sub-committee members Robert Tock, Ken Jeske, Anthony

La, Dave Crosley, Raul Garibay, and Mark Kinsey, is to be held on August 6, 2008 from 1:00 p.m. to 4:00 p.m.

C. INLAND EMPIRE UTILITIES AGENCY

1. Status Report on Dry Year (CUP) Activities

Mr. Atwater stated the DYY meeting from this morning went very well. There are two CEQA documents being worked on presently by IEUA and Tom Dodson. The first one is from Watermaster's Peace II Agreement and the other one is the expansion of the desalters.

2. Update on MWD Integrated Water Resources Plan

Mr. Atwater stated the background information was included in the meeting packet. Water supply assessments are being discussed within the parties. The plan at MWD is to update their Integrated Water Resources Plan and have their board approve that in less than a year from now; the target date is June, 2009. Mr. Manning and I participated with many other agencies throughout Southern California as part of the IRP Update which will contain four workshops. Mr. Atwater noted that recommendations regarding funding should come out of those workshops. Over the next year there is a lot of opportunity to look at our recourses to augment our supplies.

3. Recycled Water Newsletter

No comment was made regarding this item.

4. Monthly Water Conservation Programs Report

No comment was made regarding this item.

5. Monthly Imported Water Deliveries Report

No comment was made regarding this item.

6. State and Federal Legislative Report

No comment was made regarding this item

7. Community Outreach/Public Relations Report

No comment was made regarding this item.

D. OTHER METROPOLITAN MEMBER AGENCY REPORTS

Mr. Rossi stated he was at a water policy meeting last night and at that meeting a presentation on a forecast of what next year will look like. Mr. Rossi noted next year looks like it will be the worst year in water history from a water supply standpoint. It appears we will have a 10% state water allocation number in December. Water supply is what everybody is talking about. Mr. Rossi stated the workshops that Mr. Atwater mentioned are extremely important. Part of the goals from these workshops is to educate MET staff, member agencies, and the MET board on groundwater.

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.

IV. INFORMATION

1. Newspaper Articles

No comment was made regarding this item.

V. COMMITTEE MEMBER COMMENTS

No comment was made regarding this item.

VI. OTHER BUSINESS

No comment was made regarding this item.

VII. FUTURE MEETINGS

September 11, 2008	10:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
September 16, 2008	9:00 a.m.	Agricultural Pool Meeting @ IEUA
September 25, 2008	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
September 25, 2008	9:00 a.m.	Advisory Committee Meeting
September 25, 2008	11:00 a.m.	Watermaster Board Meeting

The Advisory Committee meeting was dismissed by Chair Willis at 9:56 a.m.

Secretary: _____

Minutes Approved: _____



CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Watermaster Board Meeting – July 24, 2008
2. Watermaster Board Conference Call – August 8, 2008
3. Watermaster Board Conference Call – August 13 & 14, 2008



Draft Minutes
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING

July 24, 2008

The Watermaster Board Meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on July 24, 2008 at 11:00 a.m.

WATERMASTER BOARD MEMBERS PRESENT

Ken Willis, Chair	City of Upland
Bob Kuhn	Three Valleys Municipal Water District
Jim Curatalo	Cucamonga Valley Water District
Jim Bowman	City of Ontario
Charles Field	Western Municipal Water District
Terry Catlin	Inland Empire Utilities Agency
Bob Bowcock	Vulcan Materials Company
Jeff Pierson	Agricultural Pool
Geoffrey Vanden Heuvel	Agricultural Pool

Watermaster Staff Present

Kenneth R. Manning	Chief Executive Officer
Sheri Rojo	CFO/Asst. General Manager
Sherri Lynne Molino	Recording Secretary

Watermaster Consultants Present

Scott Slater	Brownstein, Hyatt, Farber & Schreck
Michael Fife	Brownstein, Hyatt, Farber & Schreck
Tom McCarthy	Wildermuth Environmental, Inc.

Others Present

Bob Feenstra	Agricultural Pool
Robert DeLoach	Cucamonga Valley Water District
Mohamed El-Amamy	Cucamonga Valley Water District
Marty Zvirbulis	Cucamonga Valley Water District
Rich Atwater	Inland Empire Utilities Agency
Hank Stoy	Visitor
Dave Crosley	City of Chino
David DeJesus	Three Valleys Municipal Water District
Raul Garibay	City of Pomona
Gary Meyerhofer	Carollo Engineers
Gerald Thibeault	Regional Water Quality Control Board
John Rossi	Western Municipal Water District
Tom Crowley	Western Municipal Water District
Jack Safely	Western Municipal Water District
Eldon Horst	Jurupa Community Services District
Ron Craig	RBF Consulting/Chino Hills
Bob Lemons	RBF Consulting/Chino Hills
Pat Shields	Inland Empire Utilities Agency
Eunice Ulloa	Chino Basin Water Conservation District
Martha Davis	Inland Empire Utilities Agency

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

PLEDGE OF ALLEGIANCE**AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to the agenda.

I. CONSENT CALENDAR**A. MINUTES**

1. Minutes of the Watermaster Board Meeting held June 26, 2008

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C. INTERVENTION

1. Consider Approval for Intervention into the Agricultural Pool – Michael Y. Park

D. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – Cucamonga Valley Water District has agreed to lease 4,500 acre-feet of water from the City of Pomona. This lease is to be taken first from the FY 2007/08 allocation from the City of Pomona's net underproduction, if any, with any remainder from Pomona's local storage account. Date of Application: May 9, 2008
2. **Consider Approval for Notice of Sale or Transfer** – Cucamonga Valley Water District (CVWD) has agreed to the transfer of 8,530.000 acre-feet of water from San Antonio Water Company (SAWCO). This transfer is made from SAWCO's annual production right. Date of Application: May 30, 2008
3. **Consider Approval for Notice of Sale or Transfer** – Attachment G of the Chino Basin Watermaster Peace II documents allows for a one-time special water transfer of 8,530.000 acre-feet from Vulcan Materials to San Antonio Water Company (SAWCO). SAWCO is purchasing the transferring 8,530.000 acre-feet of Vulcan Material's water in storage. Date of Application: May 30, 2008

Motion by Field, second by Catlin, and by unanimous vote

Moved to approve consent calendar items A through D, as presented

II. BUSINESS ITEMS**A. O&M AGREEMENT**

Mr. Manning stated this item is an amendment to the Operation and Maintenance Agreement which is a four party agreement. This agreement is formalizing the language which was in the Peace II Agreement whereby Inland Empire Utilities Agency would be contributing to the O&M budget based on a percentage of recycled water recharge into the basins. There are a set of documents that discusses O&M and how it is dealt with and those documents will be used as the basis for separating out the other costs as a percentage as well. Staff is in approval of this agreement and is asking for an approval at this meeting. A meeting with Mr. Atwater regarding application of the O&M amendment will take place next week. A discussion regarding the pro-rata share for recycled water costs ensued. Mr. Manning stated staff will take the spreadsheet used for O&M costs, then the percentage for the total overall that it represents will be calculated, and then that will translate into a cost so that IEUA is paying its proportionate share of the overall cost. Mr. Manning noted that cost breakdown be different than basin by basin; it will be aggregated amongst all of them. A discussion regarding surplus funds ensued. Mr. Manning stated Ms. Rojo will get together with the financial staff at IEUA to figure those costs out. Ms. Rojo stated the understanding if there is a surplus budgeted one year and that amount is not fully utilized it will then be offset the next year. Mr. Manning and Mr. Atwater agreed with the

analogy Ms. Rojo gave on the surplus. Mr. Manning stated a letter regarding surplus will need to be drafted and sent out so that parties in future years will interpret what has been established correctly.

Mr. Vanden Heuvel inquired about the outstanding accounting issue with IEUA. Mr. Manning noted that is a separate issue from this item; however, a committee comprised of two CBWM board members and two IEUA board members held meetings on that issue. From those meetings it was decided to have an audit performed and the results delivered to the committee, which will be discussed by them and an update will be given back to the Watermaster parties.

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

Moved to approve the adoption of the first amendment to Attachment 2 to the agreement for operation and maintenance of facilities to implement the Chino Basin Recharge Master Plan to conform with the agreement to the Peace II agreement section 8.1(a), as presented

B. HYDRAULIC CONTROL PROGRESS REPORT

Mr. Manning noted this item will be a three part presentation first; a background on this item will be given by me, Mr. Meyerhofer will give a presentation on the Chino Desalters, and finally, Counsel Slater will address the legal aspects of this item in relation to Peace II. Mr. Thibeault is also available to offer comment and/or answer questions. Mr. Manning stated as part of the Peace II adoption the court asked as condition subsequent no. 6 that clarification be made with the Regional Water Quality Control Board on what it is that the RWQCB use as the definition of the creation of Hydraulic Control. This question was presented to the RWQCB and CBWM asked that their reply be made in the form of a letter; that letter was received by Watermaster. In that letter, a request was made by the RWQCB asking for updated schedules and a request to the court that the RWQCB become more involved and active in the processes. A revised schedule was presented to the RWQCB and the revised schedule was reviewed in detail by Mr. Manning. Mr. Manning noted with the changes made on the revised schedule, a one year loss of time is anticipated and the RWQCB was not satisfied with this one year loss. A hearing was scheduled for September 5, 2008 for IEUA and CBWM to go to the RWQCB and explain the change in schedule and other difficulties with this project in greater detail. Mr. Manning referenced a letter from Western Municipal Water District regarding their inclusion into the CDA was received recently. In that letter from WMWD it was stated that if the inclusion of WMWD into the CDA did not take place, WMWD is prepared to move on their own with the expansion of the desalters. The desalter expansion issue is being dealt with also by the City of Chino and the City of Chino Hills and a list of items that need to be addressed has been received by Watermaster; a meeting regarding this matter is going to be held later this week.

Mr. Meyerhofer gave the Chino Desalter Phase 3 Project presentation. Mr. Meyerhofer reviewed the nine benefits for the desalter expansion in detail. A discussion ensued with regard to Mr. Meyerhofer's presentation.

Counsel Slater stated he is going to describe the penalties if this project fails to proceed and noted this is no trivial matter. The entire Peace II process was predicated on the assumption that we are moving forward on the management strategy which is Hydraulic Control. On that basis, the court authorized a withdrawal of 400,000 acre-feet from the basin in excess of what the Operating Safe Yield is and the court further added a reporting schedule to continue to appraise the court on the progress. If the parties were to fall off schedule they could lose Max Benefit and there is the prospect that the availability of the 400,000 acre-feet which is presently being used to offset existing desalter production would be jeopardized. There is a relationship to existing water in storage and losses at hand. There is a potential litigation issue with Orange County Water District associated with the loss of Max Benefit. Lastly, there are serious creditability issues with the court if we move off schedule. There is a meeting scheduled next week and there is high anticipation that any outstanding issues will be resolved.

A discussion regarding Counsel Slater's noted penalties and issues with WMWD joining the CDA ensued.

Mr. Thibeault commented on the two airport plumes. Mr. Thibeault noted a new order was issued to the county because the first one was not clear enough for the county to proceed on clean up.

A discussion regarding Hydraulic Control, potential penalties, and grants associated with this item ensued. A discussion regarding a possible conference call to discuss the progress on the CDA issue ensued. It was decided a conference call will be held on August 8, 2008.

No motion was made regarding this item; it was presented as information only

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. August 21 Hearing

Counsel Slater stated there are a variety of items that will be heard at this upcoming hearing. This hearing has been rescheduled a couple times due to various reasons from the court. The majority of the items being presented are routine, however, there is another element that could be much different regarding the Monte Vista Water District's issues with potential effects of decline in Operating Safe Yield over a number of years. The court has been made aware of the status of the Max Benefit and the Hydraulic Control issues and staff and counsel are hopeful that a resolution to that issue will be reported to the court at that August 21, hearing. There was a filing made by Cucamonga Valley Water District regarding the status of the special referee and joinders have been filed in support of CVWD's filing. Watermaster staff and counsel view this issue as a subject which involves governance and court process; consequently counsel is providing no recommendation and is waiting direction from the board on how to proceed. A lengthy discussion regarding the special referee issue ensued.

*Motion by Vanden Heuvel, second by Catlin, and by majority vote, Mr. Curatalo abstained
Moved to have Watermaster staff and/or legal counsel take no action or position, until further direction from the Watermaster Board, regarding the special referee removal or modified direction, as presented*

2. SWRCB Permit

Counsel Slater stated there is a draft order which has been published by the State Water Resource Control Board proposing to grant Watermaster's application for a 68,000 acre-foot entitlement in the form of a permit.

B. CEO/STAFF REPORT

1. Legislative Update

Mr. Manning stated there is no budget yet and that is the main focus for all parties involved. Mr. Manning noted starting on page 143 of the meeting packet is the legislative update from IEUA which provides more detailed information on bills and legislative information.

2. Recharge Update

Mr. Manning stated the updated recharge update spreadsheet is provided as a handout on the back table.

3. August Meetings

Mr. Manning stated the three Pools and Advisory Committee agreed that Watermaster can go dark in the month of August for their meetings. A notice of cancellation will be sent out if the Board members decide a meeting is not necessary.

- 4. Appropriative Pool Committee Regarding Analysis of Residual Agricultural Pumping
 Mr. Manning stated Monte Vista Water District had some issues related to the analysis of residual agricultural pumping as it relates to the loss of safe yield and had Watermaster staff put together, as part of the stipulation, some information. That was done and the Appropriative Pool asked that a sub-committee be established to review this issue to see if there could be resolution before the August 21st court hearing. The first meeting of that committee which is made up of sub-committee members Robert Tock, Ken Jeske, Anthony La, Dave Crosley, Raul Garibay, and Mark Kinsey, is to be held on August 6, 2008 from 1:00 p.m. to 4:00 p.m.

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

A discussion regarding the CDA ensued. It was decided a conference call regarding the CDA issues will be held on August 8, 2008 at 10:00 a.m. A notice regarding this call will be sent out by Watermaster staff prior to the call.

VII. FUTURE MEETINGS

September 11, 2008	10:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
September 16, 2008	9:00 a.m.	Agricultural Pool Meeting @ IEUA
September 25, 2008	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
September 25, 2008	9:00 a.m.	Advisory Committee Meeting
September 25, 2008	11:00 a.m.	Watermaster Board Meeting

The Watermaster Board meeting was dismissed by Chair Willis at 12:05 p.m.

Secretary: _____

Minutes Approved: _____

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CHINO BASIN WATERMASTER
WATERMASTER BOARD CONFERENCE CALL
August 8, 2008

The Watermaster Board Conference Call was held on August 8, 2008 at 10:00 a.m.

WATERMASTER BOARD MEMBERS ON CALL

Ken Willis, Chair	City of Upland
David DeJesus	Three Valleys Municipal Water District
Jim Bowman	City of Ontario
Charles Field	Western Municipal Water District
Terry Catlin	Inland Empire Utilities Agency
Bob Bowcock	Vulcan Materials Company
Paul Hofer	Agricultural Pool
Geoffrey Vanden Heuvel	Agricultural Pool

Watermaster Staff

Kenneth R. Manning	Chief Executive Officer
Sheri Rojo	CFO/Asst. General Manager
Ben Pak	Senior Project Engineer
Sherri Lynne Molino	Recording Secretary

Watermaster Consultants

Scott Slater	Brownstein, Hyatt, Farber & Schreck
Mark Wildermuth	Wildermuth Environmental Inc.

Others

John Rossi	Western Municipal Water District
Jack Safely	Western Municipal Water District
Ken Jeske	City of Ontario
Raul Garibay	City of Pomona
Mark Kinsey	Monte Vista Water District
Gerald Thibeault	Regional Water Quality Control Board

The Watermaster Board Conference Call was called to order by Chair Willis at 10:04 a.m.

AGENDA - ADDITIONS/REORDER

There were no additions or reorders made to the agenda.

I. BUSINESS ITEMS

A. DESALTER EXPANSION PROGRESS

Mr. Manning stated he is going to turn the meeting over to Counsel Slater who attended the CDA board meeting last night and to review what will be transpiring over the next 30-45 days. Mr. Manning stated he wanted to state for all parties involved in this process that all parties have had very important issues that needed to be resolved as part of these discussions and that Watermaster getting involved has helped resolve those issues. A lot has been accomplished over the last few weeks and Mr. Manning thanked the City of Chino, City of Chino Hills, City of Ontario, Western Municipal Water District, Jurupa Community Services District, and all the agencies involved in these discussions. Mr. Manning notes all did an outstanding job on finding commonality on how these issues could be dealt with effectively. Counsel Slater referenced a report from Watermaster which included a proposed framework for resolution of desalter issues. Counsel Slater noted the concern expressed at the last Advisory Committee and Watermaster Board meetings regarding the status of the desalter expansion because of a letter received from

the Regional Board regarding its progress. Western Municipal Water District also expressed concern regarding a loss of a grant which would occur this year in the event this endeavor did not proceed. Watermaster Board members directed staff and counsel to meet with the sponsor group and the CDA parties to work through the various issues that were causing the delay. Time was spent in meetings with all the related parties collectively and individually to frame a potential resolution along with a list of measures to be linked to the WMWD inclusion into the CDA. Counsel Slater stated last night a Term Sheet along with a staff recommendation was presented to the CDA Board and that Board conceptually approved WMWD admission into the CDA and directed documents to be prepared in accordance with that direction for subsequent distribution. Counsel Slater thanked the parties for their good faith efforts in working through the issues. Counsel Slater stated staff and counsel have a recommendation on a substitutive term which is important to Watermaster specifically; one of the issues that was identified by the parties that was a barrier to closing was the need and desire to manage the variable of water quality that was going to be produced through the desalter facilities. There will be added costs, both capital and O&M related to treating VOC contamination related to two plumes; these increased costs are going to be born ultimately by the CDA and the sponsor group. It was noted at the recent meetings the benefit of Hydraulic Control and the burden associated with pursuing litigation against third parties was not being fairly distributed. Counsel Slater stated Watermaster staff and counsel agreed that Watermaster would recommend to the Watermaster Board that the Watermaster Board agree that the lead role in pursuing the PRP's whether that be in an administrative or judicial form which should be borne by the Watermaster family. After a decision was made by the Watermaster Board today then the final package would be brought back at the regularly scheduled Watermaster meeting in September. Staff and counsel have discussed this and are recommending that this is the appropriate stance to take and the CDA and sponsor group is expecting this action. The proposed action is to embrace what the parties have done and to accept the recommendation of staff which would be to conceptually approve Watermaster assuming the lead role in prosecuting both settlement and litigation against the responsible parties for the VOC contaminations. A discussion regarding scope and cost ensued. It was noted all costs incurred by the CDA parties and Watermaster in the clean up are going to be pursued including attorney fees as a measure of recovery. Mr. Manning offered comment regarding separating the Ontario Airport plume and the Chino Airport Plume with regard to the potential parties involved including costs. A discussion regarding costs to the potential parties ensued. Counsel Slater noted Watermaster will be coordinating its activities with the CDA throughout this process meaning a joint prosecution agreement along with the CDA to ensure maximum coordination and effort. A discussion on what type of contaminants are in the plumes or could be in the plumes eventually including well locations and expansion of the CDA ensued. A discussion regarding litigation ensued. Mr. Rossi noted this is one step in a series of steps that will need to take place to continue the CDA expanded and the production expanded; a series of additional agreements will also need to be worked out. Chair Willis asked that each Board member on the conference call be so noted for an accurate vote count; it was noted a quorum was present to call for the vote.

Motion by Bowcock, second by Bowman, and by unanimous vote

Moved to approve endorsement of the frame work and support Western Municipal Water District's admission to the CDA group on terms consistent therewith and agree to conceptually agree to assume the lead role in redressing contamination associated with the two VOC plumes, as presented

Ms. Molino at the request of legal counsel called a roll call for verification on the vote.

Ken Willis	Yes	Charles Field	Yes
David DeJesus	Yes	Paul Hofer	Yes
Jim Curatalo or alternate	not present	Geoffrey Vanden Heuvel	Yes
Bob Bowcock	Yes	Terry Catlin	Yes
Jim Bowman	Yes		

Mr. Thibeault inquired if parties outside the Chino Basin Watermaster family were asked to comment. Chair Willis stated the motion has already been taken and asked if Mr. Thibeault wanted to comment. Mr. Thibeault stated he no longer wanted to offer comment. Mr. Vanden Heuvel stated he wants to hear expressly what Mr. Thibeault has to say and asked staff and or counsel to contact him after the conference call to receive his comments. Mr. Manning stated he would contact Mr. Thibeault directly and report back to the Board Members via an email.

II. FUTURE MEETINGS

August 21, 2008	11:00 a.m.	Watermaster Board Meeting (PENDING)
September 11, 2008	10:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
September 16, 2008	9:00 a.m.	Agricultural Pool Meeting @ IEUA
September 25, 2008	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
September 25, 2008	9:00 a.m.	Advisory Committee Meeting
September 25, 2008	11:00 a.m.	Watermaster Board Meeting

The Watermaster Board meeting was dismissed by Chair Willis at 10:30 a.m.

Secretary: _____

Minutes Approved: _____

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CHINO BASIN WATERMASTER
WATERMASTER BOARD CONFERENCE CALLS
August 13th and 14th, 2008

The Watermaster Board Conference Call was held on August 13, 2008 at 4:00 p.m.

WATERMASTER BOARD MEMBERS ON CALL

Ken Willis, Chair	City of Upland
Bob Kuhn	Three Valleys Municipal Water District
Kathy, Tiegs	Cucamonga Valley Water District
Jim Bowman	City of Ontario
Charles Field	Western Municipal Water District
Terry Catlin	Inland Empire Utilities Agency
Bob Bowcock	Vulcan Materials Company
Paul Hofer	Agricultural Pool

Watermaster Staff

Kenneth R. Manning	Chief Executive Officer
Sheri Rojo	CFO/Asst. General Manager
Sherri Lynne Molino	Recording Secretary

Watermaster Consultants

Scott Slater	Brownstein, Hyatt, Farber & Schreck
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Others

Art Kidman	McCormick, Kidman & Behrens
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Roll call was taken by Sherri Lynne Molino, recording secretary.

The Watermaster Board Conference Call was called to order by Chair Willis at 4:01 p.m.

I. BUSINESS ITEM

A. PROPOSED ORDER STAYING CONTESTED MATTERS AND JUDICIAL DETERMINATIONS ON WATERMASTER FILINGS

Counsel Slater stated the reason for this special conference call is that in between the last regularly scheduled Watermaster Board meeting in which the resolution of issues regarding the Western expansion was discussed issues have arisen. An early indication was received by staff and counsel that Judge Gunn's courtroom was no longer going to receive filings and that further filings would be directed to Judge Keith Davis. An attempt to find out if this was a temporary or permanent assignment and if there was any further information on Judge Gunn's return was investigated in order to provide the Watermaster Board as much information so that in return counsel and staff could receive direction on how to proceed. Counsel Slater stated on Tuesday his office received word that Monte Vista Water District, the City of Chino Hills, and the City of Chino had joined together to file an ex parte request to seek a Stay in the pending Watermaster proceedings related to the Cucamonga Valley Water District motion and other contested Watermaster items, pending a resolution as to whether there had been an assignment for all purposes and/or Judge Gunn returned. During review of the paperwork both staff and counsel felt what was being stated by the parties made sense in requesting a Stay until permanent assignment or an understanding of Judge Gunn's circumstance. Counsel reviewed the papers, communicated with counsel for the moving parties, and an agreement on a proposed order was formulated and was distributed today. Counsel and staff are prepared to recommend the proposed order to the Watermaster Board in hopes we will seek an authorization to add the proposed order to be filed. This will indicate to the court that Watermaster has joined with the parties in the requested relief which is to Stay the proceedings for a period of 60 days or until a

judge is assigned for all purposes. There are a couple nuances that were included in the order to ensure routine business was not interrupted and that there were some interventions that needed court approval to move forward on. An ex parte hearing is scheduled for August 14, 2008 at 8:30 a.m. in front of Judge Davis. A request has been filed by three parties asking for a Stay and Watermaster counsel along with the counsel for the moving parties has reached an agreement on a proposed order to be submitted. Counsel Slater stated he has been informed that the City of Ontario, Cucamonga Valley Water District, and the Conservation District are in support of the proposed order. Counsel is unaware of any opposition and is looking for authorization to proceed with the filing of the order and the instruction to participate in the discussion tomorrow requesting a Stay. Counsel Slater stated this afternoon a letter was received by mail from the court clerk indicating an assignment has been made to Judge Davis; it is unclear if the assignment has been made for all purposes for 60 days or for short term until Judge Gunn returns, or on a permanent basis. Therefore counsel does not see any reason not to move forward with the proposal. The first part of the request is to seek the authorization to submit the proposed order along with a no further relief that Watermaster is intending to seek in the event the court has been assigned to Judge Davis for all purposes. In that event, counsel has been notified that parties may seek to move for a continuance. If a continuance was granted for a short duration, Watermaster would have no opposition to that request. At the conclusion of the hearing tomorrow the board members will be communicated with via a memo and notice of a possible special conference call scheduled to receive further direction. A discussion regarding Counsel Slater's statements and/or requests ensued.

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

Moved to adopt the motion as presented by Counsel Slater to file the proposed order, as presented

Mr. Manning stated a tentative date and time for another conference call needs to be scheduled for tomorrow in the event decisions need to be made. A discussion regarding the call ensued. It was decided today's conference call will be adjourned tentatively to August 14th at 4:30 p.m. and Mr. Manning will send out a brief summary of the happenings at court along with the notice if the conference call is needed at 4:30 p.m. An inquiry regarding discussions with the Special Referee was presented and Counsel Slater stated he has been in contact with Anne and communications are still taking place with her.

The Watermaster Board Conference Call was adjourned to August 14, 2008 at 4:30 p.m. by Chair Willis at 4:30 p.m.

The Watermaster Board Conference Call which was adjourned on August 13, 2008 was reconvened on August 14, 2008 at 4:30 p.m.

WATERMASTER BOARD MEMBERS ON CALL

Ken Willis, Chair	City of Upland
David DeJesus	Three Valleys Municipal Water District
Kathy, Tiegs	Cucamonga Valley Water District
Jim Bowman	City of Ontario
Charles Field	Western Municipal Water District
Terry Catlin	Inland Empire Utilities Agency
Bob Bowcock	Vulcan Materials Company
Paul Hofer	Agricultural Pool
Geoffrey Vanden Heuvel	Agricultural Pool

Watermaster Staff

Kenneth R. Manning	Chief Executive Officer
Sheri Rojo	CFO/Asst. General Manager
Sherri Lynne Molino	Recording Secretary

Watermaster Consultants

Scott Slater

Brownstein, Hyatt, Farber & Schreck

Others

Mark Kinsey

Monte Vista Water District

Mark Hensley

Burke, Williams & Sorensen

Roll call was taken by Sherri Lynne Molino, recording secretary.

The Watermaster Board Conference Call which was adjourned on August 13, 2008 was called to order by Chair Willis on August 14, 2008 at 4:30 p.m.

I. BUSINESS ITEM CONTINUED**A. WATERMASTER RESPONSE TO SPECIAL REFEREE'S JULY 29, 2008, AND JULY 31, 2008 REPORT, AND THE JOINT OPPOSITION TO CVWD'S MOTION FOR DISCONTINUANCE OF THE SPECIAL REFEREE**

Counsel Slater noted a transmittal was sent out today regarding a brief summary of what transpired at the court hearing this morning. Counsel Slater stated at that hearing a 170.6 which is called a Preemptory Challenge was filed and consequently Judge Davis was unable to hear any of the substantive matters that had been assigned to him by the court clerk. Regardless whether he was an assigned Judge for all purposes or a temporary Judge, he was disqualified and as a consequence we were informed by Judge Davis's clerk that the matter had been sent to a supervising civil court judge, Judge Plotkin, and that a hearing would be scheduled for tomorrow morning at 8:30 a.m. Counsel Slater noted that counsel has received some information that Judge Plotkin may not be acceptable to one or more parties and their intention is not yet known. Counsel Slater stated there is no further information to report on regarding this matter.

Counsel Slater stated in response to some of the filings that were made in the context of the Special Referee matter, counsel was requested to prepare a summary of factual clarifications. Counsel and staff is aware that the Watermaster Board has already instructed counsel not to get involved in the issues related to Cucamonga Valley Water District's motion for discontinuance of the Special Referee. Counsel Slater stated in an effort to not take a position as directed, but to clarify factual inaccuracies, counsel has prepared a pleading which purports to make those factual inaccuracies stated and to further make the point when the Board's position in relation to CEQA was made clear, that we are not an entity to perform CEQA and that Watermaster defers to Western Municipal Water District and Inland Empire Utilities Agency in the preparation of their CEQA documentation. This was an issue raised in the Special Referee's report in her reviewing of Watermaster's most recent filings. Counsel Slater stated an abbreviated pleading which is being presented to file with the court corrects the record with regard to clarified facts and response to the Special Referee's views with regard to the CEQA process. Counsel Slater stated this pleading has not been filed; this was an effort to carry out the intention expressed yesterday and to put it before this board for comments and/or direction. Counsel Slater stated if this pleading is to be filed it will not be filed until a judge has been appointed. Mr. Vanden Heuvel thanked the parties, staff, and counsel with regard to the unified decision on the Stay; however, noted his concern regarding the pleading concerning clarifying the facts. A discussion regarding the proposed pleading and Mr. Vanden Heuvel's comments ensued. Mr. Kinsey offered comment on Mr. Manning's declaration in the section regarding governance. A discussion regarding Mr. Kinsey's comments and the reason for the clarification of facts ensued. Counsel Slater stated this pleading has not been filed, it has been prepared for the Board's consideration and noted the pleading attempted to stick to the facts as they were known and is consistent with what is stated in the distributed documents. Counsel Slater stated it is possible to have varying views about the facts and it is at the Board's discretion to decide what steps to take next. Mr. Bowcock stated he did ask for clarification, however, agrees that Watermaster must maintain itself out of this situation, and inasmuch as we don't have a judge yet it is

important to weigh in and make sure the record is always correct but there is not an urgency at the present time to clarify the record. Mr. Bowcock noted it is important that the Watermaster Board be kept apprised of all the facts since not all board members attend each sub-committee meeting that takes place. Counsel Slater stated the primary issue is to get a judge assigned for all purposes. The proposed pleading can be digested and evaluated as board members and at the time there is a hearing the pleading can be revisited as to whether you want counsel to make orally the points that are contained within the pleading. Chair Willis stated it appears we need to take a watch position at the moment and there is a regular scheduled meeting in September in which these matters can be ajenized and discussed at that meeting.

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

Moved to take no action to file the proposed pleading and to ajenize a discussion regarding this matter at the next scheduled September Watermaster Board meeting, as presented

The Watermaster Board Conference Call was dismissed by Chair Willis at 4:55 p.m.

Secretary: _____

Minutes Approved: _____



CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of July 2008
2. Watermaster Visa Check Detail
3. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2007 through June 30, 2008
4. Treasurer's Report of Financial Affairs for the Period June 1, 2008 through June 30, 2008
5. Profit & Loss Budget vs. Actual July 2007 through June 2008
6. Cash Disbursements for the month of August 2008
7. Watermaster Visa Check Detail
8. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2007 through July 31, 2008
9. Treasurer's Report of Financial Affairs for the Period July 1, 2008 through July 31, 2008
10. Profit & Loss Budget vs. Actual July 2007 through July 2008





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: September 10, 2008
September 16, 2008
September 25, 2008

TO: Committee Members
Watermaster Board Members

SUBJECT: Cash Disbursement Report

SUMMARY

Issue – Record of cash disbursements for the month of July 2008.

Recommendation – Staff recommends the Cash Disbursements for July 2008 be received and filed as presented.

Fiscal Impact – Funds disbursed were included in the FY 2008-09 Watermaster Budget.

BACKGROUND

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

DISCUSSION

Total cash disbursements during the month of July 2008 were \$458,613.57. The most significant expenditures during the month were the Wildermuth Environmental Inc. in the amount of \$107,554.58, Fontana Water Company in the amount of \$95,619.02, and Brownstein, Hyatt, Farber & Schreck in the amount of \$45,388.32.

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CHINO BASIN WATERMASTER
Cash Disbursement Detail Report
July 2008

Type	Date	Num	Name	Amount
Jul 08				
Bill Pmt -Check	7/1/2008	12451	VERIZON	-329.06
Bill Pmt -Check	7/1/2008	12452	LIATTI & ASSOCIATES	-15,498.00
Bill Pmt -Check	7/1/2008	12453	MATHIS & ASSOCIATES	-7,400.00
Bill Pmt -Check	7/1/2008	12454	MATHIS & ASSOCIATES	-9,550.00
Bill Pmt -Check	7/1/2008	12455	WILDERMUTH ENVIRONMENTAL INC	-107,554.58
Bill Pmt -Check	7/1/2008	12456	CREATIVE BENEFITS, INC.	-9,400.00
Bill Pmt -Check	7/1/2008	12457	CITISTREET	-2,595.66
Bill Pmt -Check	7/1/2008	12458	CITISTREET	-2,595.66
General Journal	7/12/2008	08/07/03	PAYROLL	-7,580.92
General Journal	7/12/2008	08/07/03	PAYROLL	-24,612.16
Check	7/17/2008	12459	SANTA ANA RIVER WATER COMPANY	-8,331.69
Check	7/17/2008	12460	MONTE VISTA IRRIGATION COMPANY	-16,898.44
Check	7/17/2008	12461	FONTANA WATER COMPANY	-95,619.02
Check	7/17/2008	12462	MOBILE COMMUNITY MGMT	-3,320.61
Bill Pmt -Check	7/17/2008	12463	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-4,963.41
Bill Pmt -Check	7/17/2008	12464	W.C. DISCOUNT MOBILE AUTO DETAILING	-75.00
Bill Pmt -Check	7/17/2008	12465	A & R TIRE	-227.38
Bill Pmt -Check	7/17/2008	12466	BANC OF AMERICA LEASING	-3,186.17
Bill Pmt -Check	7/17/2008	12467	BANK OF AMERICA	-1,340.86
Bill Pmt -Check	7/17/2008	12468	BOWCOCK, ROBERT	-125.00
Bill Pmt -Check	7/17/2008	12469	BOWMAN, JIM	-125.00
Bill Pmt -Check	7/17/2008	12470	BROWNSTEIN HYATT FARBER SCHRECK	-45,388.32
Bill Pmt -Check	7/17/2008	12471	CAROLLO ENGINEERS	-3,180.00
Bill Pmt -Check	7/17/2008	12472	COMPUTER NETWORK	-199.34
Bill Pmt -Check	7/17/2008	12473	DAN VASILE	-105.00
Bill Pmt -Check	7/17/2008	12474	DE BOOM, NATHAN	-375.00
Bill Pmt -Check	7/17/2008	12475	DURRINGTON, GLEN	-375.00
Bill Pmt -Check	7/17/2008	12476	FEENSTRA, BOB	-500.00
Bill Pmt -Check	7/17/2008	12477	FIRST AMERICAN REAL ESTATE SOLUTIONS	-125.00
Bill Pmt -Check	7/17/2008	12478	HETTINGA, PETER	-250.00
Bill Pmt -Check	7/17/2008	12479	HUIJSING, JOHN	-375.00
Bill Pmt -Check	7/17/2008	12480	IDEAL GRAPHICS	-591.55
Bill Pmt -Check	7/17/2008	12481	KONICA MINOLTA BUSINESS SOLUTIONS	-373.52
Bill Pmt -Check	7/17/2008	12482	KOOPMAN, GENE	-250.00
Bill Pmt -Check	7/17/2008	12483	KUHN, BOB	-125.00
Bill Pmt -Check	7/17/2008	12484	MATHIS & ASSOCIATES	-1,450.00
Bill Pmt -Check	7/17/2008	12485	MCI	-1,169.95
Bill Pmt -Check	7/17/2008	12486	NIGRO NIGRO & WHITE, PC	-4,616.25
Bill Pmt -Check	7/17/2008	12487	OFFICE DEPOT	-846.07
Bill Pmt -Check	7/17/2008	12488	PIERSON, JEFFREY	-1,125.00
Bill Pmt -Check	7/17/2008	12489	PREMIERE GLOBAL SERVICES	-109.46
Bill Pmt -Check	7/17/2008	12490	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-5,611.91
Bill Pmt -Check	7/17/2008	12491	PUMP CHECK	-7,457.00
Bill Pmt -Check	7/17/2008	12492	PURCHASE POWER	-22.08
Bill Pmt -Check	7/17/2008	12493	REID & HELLYER	-7,423.80
Bill Pmt -Check	7/17/2008	12494	RICOH BUSINESS SYSTEMS-Lease	-933.39
Bill Pmt -Check	7/17/2008	12495	SAFEGUARD DENTAL & VISION	-13.85
Bill Pmt -Check	7/17/2008	12496	SAFETY CLEAN JANITORIAL SERVICES	-590.00
Bill Pmt -Check	7/17/2008	12497	STAULA, MARY L	-136.61
Bill Pmt -Check	7/17/2008	12498	TELECOM SERVICES	-105.00
Bill Pmt -Check	7/17/2008	12499	TLC STAFFING	-296.00
Bill Pmt -Check	7/17/2008	12500	UNION 76	-200.79
Bill Pmt -Check	7/17/2008	12501	UNITED PARCEL SERVICE	-557.12
Bill Pmt -Check	7/17/2008	12502	VANDEN HEUVEL, GEOFFREY	-250.00
Bill Pmt -Check	7/17/2008	12503	VERIZON	-51.38
Bill Pmt -Check	7/17/2008	12504	VERIZON WIRELESS	-685.99
Bill Pmt -Check	7/17/2008	12505	W.C. DISCOUNT MOBILE AUTO DETAILING	-225.00
Bill Pmt -Check	7/17/2008	12506	WEST VALLEY ELECTRIC	-404.27
Bill Pmt -Check	7/17/2008	12507	WESTERN DENTAL SERVICES, INC.	-36.50
Bill Pmt -Check	7/17/2008	12508	YUKON DISPOSAL SERVICE	-142.88
General Journal	7/26/2008	08/07/05	PAYROLL	-9,066.41
General Journal	7/26/2008	08/07/05	PAYROLL	-27,328.41
Bill Pmt -Check	7/29/2008	12524	ACWA SERVICES CORPORATION	-176.26
Bill Pmt -Check	7/29/2008	12525	CITY OF RANCHO CUCAMONGA	-25.00
Bill Pmt -Check	7/29/2008	12526	DIRECTV	-76.98
Bill Pmt -Check	7/29/2008	12527	FRED PRYOR SEMINARS	-780.00
Bill Pmt -Check	7/29/2008	12528	INLAND EMPIRE UTILITIES AGENCY	-127.31
Bill Pmt -Check	7/29/2008	12529	MWH LABORATORIES	-156.00

CHINO BASIN WATERMASTER
Cash Disbursement Detail Report
July 2008

Type	Date	Num	Name	Amount
Bill Pmt -Check	7/29/2008	12530	OFFICE CHAIRS.COM	-349.00
Bill Pmt -Check	7/29/2008	12531	PITNEY BOWES CREDIT CORPORATION	-468.72
Bill Pmt -Check	7/29/2008	12532	PRE-PAID LEGAL SERVICES, INC.	-103.60
Bill Pmt -Check	7/29/2008	12533	TLC STAFFING	-488.00
Bill Pmt -Check	7/29/2008	12534	VISION SERVICE PLAN	-16.05
Bill Pmt -Check	7/29/2008	12509	APPLIED COMPUTER TECHNOLOGIES	-3,976.95
Bill Pmt -Check	7/29/2008	12510	ARROWHEAD MOUNTAIN SPRING WATER	-58.30
Bill Pmt -Check	7/29/2008	12511	BOWCOCK, ROBERT	-250.00
Bill Pmt -Check	7/29/2008	12512	BOWMAN, JIM	-250.00
Bill Pmt -Check	7/29/2008	12513	CALPERS	-2,735.55
Bill Pmt -Check	7/29/2008	12514	COMPUTER NETWORK	-482.10
Bill Pmt -Check	7/29/2008	12515	DICK LARSEN - TREASURER/TAX COLLECTOR	-1,341.07
Bill Pmt -Check	7/29/2008	12516	FEENSTRA, BOB	-250.00
Bill Pmt -Check	7/29/2008	12517	KONICA MINOLTA BUSINESS SOLUTIONS	-185.09
Bill Pmt -Check	7/29/2008	12518	R&D PEST SERVICES	-85.00
Bill Pmt -Check	7/29/2008	12519	STANDARD INSURANCE CO.	-555.01
Bill Pmt -Check	7/29/2008	12520	THE STANDARD INSURANCE COMPANY	-156.56
Bill Pmt -Check	7/29/2008	12521	TLC STAFFING	-480.00
Bill Pmt -Check	7/29/2008	12522	VERIZON	-51.67
Bill Pmt -Check	7/29/2008	12523	YUKON DISPOSAL SERVICE	-142.88
Jul 08				<u>-458,163.57</u>

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CHINO BASIN WATERMASTER
Check Detail
July 2008

Type	Num	Date	Name	Account	Paid Amount
Bill Pmt -Check	12467	7/17/2008	BANK OF AMER...	1012 · Bank of America Gen'l Ckg	
Bill	4024...	6/30/2008		6141.3 · Admin Meetings	-89.05
				6031.7 · Other Office Supplies	-261.03
				6312 · Meeting Expenses	-155.60
				6212 · Meeting Expense	-155.59
				6112 · Subscriptions/Publications	-223.31
				6111 · Membership Dues	-73.00
				6192 · Training & Seminars	-26.45
				6909.1 · OBMP Meetings	-57.58
				6191 · Conferences	-299.25
TOTAL					-1,340.86

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CHINO BASIN WATERMASTER
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL
 FOR THE
 PERIOD JULY 1, 2007 THROUGH JUNE 30, 2008

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL APPROPRIATE	POOL AGRICULTURAL	POOL NON-AGRIC.	GROUNDWATER REPLENISHMENT	GROUNDWATER SB222 FUNDS	EDUCATION FUNDS	GRAND TOTALS	BUDGET 2007-2008
Administrative Revenues										
Administrative Assessments			7,480,677		122,298				7,602,975	\$7,540,370
Interest Revenue			161,051	20,700	4,370		63		186,184	181,500
Mutual Agency Project Revenue		237,370							237,370	145,500
Grant Income										0
Miscellaneous Income			35,013		41				35,054	0
Total Revenues	-	237,370	7,676,741	20,700	126,709	-	63		8,061,583	7,867,370
Administrative & Project Expenditures										
Watermaster Administration	509,800								509,800	627,797
Watermaster Board-Advisory Committee	54,884								54,884	60,645
Pool Administration				137,820	6,561				164,661	162,333
Optimum Basin Mgmt Administration		2,462,439							2,462,439	2,852,337
OBMP Project Costs		4,022,898							4,022,898	4,153,883
Education Funds Use							375		375	375
Mutual Agency Project Costs		10,000							10,000	10,000
Total Administrative/OBMP Expenses	564,684	6,495,337		137,820	6,561		375		7,225,057	7,867,370
Net Administrative/OBMP Income	(564,684)	(6,257,967)							-	-
Allocate Net Admin Income To Pools	564,684		430,784	122,806	11,094				-	-
Allocate Net OBMP Income To Pools		6,257,967	4,774,055	1,360,969	122,943				-	-
Agricultural Expense Transfer			1,607,286	(1,607,286)					-	-
Total Expenses	6,832,405	14,309	14,309	140,598	(13,889)		375	(312)	7,225,057	7,867,370
Net Administrative Income	844,336	6,391	6,391	(13,889)					836,526	-
Other Income/(Expense)						3,402,393			3,402,393	0
Replenishment Water Assessments										0
MZ1 Supplemental Water Assessments										0
Water Purchases										0
Balance Adjustment			370,656		1,011	(371,667)				0
Groundwater Replenishment						(3,325,123)			(3,325,123)	0
Net Other Income			370,656		1,011	(294,397)			77,270	0
Net Transfers To/(From) Reserves			1,214,992	6,391	(12,878)	(294,397)		(312)	913,796	-
Working Capital, July 1, 2007			4,222,862	475,604	156,528	294,397	158,251	1,655	5,309,297	
Working Capital, End Of Period			5,437,854	481,995	143,650	-	158,251	1,343	6,223,093	
06/07 Assessable Production			130,826,204	37,295,410	3,369,080				171,490,694	
06/07 Production Percentages			76.288%	21.748%	1.965%				100.000%	

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CHINO BASIN WATERMASTER
 TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
 JUNE 1 THROUGH JUNE 30, 2008

DEPOSITORIES:			
Cash on Hand - Petty Cash		\$	500
Bank of America			
Governmental Checking-Demand Deposits		\$	152,465
Zero Balance Account - Payroll			152,465
Local Agency Investment Fund - Sacramento			5,993,631
TOTAL CASH IN BANKS AND ON HAND	6/30/2008	\$	6,146,596
TOTAL CASH IN BANKS AND ON HAND	5/31/2008		7,102,333
PERIOD INCREASE (DECREASE)		\$	(955,737)

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets:	Accounts Receivable	\$	(242,527)
	Assessments Receivable		79,461
	Prepaid Expenses, Deposits & Other Current Assets		13,524
(Decrease)/Increase in Liabilities	Accounts Payable	\$	360,663
	Accrued Payroll, Payroll Taxes & Other Current Liabilities		33,290
	Transfer to/(from) Reserves		(1,200,148)
PERIOD INCREASE (DECREASE)		\$	(955,737)

SUMMARY OF FINANCIAL TRANSACTIONS:

	Petty Cash	Gov't'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 5/31/2008	\$ 500	\$ 458,202	\$ -	\$ 6,643,631	\$ 7,102,333
Deposits	-	79,993	-	-	79,993
Transfers	-	589,049	60,951	(650,000)	-
Withdrawals/Checks	-	(974,779)	(60,951)	-	(1,035,730)
Balances as of 6/30/2008	\$ 500	\$ 152,465	\$ -	\$ 5,993,631	\$ 6,146,596
PERIOD INCREASE OR (DECREASE)	\$ -	\$ (305,737)	\$ -	\$ (650,000)	\$ (955,737)

**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
JUNE 1 THROUGH JUNE 30, 2008**

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
6/26/2008	Withdrawal	L.A.I.F.	\$ 650,000				
TOTAL INVESTMENT TRANSACTIONS			\$ 650,000				

* The earnings rate for L.A.I.F. is a daily variable rate; 3.11% was the effective yield rate at the Quarter ended June 30, 2008.

**INVESTMENT STATUS
June 30, 2008**

Financial Institution	Principal Amount	Number of Days	Interest Rate	Maturity Date
Local Agency Investment Fund	\$ 5,993,631			
TOTAL INVESTMENTS	\$ 5,993,631			

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
Budget vs. Actual
July 2007 through June 2008

	<u>Jul '07 - Jun 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4010 · Local Agency Subsidies	237,370	145,500	91,870	163.14%
4100 · Administrative Assessments				
4110 · Admin Asmnts-Approp Pool	7,480,676	7,423,878	56,798	100.77%
4120 · Admin Asmnts-Non-Agri Pool	122,298	116,492	5,806	104.98%
4700 · Non Operating Revenues	221,238	181,500	39,738	121.89%
Total Income	8,061,582	7,867,370	194,212	102.47%
Gross Profit	8,061,582	7,867,370	194,212	102.47%
Expense				
6010 · Salary Costs	486,402	477,247	9,155	101.92%
6020 · Office Building Expense	91,237	101,580	-10,343	89.82%
6030 · Office Supplies & Equip.	36,517	46,500	-9,983	78.53%
6040 · Postage & Printing Costs	89,126	83,000	6,126	107.38%
6050 · Information Services	139,480	132,000	7,480	105.67%
6060 · Contract Services	95,138	117,500	-22,362	80.97%
6080 · Insurance	15,414	18,210	-2,796	84.65%
6110 · Dues and Subscriptions	17,472	16,750	722	104.31%
6140 · WM Admin Expenses	2,576	4,650	-2,074	55.39%
6150 · Field Supplies	554	2,500	-1,946	22.16%
6170 · Travel & Transportation	18,443	25,000	-6,557	73.77%
6190 · Conferences & Seminars	24,172	22,500	1,672	107.43%
6200 · Advisory Comm - WM Board	17,065	18,931	-1,866	90.15%
6300 · Watermaster Board Expenses	37,819	41,714	-3,895	90.66%
8300 · Appr PI-WM & Pool Admin	20,280	24,001	-3,721	84.5%
8400 · Agri Pool-WM & Pool Admin	25,808	24,004	1,804	107.52%
8467 · Ag Legal & Technical Services	97,703	95,000	2,703	102.85%
8470 · Ag Meeting Attend -Special	14,309	12,000	2,309	119.24%
8500 · Non-Ag PI-WM & Pool Admin	6,561	7,328	-768	89.53%
6500 · Education Funds Use Expens	375	375	0	100.0%
9500 · Allocated G&A Expenditures	-506,732	-419,640	-87,092	120.75%
	729,720	851,150	-121,430	85.73%
6900 · Optimum Basin Mgmt Plan	2,285,083	2,711,138	-426,055	84.29%
6950 · Mutual Agency Projects	10,000	10,000	0	100.0%
9501 · G&A Expenses Allocated-OBMP	177,356	141,199	36,157	125.61%
	2,472,439	2,862,337	-389,898	86.38%
7101 · Production Monitoring	104,920	101,709	3,211	103.16%
7102 · In-line Meter Installation	24,844	17,791	7,053	139.65%
7103 · Grdwtr Quality Monitoring	98,466	117,104	-18,638	84.08%
7104 · Gdwtr Level Monitoring	189,377	182,667	6,710	103.67%

CHINO BASIN WATERMASTER
 Budget vs. Actual
 July 2007 through June 2008

	<u>Jul '07 - Jun 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
7105 · Sur Wtr Qual Monitoring	13,527	15,553	-2,026	86.98%
7107 · Ground Level Monitoring	275,165	270,465	4,700	101.74%
7108 · Hydraulic Control Monitoring	193,337	199,232	-5,895	97.04%
7109 · Recharge & Well Monitoring Prog	33,157	102,827	-69,670	32.25%
7200 · PE2- Comp Recharge Pgm	918,727	945,827	-27,100	97.14%
7300 · PE3&5-Water Supply/Desalte	131,340	159,509	-28,169	82.34%
7400 · PE4- Mgmt Plan	147,404	159,674	-12,270	92.32%
7500 · PE6&7-CoopEfforts/SaltMgmt	111,259	138,533	-27,274	80.31%
7600 · PE8&9-StorageMgmt/Conj Use	90,116	82,660	7,456	109.02%
7690 · Recharge Improvement Debt Pymt	1,368,373	1,377,552	-9,179	99.33%
7700 · Inactive Well Protection Prgm	295	4,339	-4,044	6.8%
9502 · G&A Expenses Allocated-Projects	322,589	278,441	44,148	115.86%
	<u>4,022,897</u>	<u>4,153,883</u>	<u>-130,986</u>	<u>96.85%</u>
Total Expense	<u>7,225,057</u>	<u>7,867,370</u>	<u>-642,313</u>	<u>91.84%</u>
Net Ordinary Income	836,525	0	836,525	100.0%
Other Income/Expense				
Other Income				
4210 · Approp Pool-Replenishment	3,393,137			
4220 · Non-Ag Pool-Replenishment	9,256			
Total Other Income	<u>3,402,393</u>			
Other Expense				
5010 · Groundwater Replenishment	3,325,123			
9999 · To/(From) Reserves	913,796			
Total Other Expense	<u>4,238,919</u>			
Net Other Income	<u>-836,525</u>			
Net Income				



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: September 10, 2008
September 16, 2008
September 25, 2008

TO: Committee Members
Watermaster Board Members

SUBJECT: Cash Disbursement Report

SUMMARY

Issue – Record of cash disbursements for the month of August 2008.

Recommendation – Staff recommends the Cash Disbursements for August 2008 be received and filed as presented.

Fiscal Impact – Funds disbursed were included in the FY 2008-09 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 August 2008 were \$1,019,447.60. The most significant expenditures during the month were the Wildermuth Environmental Inc. in the amount of \$332,844.17, Santa Ana River Water Company in the amount of \$258,000.00, Inland Empire Utilities Agency in the amount of \$159,441.73, and Brownstein, Hyatt, Farber & Schreck in the amount of \$74,893.07.

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CHINO BASIN WATERMASTER
Cash Disbursement Detail Report
August 2008

Type	Date	Num	Name	Amount
Aug 08				
Bill Pmt -Check	8/4/2008	12535	WILDERMUTH ENVIRONMENTAL INC	0.00
Bill Pmt -Check	8/4/2008	12536	WILDERMUTH ENVIRONMENTAL INC	-174,108.41
Bill Pmt -Check	8/6/2008	12537	APPLIED COMPUTER TECHNOLOGIES	-3,071.30
Bill Pmt -Check	8/6/2008	12538	AUTOMATED GATE SERVICES, INC.	-119.00
Bill Pmt -Check	8/6/2008	12539	BOWCOCK, ROBERT	-125.00
Bill Pmt -Check	8/6/2008	12540	BOWMAN, JIM	-125.00
Bill Pmt -Check	8/6/2008	12541	CALPERS	-800.00
Bill Pmt -Check	8/6/2008	12542	COMPUTER NETWORK	-392.21
Bill Pmt -Check	8/6/2008	12543	HSBC BUSINESS SOLUTIONS	-284.40
Bill Pmt -Check	8/6/2008	12544	INLAND EMPIRE UTILITIES AGENCY	-159,441.73
Bill Pmt -Check	8/6/2008	12545	JAMES JOHNSTON	-855.00
Bill Pmt -Check	8/6/2008	12546	KUHN, BOB	-250.00
Bill Pmt -Check	8/6/2008	12547	LIATTI & ASSOCIATES	-208.00
Bill Pmt -Check	8/6/2008	12548	OFFICE DEPOT	-1,096.77
Bill Pmt -Check	8/6/2008	12549	PARK PLACE COMPUTER SOLUTIONS, I...	-5,175.00
Bill Pmt -Check	8/6/2008	12550	PAYCHEX	-341.49
Bill Pmt -Check	8/6/2008	12551	PIERSON, JEFFREY	-125.00
Bill Pmt -Check	8/6/2008	12552	PRINTING RESOURCES	-639.65
Bill Pmt -Check	8/6/2008	12553	PURCHASE POWER	-35.14
Bill Pmt -Check	8/6/2008	12554	REID & HELLYER	-7,233.10
Bill Pmt -Check	8/6/2008	12555	SAFETY CLEAN JANITORIAL SERVICES	-712.95
Bill Pmt -Check	8/6/2008	12556	TLC STAFFING	-512.00
Bill Pmt -Check	8/6/2008	12557	UNITED PARCEL SERVICE	-364.26
Bill Pmt -Check	8/6/2008	12558	VANDEN HEUVEL, GEOFFREY	-125.00
Bill Pmt -Check	8/6/2008	12559	VERIZON	-374.29
Bill Pmt -Check	8/6/2008	12560	WILLIS, KENNETH	-250.00
Bill Pmt -Check	8/6/2008	12561	INLAND EMPIRE UTILITIES AGENCY	0.00
Bill Pmt -Check	8/7/2008	12562	SANTA ANA WATERSHED PROJECT AU...	-13,474.00
General Journal	8/9/2008	08/08/04	PAYROLL	-7,545.12
General Journal	8/9/2008	08/08/04	PAYROLL	-26,654.56
Bill Pmt -Check	8/11/2008	12564	COMPUTER NETWORK	-5,185.39
Bill Pmt -Check	8/11/2008	12565	CREATIVE BENEFITS, INC.	-1,651.20
Bill Pmt -Check	8/11/2008	12567	SANTA ANA RIVER WATER COMPANY	-258,000.00
Bill Pmt -Check	8/11/2008	12569	STATE COMPENSATION INSURANCE FU...	-683.94
Bill Pmt -Check	8/11/2008	12563	UNION 76	-74.69
Bill Pmt -Check	8/11/2008	12568	VANDEN HEUVEL, ROB	-500.00
Bill Pmt -Check	8/20/2008	12570	ACWA SERVICES CORPORATION	-181.48
Bill Pmt -Check	8/20/2008	12571	BANC OF AMERICA LEASING	-3,186.17
Bill Pmt -Check	8/20/2008	12572	BANK OF AMERICA	-2,000.60
Bill Pmt -Check	8/20/2008	12573	CITISTREET	-2,595.66
Bill Pmt -Check	8/20/2008	12574	COMPUTER NETWORK	-9,833.27
Bill Pmt -Check	8/20/2008	12575	PREMIERE GLOBAL SERVICES	-61.90
Bill Pmt -Check	8/20/2008	12576	PUBLIC EMPLOYEES' RETIREMENT SYS...	-5,540.29
Bill Pmt -Check	8/20/2008	12577	RICOH BUSINESS SYSTEMS-Lease	-224.12
Bill Pmt -Check	8/20/2008	12578	SAFEGUARD DENTAL & VISION	-63.85
Bill Pmt -Check	8/20/2008	12579	SPAM SOAP, INC	-201.60
Bill Pmt -Check	8/20/2008	12580	SPECIAL DISTRICT INSTITUTE	-735.00
Bill Pmt -Check	8/20/2008	12581	STAULA, MARY L	-136.61
Bill Pmt -Check	8/20/2008	12582	TLC STAFFING	-480.00
Bill Pmt -Check	8/20/2008	12583	VERIZON WIRELESS	-538.56
Bill Pmt -Check	8/20/2008	12584	W.C. DISCOUNT MOBILE AUTO DETAILI...	-75.00
Bill Pmt -Check	8/20/2008	12585	WESTERN DENTAL SERVICES, INC.	-26.50
Bill Pmt -Check	8/20/2008	12586	CITISTREET	-2,595.66
Bill Pmt -Check	8/20/2008	12587	PUBLIC EMPLOYEES' RETIREMENT SYS...	-5,903.50
Bill Pmt -Check	8/21/2008	12588	PEREZ, ALEXANDRA	-209.30
General Journal	8/23/2008	08/08/06	PAYROLL	-7,807.94
General Journal	8/23/2008	08/08/06	PAYROLL	-27,137.27
Bill Pmt -Check	8/25/2008	12589	BLACK & VEATCH CORPORATION	-8,577.50
Bill Pmt -Check	8/25/2008	12590	BROWNSTEIN HYATT FARBER SCHRECK	-74,893.07
Bill Pmt -Check	8/25/2008	12591	CALPERS	-3,906.43
Bill Pmt -Check	8/25/2008	12592	CAROLLO ENGINEERS	-5,355.00
Bill Pmt -Check	8/25/2008	12593	CITY OF RANCHO CUCAMONGA	-52.00
Bill Pmt -Check	8/25/2008	12594	COMPUTER NETWORK	-171.32
Bill Pmt -Check	8/25/2008	12595	CUCAMONGA VALLEY WATER DISTRICT	-5,495.00
Bill Pmt -Check	8/25/2008	12596	ELLISON, SCHNEIDER & HARRIS, LLP	-15,984.10
Bill Pmt -Check	8/25/2008	12597	FIRST AMERICAN REAL ESTATE SOLUTI...	-125.00
Bill Pmt -Check	8/25/2008	12598	LOS ANGELES TIMES	-46.40
Bill Pmt -Check	8/25/2008	12599	MCI	-1,169.95

CHINO BASIN WATERMASTER
Cash Disbursement Detail Report
August 2008

Type	Date	Num	Name	Amount
Bill Pmt -Check	8/25/2008	12600	OFFICE DEPOT	-150.57
Bill Pmt -Check	8/25/2008	12601	PAK, BEN	-1,087.26
Bill Pmt -Check	8/25/2008	12602	PETTY CASH	-428.78
Bill Pmt -Check	8/25/2008	12603	PRE-PAID LEGAL SERVICES, INC.	-103.60
Bill Pmt -Check	8/25/2008	12604	QUILL	-439.28
Bill Pmt -Check	8/25/2008	12605	RICOH BUSINESS SYSTEMS-Lease	-888.94
Bill Pmt -Check	8/25/2008	12606	THE STANDARD INSURANCE COMPANY	-156.56
Bill Pmt -Check	8/25/2008	12607	TLC STAFFING	-496.00
Bill Pmt -Check	8/25/2008	12608	WHEELER METER MAINTENANCE	-600.00
Bill Pmt -Check	8/28/2008	12609	WILDERMUTH ENVIRONMENTAL INC	-158,735.76
Bill Pmt -Check	8/28/2008	12610	BEST BUY	-517.20
Aug 08				<u>-1,019,447.60</u>

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08/30/08

CHINO BASIN WATERMASTER
Check Detail
August 2008

Type	Num	Date	Name	Account	Paid Amount
Bill Pmt -Check	12572	8/20/2008	BANK OF AMER...	1012 · Bank of America Gen'l Ckg	
Bill	4024...	7/31/2008		6141.3 · Admin Meetings	-263.93
				6031.7 · Other Office Supplies	-1,198.89
				6312 · Meeting Expenses	-225.14
				6212 · Meeting Expense	-179.43
				7204 · Comp Recharge-Supplies	-32.33
				6909.1 · OBMP Meetings	-100.88
TOTAL					-2,000.60

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CHINO BASIN WATERMASTER
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL
 FOR THE
 PERIOD JULY 1, 2008 THROUGH JULY 31, 2008

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL APPROPRIATIVE	POOL AGRICULTURAL	POOL NON-AGRIC.	GROUNDWATER REPLENISHMENT	SB222 FUNDS	EDUCATION FUNDS	GRAND TOTALS	BUDGET 2008-2009
Administrative Revenues										
Administrative Assessments	67,487								-	\$7,841,054
Interest Revenue	4,689		1,798						1,798	174,368
Mutual Agency Project Revenue									-	148,410
Grant Income		94,557							-	0
Miscellaneous Income		389,692							-	0
Total Revenues	-	-	1,798	-	-	-	-	-	1,798	8,163,832
Administrative & Project Expenditures										
Watermaster Administration	67,487								67,487	619,960
Watermaster Board-Advisory Committee	4,689								4,689	61,201
Pool Administration			2,286	8,587	293				11,166	166,523
Optimum Basin Mgmt Administration		94,557							94,557	1,913,484
OBMP Project Costs		389,692							389,692	5,392,289
Education Funds Use									-	375
Mutual Agency Project Costs									-	10,000
Total Administrative/OBMP Expenses	72,176	484,249	2,286	8,587	293				567,591	8,163,832
Net Administrative/OBMP Income	(72,176)	(484,249)							-	-
Allocate Net Admin Income To Pools	72,176		55,061	15,697	1,418				-	-
Allocate Net OBMP Income To Pools		484,249	369,422	105,313	9,513				-	-
Agricultural Expense Transfer			115,288	(115,288)					-	-
Total Expenses	542,058	14,309	11,224	(14,309)	(11,224)				567,591	8,163,832
Net Administrative Income	(540,260)		(14,309)		(11,224)				(565,793)	-
Other Income/(Expense)										0
Replenishment Water Assessments										0
MZ1 Supplemental Water Assessments										0
Water Purchases										0
Balance Adjustment										0
Groundwater Replenishment										0
Net Other Income										0
Net Transfers To/(From) Reserves			(540,260)	(14,309)	(11,224)				(565,793)	-

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CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
JULY 1 THROUGH JULY 31, 2008

DEPOSITORIES:		
Cash on Hand - Petty Cash	\$	500
Bank of America		
Governmental Checking-Demand Deposits	\$	194,296
Zero Balance Account - Payroll		-
Local Agency Investment Fund - Sacramento		5,540,455
		<hr/>
TOTAL CASH IN BANKS AND ON HAND		\$ 5,735,251
TOTAL CASH IN BANKS AND ON HAND		6,146,596
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PERIOD INCREASE (DECREASE)		\$ (411,345)

7/31/2008
6/30/2008

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets: Accounts Receivable	\$	46,824
Assessments Receivable		(125,967)
Prepaid Expenses, Deposits & Other Current Assets		-
(Decrease)/Increase in Liabilities		238,916
Accrued Payroll, Payroll Taxes & Other Current Liabilities		(5,324)
Transfer to/(from) Reserves		(565,794)
		<hr/>
PERIOD INCREASE (DECREASE)		\$ (411,345)

SUMMARY OF FINANCIAL TRANSACTIONS:

	Petty Cash	Gov't'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 6/30/2008	\$ 500	\$ 152,465	\$ -	\$ 5,993,631	\$ 6,146,596
Deposits	-	-	-	46,824	46,824
Transfers	-	431,407	68,593	(500,000)	-
Withdrawals/Checks	-	(389,576)	(68,593)	-	(458,169)
					<hr/>
Balances as of 7/31/2008	\$ 500	\$ 194,296	\$ -	\$ 5,540,455	\$ 5,735,251
					<hr/>
PERIOD INCREASE OR (DECREASE)	\$ -	\$ 41,831	\$ -	\$ (453,176)	\$ (411,345)

**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
JULY 1 THROUGH JULY 31, 2008**

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
7/15/2008	Interest	L.A.I.F.	\$ 46,824				
7/16/2008	Withdrawal	L.A.I.F.	\$ (500,000)				
TOTAL INVESTMENT TRANSACTIONS			\$ (453,176)				

* The earnings rate for L.A.I.F. is a daily variable rate; 3.11% was the effective yield rate at the Quarter ended June 30, 2008.

**INVESTMENT STATUS
July 31, 2008**

Financial Institution	Principal Amount	Number of Days	Interest Rate	Maturity Date
Local Agency Investment Fund	\$ 5,540,455			
TOTAL INVESTMENTS	\$ 5,540,455			

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 2008

	<u>Jul 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4010 · Local Agency Subsidies	0	148,410	-148,410	0.0%
4110 · Admin Asmnts-Approp Pool	0	7,708,817	-7,708,817	0.0%
4120 · Admin Asmnts-Non-Agri Pool	0	132,237	-132,237	0.0%
4700 · Non Operating Revenues	1,798	174,368	-172,570	1.03%
Total Income	<u>1,798</u>	<u>8,163,832</u>	<u>-8,162,034</u>	<u>0.02%</u>
Gross Profit	1,798	8,163,832	-8,162,034	0.02%
Expense				
6010 · Salary Costs	53,417	484,302	-430,885	11.03%
6020 · Office Building Expense	2,772	102,000	-99,228	2.72%
6030 · Office Supplies & Equip.	3,269	46,500	-43,231	7.03%
6040 · Postage & Printing Costs	6,514	87,380	-80,866	7.46%
6050 · Information Services	6,170	144,000	-137,830	4.29%
6060 · Contract Services	5,175	98,000	-92,825	5.28%
6080 · Insurance	15,498	17,730	-2,232	87.41%
6110 · Dues and Subscriptions	0	16,750	-16,750	0.0%
6140 · WM Admin Expenses	264	4,000	-3,736	6.6%
6150 · Field Supplies	0	2,500	-2,500	0.0%
6170 · Travel & Transportation	2,887	39,200	-36,313	7.37%
6190 · Conferences & Seminars	1,902	26,500	-24,598	7.18%
6200 · Advisory Comm - WM Board	1,682	19,181	-17,499	8.77%
6300 · Watermaster Board Expenses	3,007	42,020	-39,013	7.16%
8300 · Appr PI-WM & Pool Admin	2,286	24,008	-21,722	9.52%
8400 · Agri Pool-WM & Pool Admin	1,354	24,820	-23,466	5.46%
8467 · Ag Legal & Technical Services	7,233	98,000	-90,767	7.38%
8470 · Ag Meeting Attend -Special	0	12,000	-12,000	0.0%
8500 · Non-Ag PI-WM & Pool Admin	293	7,695	-7,402	3.8%
6500 · Education Funds Use Expens	0	375	-375	0.0%
9500 · Allocated G&A Expenditures	-30,381	-448,902	418,521	6.77%
Subtotal G&A Expenditures	<u>83,342</u>	<u>848,059</u>	<u>-764,717</u>	<u>9.83%</u>
6900 · Optimum Basin Mgmt Plan	86,554	1,775,525	-1,688,971	4.88%
6950 · Mutual Agency Projects	0	10,000	-10,000	0.0%
9501 · G&A Expenses Allocated-OBMP	8,003	137,959	-129,956	5.8%
Subtotal OBMP Expenditures	<u>94,557</u>	<u>1,923,484</u>	<u>-1,828,927</u>	<u>4.92%</u>
7101 · Production Monitoring	14,150	107,515	-93,365	13.16%
7102 · In-line Meter Installation	1,293	87,931	-86,638	1.47%
7103 · Grdwtr Quality Monitoring	11,619	210,458	-198,839	5.52%
7104 · Gdwtr Level Monitoring	21,757	342,538	-320,781	6.35%
7105 · Sur Wtr Qual Monitoring	0	46,717	-46,717	0.0%

CHINO BASIN WATERMASTER
 Profit & Loss Budget vs. Actual
 July 2008

	<u>Jul 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
7107 · Ground Level Monitoring	8,454	651,468	-643,014	1.3%
7108 · Hydraulic Control Monitoring	14,392	743,476	-729,084	1.94%
7200 · PE2- Comp Recharge Pgm	193,792	1,115,883	-922,091	17.37%
7300 · PE3&5-Water Supply/Desalte	14,631	148,477	-133,846	9.85%
7400 · PE4- Mgmt Plan	4,321	217,371	-213,050	1.99%
7500 · PE6&7-CoopEfforts/SaltMgmt	6,810	216,307	-209,497	3.15%
7600 · PE8&9-StorageMgmt/Conj Use	76,095	76,909	-814	98.94%
7690 · Recharge Improvement Debt Pymt	0	1,110,000	-1,110,000	0.0%
7700 · Inactive Well Protection Prgm	0	6,296	-6,296	0.0%
9502 · G&A Expenses Allocated-Projects	22,378	310,943	-288,565	7.2%
Subtotal Special Project Expenditures	389,692	5,392,289	-5,002,597	7.23%
Total Expense	567,591	8,163,832	-7,596,241	6.95%
Net Ordinary Income	-565,794		-565,794	100.0%
Other Income/Expense				
Other Expense				
9999 · To/(From) Reserves	-565,794			
Total Other Expense	-565,794			
Net Other Income	565,794			
Net Income				



CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

C. INTERVENTION

1. Sunkist-Ontario Intervention





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: September 11, 2008
September 16, 2008
September 25, 2008

TO: Committee Members
Watermaster Board Members

SUBJECT: City of Ontario request for Intervention as an Overlying (Non-Agricultural) Party

SUMMARY

Issue – On August 19, 2008, Watermaster received a request for Intervention into the Overlying (Non-Agricultural) Pool from the City of Ontario. This Staff Report provides a summary and analysis of the proposed Intervention.

Recommendation - Staff recommends approval of the request for Intervention.

Fiscal Impact – No fiscal impact on the Watermaster Budget.

BACKGROUND

In 2006, Sunkist Growers, Inc. sold a portion (i.e., 15 acres) of its real property to Koll, and in 2008 permanently transferred 22.000 AFY of its adjudicated rights to Koll for use on the Koll Property. After the Koll transfer, Sunkist's remaining adjudicated right is 1,851.402 AFY. Sunkist is currently in escrow to sell the Sunkist plant property to the City of Ontario (11.1 acres consisting of parcel numbers 20108, 20207, 20206, and 104923221), with the exception of Sunkist's tank farm (parcel number 104922101), which will be retained by Sunkist.

DISCUSSION

According to the Judgment, a producer is assigned to the Overlying (Non-Agricultural) Pool if it is an overlying producer who produces water for industrial or commercial purposes. (Judgment para. 43(b).) "Any party who changes the character of his use may, by subsequent order of the Court, be reassigned to the proper pool Any non-party producer or any person who may hereafter commence production of

water from Chino Basin, and who may become a party to [the] physical solution by intervention, shall be assigned to the proper pool by the order of the Court authorizing such intervention." (Judgment para. 43.)

Interventions are governed by paragraph 60 of the Judgment: "Any non-party assignee of the adjudicated appropriative rights of any appropriator, or any other person newly proposing to produce water from the Chino Basin, may become a party to this Judgment upon filing a petition in intervention. Said intervention must be confirmed by order of [the] Court. Such intervenor shall thereafter be a party bound by [the] Judgment and entitled to the rights and privileges accorded under the Physical Solution . . . through the pool to which the Court shall assign such intervenor."

Paragraph 4.4 of the Peace II Agreement amplifies the Judgment: "The Parties acknowledge and agree that any Party to the Judgment shall have the right to purchase Non-Agricultural overlying property within the Basin and appurtenant water rights and to intervene in the Non-Agricultural Pool."

The City of Ontario has requested intervention into the Overlying (Non-Agricultural) Pool for the purpose of accepting the Transfer of Sunkist's water rights. The City of Ontario intends to be members of both the Appropriative and Overlying (Non-Agricultural) Pools, and will therefore hold separate Annual and Storage accounts with Watermaster within each Pool.

Watermaster's practice has been to accept interventions informally by way of a letter request and then process the request through the Pools, Advisory Committee and Board. After this internal approval process, the request for Intervention is filed with the Court for approval.

POOL PROCESS

All three pools have unanimously approved the intervention. At the Appropriative Pool meeting a discussion occurred regarding the scope of authorized uses and place of use of the water that will be transferred to Ontario after it has successfully intervened into the Pool. The Pool requested that as a part of the staff report for the Advisory Committee and Board that Watermaster staff provide an interpretation of the existing authorities as they will inform Watermaster accounting of Ontario's production as a member of the Pool.

To assist in this interpretation, Ontario has provided the following description of its intended use of the water and its own comparison of those uses with uses by other members of the Non-Agricultural Pool:

"Sunkist is a long standing business in the Ontario community. Due to changing agricultural production trends and market conditions Sunkist has closed and moved most of their Ontario operations. Ontario intends to insure proper reuse/redevelopment of the property and desires to keep the local water resources in local beneficial use including use on the Sunkist properties. Ontario and Sunkist agree to a property sale and acquisition to accomplish these goals.

"After the intervention and water rights transfer is complete, Ontario understands that these non-agricultural rights will continue to be accounted in the Non-Agricultural Pool and subject to provisions and agreements pertinent to that Pool.

"Once Ontario is a member of the Pool, Ontario therefore intends to use this water on its overlying property. That property includes uses similar and consistent with uses historically and currently allowed and performed by other members of the Pool. Examples are: median/streetscape landscaping (current example in the Pool would be CCG and other Pool members using water for landscape irrigation, Swan Lake for irrigation of common areas, streetscapes and in fact for residential use in mobile homes); irrigation of recreational parks and community center facilities (current example would be Speedway use for a recreational purpose and landscaping as well a Swan Lake uses); use at other community/municipal/safety building/properties, (examples again would be CCG's commercial/industrial uses and landscaping, the Speedway and Swan Lake – such City facilities, including most parks and community centers listed above operate commercial activities, field rentals, event rental, facility rental, pay to play activities, pay to attend classes and events similar to the Speedway uses although on a somewhat smaller scale or provide a public service); use at Ontario's Citizen Business Bank Event Center and Ontario's Convention Center (commercial venues similar to the Auto Club Speedway use); and,

municipal facility uses such as the City Operation Center (which is in a designated industrial area and is uses similar to other trucking/warehouse/industrial activities). These non-agricultural uses will be metered separately from appropriative uses.”

SCOPE OF USE

The only definition of the scope of allowable uses of Non-Agricultural Pool water is found in Paragraph 1 or Exhibit “G” to the Judgment: “Said pool includes producers of water for overlying industrial or commercial (non-agricultural) purposes”. This is a general description which on its face would allow a broad category of beneficial uses. However, the scope of use of Non-Agricultural Pool water is also informed by the history of actual use by the Pool members, as the custom and usage among the parties to the Judgment and similarly situated users. As Ontario points-out above, Non-Agricultural water is used for a variety of uses including landscaping, indoor uses at facilities and outdoor uses at commercial and industrial facilities. Watermaster has not historically regulated specific uses of Non-Agricultural Pool water by members of the Pool so long as they are using the water on land owned by the Pool member that overlies the Basin.

PLACE OF USE

The 1978 Judgment specified that Non-Agricultural Pool rights are appurtenant to the land and are therefore only assignable with the land for overlying uses on that land. (Judgment Paragraph 8; Exhibit “G” paragraph 6.) This appurtenancy requirement was modified through the Peace Agreement process and Paragraph 8 and Exhibit “G” paragraph 6 were amended to allow Pool members to transfer or lease their rights as between members of the Pool. The Peace II process which allowed for Non-Agricultural Pool water to be transferred to Watermaster and ultimately to members of the Appropriative Pool under defined conditions further modified this appurtenancy requirement.

Accordingly, Exhibit “G” as amended provides that all overlying rights may be transferred and leased within the Pool. Once Ontario has intervened, it will be able to make the acquired right available for the benefit of other land owned by the City that overlies the Chino Basin as permitted by the Judgment.

Watermaster therefore interprets the applicable authorities as allowing Ontario to use the water transferred to it by Sunkist according to its intended uses as described above.

RECOMMENDATION

Watermaster staff finds that the proposed intervention is consistent with the Judgment. On this basis, Watermaster staff recommends the approval of the request for Intervention.

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CITY OF



ONTARIO



PUBLIC WORKS AND
COMMUNITY SERVICES AGENCY

PAUL S. LEON
MAYOR

JASON ANDERSON
MAYOR PRO TEM

ALAN D. WAPNER
SHEILA MAUTZ
JIM W. BOWMAN
COUNCIL MEMBERS

August 19, 2008

GREGORY C. DEVEREAUX
CITY MANAGER

MARY E. WIRTES, MMC
CITY CLERK

JAMES R. MILHISER
TREASURER

KENNETH L. JESKE
PUBLIC WORKS / COMMUNITY
SERVICES DIRECTOR

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

Re: Request to Intervene in *Chino Basin Municipal Water
District v. City of Chino, et al*, San Bernardino Superior Court
Case No. RCV 51010 (Formerly Case No. 164327)

Dear Mr. Manning:

The City of Ontario (City) hereby submits this request to intervene in the above-referenced action (the "Judgment") as a member of the overlying non-agricultural pool. The City's request is based on the following facts:

A. The Judgment allocates water rights based on each party's land ownership. As an owner of real property overlying the Chino Groundwater Basin ("Basin"). Sunkist Growers, Inc. ("Sunkist") was provided under the Judgment with 1,873.40 AFY of adjudicated safe yield when the Judgment was first entered in 1978/1979. The real property held by Sunkist at that time included the real property described in the next paragraph.

B. Sunkist sold real property overlying the Basin to the City of Ontario, known as the Sunkist plant (11.1 acres consisting of parcels # 20108, 20207, 20206, and 104923221) with the exception of Sunkist's tank farm (parcel # 104922101), which will be retained by Sunkist.

C. As part of the sale transaction referenced in Section B above, Sunkist wishes to transfer all of its remaining adjudicated water rights (approximately 1,851.402 AFY), and all Sunkist water in storage (13,633.504 AF as of June 30, 2007, plus any additional Sunkist stored water for FY 2007-08) to the City of Ontario. Form 5 (Application to Transfer Annual Production Right or Safe Yield) and Form 3 (Application for Sale or Transfer of right to Produce Water from Storage) are attached.

D. The City of Ontario is requesting to intervene in the Judgment to become a member of the overlying Non-Agricultural Pool. A Motion to Intervene will be filed with the court if deemed necessary by the Watermaster.

E. The City's request to intervene is pursuant to Section 4.4 of the Peace II agreement which states: "Non-Agricultural Pool Intervention. The Parties acknowledge and agree that any Party to the Judgment shall have the right to purchase Non-Agricultural overlying property within the Basin and appurtenant water rights and to intervene in the Non-Agricultural Pool."


F. The City of Ontario will use the groundwater described under Section C above for uses authorized in the Judgment including providing water service to properties in Ontario, which have been sold or still are retained by Sunkist.

G. The transfer from Sunkist to the City of Ontario does not involve any additional groundwater extractions not provided for under the Judgment. As a result, the transfer will not result in any "material physical injury" to any party.

Based on the foregoing, the City of Ontario respectfully requests that the Watermaster approve its request to intervene in the Judgment to become a member of the overlying Non-Agricultural Pool and Sunkist's request to transfer its remaining adjudicated rights (approximately 1,851.402 AFY) of overlying groundwater rights, and all of Sunkist water in storage (13,633.504 AF as of June 30, 2007, plus any additional Sunkist stored water for FY 2007-08) to the City of Ontario. The City of Ontario shall comply with all provisions of the Judgment.

Please agendaize the City's request for the September Pool meetings. If you have any questions regarding the foregoing, please contact me.

Respectfully submitted,



Mohamed El-Amamy
Utilities Director



CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

A. SEMI-ANNUAL STATUS REPORT





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: September 11, 2008
September 16, 2008
September 25, 2008

TO: Committee Members
Watermaster Board Members

SUBJECT: Status Report 2008-1

SUMMARY

Recommendation – Approve Status Report 2008-1 for filing with the Court

BACKGROUND

Status Report 2008-1 covers the period of January 1, 2008 through June 30, 2008. While the bulk to the report describes work conducted for each element of the Optimum Basin Management Program (OBMP) during the six-month period, it also references the reports and court filings made to address the issues of the Peace II implementation.

Staff recommends approval of the report for filing with the Court.

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Optimum Basin Management Program

Status Report 2008-1: January to June 2008

Introduction

This status report covers the period January 1, 2008 through June 30, 2008. The bulk of this report describes the activities that occurred and status of the work conducted for each program element of the Optimum Basin Management Program (OBMP). However, there are additional significant efforts that occurred during the reporting period, which are listed below.

In compliance with the Superior Court's "Order Concerning Motion for Approval of Peace II Documents," dated December 21, 2007, Conditions Subsequent Numbers 1-6 were filed with the Court as follows:

- Condition Subsequent 1, a brief to explain the amendments to Judgment Paragraph 8 and Judgment Exhibit "G," was filed on February 1, 2008.
- Condition Subsequent 2, a corrected initial schedule to replace Resolution No. 07-05 Attachment "E," together with an explanation of the corrections made, was filed on February 1, 2008.
- Condition Subsequent 3, a new Hydraulic Control technical report that addressed all factors included in the Special Referee's Final Report and Recommendations (including a technical analysis of the projected decline in safe yield, and a definition and analysis of "new equilibrium" issues), was filed on March 3, 2008.
- Condition Subsequent 4, the status of CEQA documentation, compliance, and requirements, and assurances to the Court that Watermaster's approval and participation in any project that is a "project" for CEQA purposes has been or will be subject to all appropriate CEQA review, was filed on April 1, 2008.
- Condition Subsequent 5, a detailed outline of the scope and content of its first Recharge Master Plan update, was filed on June 30, 2008.
- Condition Subsequent 6, the development of standards and criteria by which the RWQCB will determine that hydraulic control is achieved and maintained, was filed on June 30, 2008.

In addition, the following court hearings and orders occurred during the reporting period:

- January 10, 2008: Notice of Change of Firm Name [from Hatch & Parent to Brownstein Hyatt Farber Schreck].
- February 14, 2008: Stipulation to Continue Defendant City of Chino's Motion Under Paragraph 15.
- April 11, 2008: Response to Watermaster's Compliance with Conditions Subsequent Numbers Three and Four of the Court's December 21, 2007 Order; Request for Additional Time to Evaluate Watermaster's Compliance with Condition Subsequent Number Three; and Withdrawal of Monte Vista Water District's Joinder to Watermaster's Motion for Approval of Peace II Documents; AND Declaration of Mark Kinsey; AND Motion Requesting Approval of Intervention of the Riboli Family/San Antonio Winery and Fuji Natural Foods, Inc.
- April 17, 2008: Comments of Special Referee on Watermaster Compliance with December 21, 2007 Order Conditions 1 through 4.
- April 25, 2008: Watermaster's Response to Comments of Special Referee on Watermaster Compliance with December 21, 2007 Order Conditions 1 through 4.
- April 29, 2008: Cucamonga Valley Water District's Joinder to Watermaster's Response to Comments of Special Referee on Watermaster Compliance with December 21, 2007 Order Conditions 1 through 4.
- May 2, 2008: Joint Response of Western Municipal Water District and Inland Empire Utilities Agency and Joinder to Chino Basin Watermaster's Response to Watermaster Compliance with December 21, 2007 Order Conditions 1 through 4; AND Declaration of Tom Dodson in Support of Joint Response of Western Municipal Water District and Inland Empire Utilities Agency and Joinder to Chino Basin Watermaster's Response to Watermaster Compliance with December 21, 2007 Order Conditions 1 through 4.
- June 30, 2008: Cucamonga Valley Water District's Notice of Motion and Motion to Discontinue the Appointment of the Special Referee.



Program Element 1: Develop and Implement a Comprehensive Monitoring Program

Groundwater Level Monitoring

Watermaster has three active groundwater level monitoring programs operating in the Chino Basin: 1) A semiannual basin-wide well monitoring program, 2) A key well monitoring program associated with the Chino I/II Desalter Well Fields and the Hydraulic Control Monitoring Program (HCMP), and 3) A piezometric monitoring program associated with land subsidence and ground fissuring in Management Zone 1 (MZ-1). The frequency of groundwater level monitoring varies with each program, depending on the needs of the data analyst. These groundwater level monitoring programs also rely on municipal producers, other government agencies, and private entities to supply their groundwater level measurements on a cooperative basis. Watermaster digitizes all these measurements and combines them into a relational database for general usage. During this period, Watermaster purchased and installed pressure transducers/data loggers at key wells; principally in the northern portions of Chino Basin where more detailed groundwater level data are needed.

Groundwater Quality Monitoring

During this reporting period no additional private wells were sampled. (All of the key wells were sampled during the previous reporting period.) Watermaster continued a comprehensive data collection program whereby water quality data from other sources are routinely collected, QA/QC'd, and loaded into Watermaster's database. These sources include the appropriators, DTSC, RWQCB, USGS, the Counties, and other cooperators.

Watermaster and the Inland Empire Utilities Agency (IEUA) are working closely with the Appropriative Pool members and their state-certified laboratories to obtain water quality data as an electronic data deliverable (EDD), which can be entered directly into Watermaster's relational database.

Groundwater-Production Monitoring

All active wells (except for minimum user wells) are now metered. Watermaster reads the agricultural production data from the meters on a quarterly basis and enters these data into Watermaster's relational database.

Surface Water Monitoring

Water Quality and Quantity in Recharge Basins. Watermaster measures the quantity and quality of storm and supplemental water entering the recharge basins. Pressure transducers or staff gauges are used to measure water levels during recharge operations. In addition to these quantity measurements, imported water quality values for State Water Project water are obtained from the Metropolitan Water District of Southern California (MWDSC) and recycled water quality values for the RP-1 and RP-4 treatment plant effluents are obtained from IEUA. Watermaster monitors the storm water quality in the eight major channels (San Antonio, West Cucamonga, Cucamonga, Deer Creek, Day Creek, San Sevaine, West Fontana, and DeClez) usually after each major storm event. Combining the measured flow data with the respective water qualities enables the calculation of the blended water quality in each recharge basin, the "new yield" to the Chino Basin, and the adequate dilution of recycled water.

Surface Water Monitoring in Santa Ana River (SAR). Watermaster measures the discharge of the river and selected water quality parameters to determine those reaches of the SAR that are gaining flow from Chino Basin and/or, conversely, those reaches that are losing flow into the Chino Basin. These bi-weekly flow and water quality measurements are combined with discharge data from permanent USGS and Orange County Water District (OCWD) stream gauges and discharge data from publicly owned treatment works (POTWs). These data are used along with groundwater modeling to assess the extent of hydraulic control.

HCMP Annual Report

In January 2004, the RWQCB amended the Water Quality Control Plan (Basin Plan) for the Santa Ana River Basin to incorporate an updated total dissolved solids (TDS) and nitrogen (N) management plan. The Basin Plan Amendment includes both "antidegradation" and "maximum benefit" objectives for TDS and nitrate-nitrogen for the Chino and Cucamonga groundwater management zones. The application of the "maximum benefit" objectives relies on Watermaster and IEUA's implementation of a specific program of projects and requirements, which are an integral part of the OBMP. On April 15, 2005, the RWQCB adopted resolution R8-2005-0064; thus approving the Surface Water



Monitoring Program and Groundwater Monitoring Program in support of maximum benefit commitments in the Chino and Cucamonga Basins.

Pursuant to the Basin Plan Amendment and the Watermaster/IEUA permit to recharge recycled water, Watermaster and IEUA have conducted groundwater and surface water monitoring programs. During this reporting period Watermaster measured 711 manual water levels at private wells throughout the Chino Basin, conducted two quarterly downloads at the 130 wells containing pressure transducers, and collected 70 groundwater quality samples, and 221 surface water quality samples. Quarterly Surface Water Monitoring Program reports that summarize data collection efforts were submitted to the RWQCB in January and April of 2008. An annual HCMP report for 2007 was submitted to the RWQCB in April 2008.

Chino Basin Groundwater Recharge Program

IEUA, Watermaster, Chino Basin Water Conservation District, and the San Bernardino County Flood Control District jointly sponsor the Chino Basin Groundwater Recharge Program. This is a comprehensive water supply program to enhance water supply reliability and improve the groundwater quality in local drinking water wells throughout the Chino Groundwater Basin by increasing the recharge of storm water, imported water, and recycled water. The recharge program is regulated under RWQCB Order No. R8-2007-0039 and Monitoring and Reporting Program No. R8-2007-0039.

Recharge Activities. On-going recycled water recharge occurred in the Hickory Basin during this reporting period, and a six month recycled water test recharge program concluded at the 7th and 8th Street basins in early 2008.

Monitoring Activities. Watermaster and IEUA collect weekly and bi-weekly water quality samples from basins that are actively recharging recycled water and from lysimeters installed within those basins. During this reporting period, approximately 218 basin and lysimeter samples were collected. Monitoring wells located downgradient of the recharge basins were sampled every two weeks during the reporting period for a total of about 62 samples.

Construction Activities. Lysimeters and monitoring wells associated with the 7th and 8th Street Basins were installed in the first half of fiscal year (FY) 2007/08. There have been no further construction activities since that time.

Reporting. Watermaster and IEUA completed the following required reports concerning the recharge program during the reporting period:

- 4Q07 Quarterly Report, submitted to the RWQCB – February 2008
- 1Q08 Quarterly Report, submitted to the RWQCB – May 2008
- 2007 Annual Report, submitted to the RWQCB – May 2008
- Brooks Basin Tracer Test Protocols Using Recycling Water, submitted to CDPH – June 2008

Land Surface Monitoring

Watermaster developed a multifaceted land surface monitoring program to develop data for a long-term management plan for land subsidence in Management Zone 1 (MZ-1). The monitoring program consisted of three main elements:

- An aquifer system monitoring facility consisting of multiple depth piezometers and a dual bore extensometer.
- The application of synthetic aperture radar interferometry (InSAR) to measure historical land surface deformation.
- Benchmark surveys to measure land surface deformation, “ground truth” the InSAR data, and evaluate effectiveness of the long term management plan.

In February 2006, Watermaster submitted the MZ-1 Summary Report, which contained Guidance Criteria to minimize subsidence and fissuring. The Guidance Criteria included a listing of Managed Wells and their owners subject to the criteria, a map of the so-called Managed Area, an initial threshold water level (Guidance Level) of 245 feet below the top of the PA-7 well casing, and a plan for ongoing monitoring and notification. The MZ-1 Summary Report and the Guidance Criteria were adopted by the Watermaster Board in May 2006. The Guidance Criteria formed the basis for the MZ-1 Plan, which was approved by Watermaster in October 2007. The Court approved the MZ-1 Plan in November 2007 and ordered its implementation.



During this reporting period, Watermaster began implementation of the MZ-1 Plan, which includes:

- Continuing the scope and frequency of monitoring that was implemented during the IMP within the Managed Area.
- Expanded monitoring of the aquifer system and land subsidence in other areas of MZ-1 and Chino Basin where the IMP indicated concern for future subsidence and ground fissuring.
- Detailed monitoring of horizontal strain across the historical fissure zone.
- Further evaluation of the potential contribution of pumping in the central and northern portions of MZ-1 on groundwater conditions in the central and southern portions of MZ-1.
- Additional testing and monitoring to refine the Guidance Criteria.
- Development of alternative pumping plans for the MZ-1 producers that are impacted by the MZ-1 Plan.
- Construction and testing of a lower-cost extensometer facility at Ayala Park.
- Evaluation and comparison of ground-level surveying and InSAR, and recommendation for future monitoring by both techniques.
- An ASR (aquifer injection and recovery) feasibility study at a production well owned by the City of Chino Hills within the Managed Area.

The continued and expanded monitoring elements of the MZ-1 Plan (first and second bullets above) are currently being implemented. The scopes of work and cost estimates for the remaining elements of the plan (last seven bullets) were developed by the MZ-1 Technical Committee during this reporting period and recommended for implementation in 2008 and beyond. These recommendations and supporting documentation were forwarded to Watermaster and were approved and included in the FY 2008/09 budget.

In June 2008, the City of Chino Hills was awarded grant funding from DWR's Local Groundwater Assistance Fund for \$214,000 for the ASR feasibility study (last bullet above). This grant funding could be raised to \$250,000 by the DWR. Watermaster composed the grant application, and the grant funds will offset Watermaster's expenditures for the ASR feasibility study.

Program Element 2: Develop and Implement a Comprehensive Recharge Program

Construction on the Chino Basin Facilities Improvement Project (CBFIP) Phase I was completed by December 31, 2005 at a cost of \$38M; 50-percent from a SWRCB Proposition 13 Grant, and 25-percent each from Watermaster and IEUA. A CBFIP Phase II list of projects was developed by Watermaster and IEUA, including monitoring wells, lysimeters, recycled water connections, SCADA system expansions, three MWDSC turnouts, and berm heightening and hardening. At a cost of approximately \$10.5M, these Phase II facilities will be financed through a 50-percent Grant from DWR and 25-percent each from Watermaster and IEUA.

In FY 2005/06, the CBFIP Phase I facilities were able to recharge approximately 49,000 AF of storm and supplemental water. With the completion of the Phase II facilities by December 31, 2008, the total recharge capacity will be about 96,000 AF. By the start of FY 2009/10, most of the basins will be able to operate on a 12 months-per-year basis with combinations of storm, imported, and recycled water, with occasional downtime for silt and organic growth removal. Operations and basin planning are coordinated through the Groundwater Recharge Coordinating Committee (GRCC), which met quarterly during this reporting period.

Because of the drought and Delta water quality, water supply, and environmental issues, MWDSC has been unable to provide replenishment water to southern California since May 1, 2007. This greatly restricts Watermaster's ability to recharge recycled water, since the California Department of Public Health requires that one part of diluent water (imported or storm water) be blended with each part of recycled water. For this reporting period, just under 8,500 AF of storm and recycled water have been recharged.

Preparation of the Recharge Master Plan update is underway, in satisfaction of Condition Subsequent No. 5. On March 28, 2008, the initial meeting of the group occurred. A detailed outline of the scope and content of the Recharge Master Plan update was filed with the Court for approval on June 30, 2008. Progress reports on the completion of the updated plan are to be submitted on January 1, 2009 and July 1, 2009, with the final updated Recharge Master Plan due to the Court by July 1, 2010. The Recharge Master Plan update will be the primary focus of the upcoming Strategic Planning Conference, to be held in late September 2008.



Program Element 3: Develop and Implement Water Supply Plan for the Impaired Areas of the Basin; and

Program Element 5: Develop and Implement Regional Supplemental Water Program

Construction of the Chino I Desalter Expansion and the Chino II Desalter facilities was completed in February 2006. As currently configured, the Chino I Desalter provides 2.6 MGD of treated (air stripping for VOC removal) water from Wells Nos. 1-4, 4.9 MGD of treated (ion exchange for nitrate removal) water from Well Nos. 5-15, and 6.7 MGD of treated (reverse osmosis for nitrate and TDS removal) water from Wells Nos. 5-15 for a total of 14.2 MGD (15,900 AFY). The Chino II Desalter provides 4.0 MGD of ion exchange treated water and 6.0 MGD of reverse osmosis treated water from eight additional wells for a total of 10.0 MGD (11,200 AFY).

Negotiations are currently underway between the Chino Desalter Authority and Western Municipal Water District to allow WMWD to join the CDA and to expand the Chino II Desalter by 10.5 MGD (11,800 AFY). Raw water will be drawn from existing CDA II wells, and possible additional new wells if needed. In addition, a new Chino Creek Well Field, required for hydraulic control, will provide additional raw water to the Chino I Desalter, enabling existing Well Nos. 13, 14, and 15 to shift production to the expanded Chino II Desalter facility if needed.

Program Element 4: Develop and Implement a Comprehensive Groundwater Management Plan for Management Zone 1 and Management Zone 3

MZ-1 Management Plan

Because of the historical occurrence of pumping-induced land subsidence and ground fissuring in southwestern Chino Basin (southern MZ-1), the OBMP called for the development and implementation of an interim management plan for MZ-1 that would:

- Minimize subsidence and fissuring in the short-term,
- Collect information necessary to understand the extent, rate, and mechanisms of subsidence and fissuring, and
- Formulate a management plan to reduce to tolerable levels or abate future subsidence and fissuring.

From 2001-2005, Watermaster developed, coordinated, and conducted an Interim Monitoring Program (IMP) under the guidance of the MZ-1 Technical Committee, which is composed of representatives from all major MZ-1 producers and their technical consultants. The IMP was an aquifer-system and land subsidence investigation focused in the southwestern region of MZ-1 that would support the development of a long-term management plan to minimize and abate subsidence and fissuring (MZ-1 Plan). The IMP involved the construction of highly-sophisticated monitoring facilities, such as deep borehole extensometers and piezometers, the monitoring of land surface displacements through traditional ground-level surveys and remote-sensing techniques, the detailed monitoring of the aquifer system with water-level-recording transducers installed at an array of production and monitoring wells, and the purposeful stressing of the aquifer system through multiple controlled pumping tests.

The investigation methods, results, and conclusions are described in detail in the MZ-1 Summary Report, dated February 2006. The investigation provided enough information for Watermaster to develop Guidance Criteria for the MZ-1 producers in the investigation area that, if followed, would minimize the potential for subsidence and fissuring during the completion of the MZ-1 Plan. The MZ-1 Summary Report and the Guidance Criteria were adopted by the Watermaster Board in May 2006. The Guidance Criteria formed the basis for the MZ-1 Plan, which was approved by Watermaster in October 2007. The Court approved the MZ-1 Plan in November 2007 and ordered its implementation.

MZ-3 Monitoring Program

The former Kaiser plume has been incorporated into an overall monitoring program for the MZ-3 area. The MZ-3 monitoring program is also assessing the groundwater quality impairment from total dissolved solids (TDS), nitrate, and perchlorate. The perchlorate may have originated from the Mid-Valley Landfill (in Rialto Basin, across the Rialto-Colton fault) or it may be a non-point source that resulted from the historical application of Chilean fertilizer. Two rounds of quarterly samples (February and May 2008) have been collected from the two new monitoring wells constructed in 2007. Results from the entire monitoring program for MZ-3 will be presented in the final report, to be completed by December 2008.



Program Element 6: Develop and Implement Cooperative Programs with the Regional Water Quality Control Board, Santa Ana Region (Regional Board) and Other Agencies to Improve Basin Management; and

Program Element 7: Develop and Implement a Salt Management Program

A Water Quality Committee meeting was held on February 12, 2008 to discuss the status of the investigations of the three major water quality plumes (Chino Airport, Ontario Airport, and Stringfellow Hazardous Waste site) in the Basin and provide an update on the MZ-3 monitoring program. Following are the major technical accomplishments and activities for Program Elements 6 and 7 for the reporting period:

Ontario International Airport. Watermaster coordinated with Lynne Preslo at EcoGeo and Roy Marroquin at GeoTrans, Inc. regarding the drilling schedule for the OIA monitoring wells and Watermaster technical input on well design. Watermaster prepared for and attended a meeting with GeoTrans on March 7, 2008 to discuss drilling coordination and also attended a site walk with GeoTrans on April 17, 2008 at OIA MW-3. Watermaster reviewed and approved the well designs for OIA MW-1 and OIA MW-3. Watermaster reviewed a letter from Northrop describing their historical operations at the Ontario International Airport.

Chino Airport. Watermaster prepared for and attended a meeting at the City of Ontario on May 22, 2008. The meeting was attended by the staff of Watermaster and the City of Ontario, as well as Watermaster consultants and the consultants to the County of San Bernardino Department of Airports. The purpose of the meeting was to inform the County's consultant about the direction that the Chino Desalter Authority (CDA) and Watermaster were taking concerning the proposed alignment of the Chino Creek Desalter Well Field and the schedule. Watermaster reviewed the Chino Airport "Offsite Well Installation Work Plan" and the quarterly report.

California Institute for Men. Watermaster reviewed a letter from the California Institute for Men (CIM) to the Regional Water Quality Control Board (RWQCB) requesting site closure. Watermaster prepared a response to the RWQCB stating that No Further Action was not appropriate and recommended that the monitoring program continue, but at a reduced level of effort. Groundwater elevations in key wells should be measured and maps of groundwater elevation contours should be developed by CIM annually to demonstrate that the plume continues to be contained hydraulically. Certain key monitoring wells should also be sampled for VOCs every three years to further demonstrate that the plume is not migrating off-site. Watermaster stated that it would be amenable to working with CIM in developing the new monitoring program.

Crown Coach. Watermaster reviewed documentation (including site data and maps), prepared comments, and recalculated expected salt concentrations related to their proposed in situ treatment. Watermaster coordinated with Mr. Uday Shah at the City of Ontario to obtain unit O&M costs associated with the desalter to understand the economic impacts of Crown Coach's proposed remediation. Watermaster participated in a teleconference with the RWQCB and composed a comment letter to the RWQCB. The conclusion of this letter states,

"Watermaster recognizes that the proposed project will reduce the mass of volatile organic chemicals (VOCs) in groundwater at the site by enhancing bioremediation during the interim period while the site is being developed. We also recognize that the addition of 14 pounds of sodium chloride salt into the basin represents a de minimus impact. Watermaster would like to state, for the record, that should this project – or other projects proposed by other stakeholders – produce a significant salt load to the groundwater basin, Watermaster has the option to seek compensation to offset the considerable expense already borne by the Parties.

Watermaster would also like an assurance that this site will continued to be monitored to ensure that the VOC plume does not migrate off-site and that, if the site warrants the re-installation and operation of an active remediation system, the Regional Board will enforce the current order issued to Crown Coach."

Santa Ana River Perchlorate Sampling. Watermaster compiled perchlorate data for samples collected in the Santa Ana River and its tributaries and began analyzing recent surface water samples at a lower detection limit (0.5 µg/L) to determine the presence/absence of perchlorate in surface water.



Program Element 8: Develop and Implement a Groundwater Storage Management Program; and

Program Element 9: Develop and Implement a Storage and Recovery Program

The existing Watermaster/IEUA/Metropolitan Dry Year Yield (DYY) program continued during the reporting period. The construction statuses of local facilities included in the DYY program for the participating parties are as follows:

- City of Ontario – Wellhead treatment (IX) facility: construction began in March 2008 and is anticipated to be completed by February 2009. DYY Wells: Equipping Well Nos. 44 and 52 began in March 2008 and is anticipated to be completed by January 2009.
- Cucamonga Valley Water District – Five new wells (Nos. 39-43): construction completed for Well Nos. 39-42 and Well No. 43 is anticipated to be completed in September 2008.
- City of Upland – New IX treatment facility constructed and online.
- City of Pomona – Expansion of existing IX treatment facility is complete, a permit to operate has been issued, and the facility is fully functioning.
- City of Chino Hills – The original intent to Refurbish the Pellisier well did not yield the results the City was hoping to achieve. As a result, in January 2008, the DYY grant money and shift obligation was transferred to MVWD's Well No. 32.
- Monte Vista Water District – Well No. 31: well construction completed July 2006 and well equipping is scheduled for completion in September 2008. Well No. 32 is substantially complete. Well No. 33 and treatment facility (joint MVWD/Chino project): Well construction is complete and treatment facility construction is underway, with completion scheduled for November 2008.
- Jurupa Community Services District – Expansion of the Teagarden IX facility completed and online.

Due to the current drought situation, Metropolitan ceased allowing deposits into the account on April 1, 2007. As of June 30, 2008, about 86,000 AF had been stored in the Basin in Metropolitan's DYY account, after accounting for losses. On May 1, 2008, Metropolitan called for the parties to begin withdrawing water from the DYY account in the total amount of 33,000 AF per 12-month period.

Discussions have been underway with Metropolitan since September 2007 to increase the DYY account to 150,000 AF. Feasibility studies are currently being performed by Black & Veatch and Wildermuth Environmental Inc.



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CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

B. BUDGET AMENDMENT





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: September 11, 2008
September 16, 2008
September 25, 2008

TO: Committee Members
Watermaster Board Members

SUBJECT: Proposed Budget Amendment Request

SUMMARY

Recommendation - Staff recommends that the Pools, Advisory Committee, and Board to consider approval of the attached Budget Amendment.

DISCUSSION:

Each fiscal year, Watermaster budgets money to contribute to the debt service related to the Phase 1, Recharge Improvement Project. The amount budgeted by Watermaster each year is obtained from IEUA during the budget process and invoiced to Watermaster at the beginning of each fiscal year. IEUA in turn holds the money until the payment is due at the end of the fiscal year.

This year, the budget amount provided to Watermaster was \$360,000, but the invoice came in at \$511,594 which requires a budget amendment in the amount of \$151,594.

Watermaster plans to revisit the budget and the status of projects to determine the need to update budgeted amounts which would be reflected in the final assessment package distributed in November 2008. Because the "pre-assessment package budget review" has not yet been performed, it is currently unclear whether this proposed budget amendment will result in increases to the ultimate assessments that are greater than originally was estimated when the budget was approved.

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CHINO BASIN WATERMASTER BUDGET AMENDMENT

To: **All Parties**

Fiscal Year 2008-2009

From: Sheri Rojo

Date: September, 2008

Describe reason for the budget amendment here: The amount of the debt service budgeted based on estimate was \$360,000. Based on invoice received from IEUA, amount due = \$511,594.33 based on current interest rates.

Expenditure Amendment				
<i>Line Item Description</i>	<i>Account Number</i>	<i>Original Budget</i>	<i>Amended Budget</i>	<i>Amendment Amount</i>
Recharge Debt Payment	7690	\$ 360,000	\$ 511,594	\$ 151,594
TOTAL:				\$ 151,594

Revenue Source				
<i>Line Item Description</i>	<i>Account Number</i>			<i>Amount</i>
Assessment Increase				\$ 151,594
TOTAL:				\$ 151,594

<p style="text-align: center; margin: 0;">Amendment Procedure</p> <ol style="list-style-type: none"> 1. Staff takes amendment requests to the Pools, Advisory Committee & Board for approval. 2. The Chief Financial Officer will prepare and process the budget entry. 4. A log will be maintained by the Finance Department detailing the adjustment. 5. A fiscal year file will also be kept to hold all budget amendment forms for auditor review. 	<p style="text-align: center; margin: 0;">Finance Use Only</p> <p>Date Board Approved _____</p> <p>Entered into System By _____</p> <p>Finance Log # _____</p> <p>Date Posted _____</p> <p>Approved By _____</p> <p>Date Approved _____</p>
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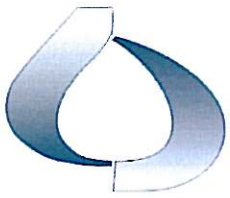


CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

C. INLAND EMPIRE UTILITIES AGENCY DRY YEAR YIELD REPORT BY IEUA STAFF





Inland Empire
UTILITIES AGENCY *

6075 Kimball Avenue • Chino, CA 91710
P.O. Box 9020 • Chino Hills, CA 91709
TEL (909) 993-1600 • FAX (909) 597-8875
www.ieua.org
* A Municipal Water District

DYY Participants,

This is a follow-up letter to the water demand forecast meetings that have taken place over the past month. Again, thank you for taking the time to meet and discuss.

As part of the DYY Expansion Program, we are required to complete the CEQA process by December 2008. Part of the CEQA requires developing groundwater modeling scenarios, which will be completed by Wildermuth Environmental Inc. (WEI), and will describe possible effects to the Chino Basin through the DYY Program. An essential part of the modeling is entering water demand forecast data. Attached is a spreadsheet that contains the DRAFT demand forecasts. WEI will be using the final version for their modeling scenarios. (The forecasts do not take into account the current DYY "call" or MWD's Water Allocation Plan.)

Given our project schedule, any comments/edits to the data must be to be no later than next **Wednesday August 27th** in order to give WEI and Tom Dodson the necessary time to complete their tasks. Please let me know if you have any questions/concerns.

Sincerely,

Inland Empire Utilities Agency
Richard Atwater
CEO/General Manger

Fifty-Five Years of Excellence in Water Resources & Quality Management

Wyatt L. Troxel
President

Terry Catlin
Vice President

Gene Koopmam
Secretary/Treasurer

Angel Santiago
Director

John L. Anderson
Director

Richard W. Atwater
Chief Executive Officer
General Manager

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Date: September 2, 2008

Prepared By: Inland Empire Utilities Agency

Reviewed By: Black & Veatch and Wildermuth Environmental Inc.

Subject: Final Water Demand and Supply Forecasts for Chino Basin Dry Year Yield Expansion Program CEQA Analysis – Technical Memo #2

*Supplement to the April 16, 2008 IEUA Tech Memo #1 –
Net Groundwater Replenishment Obligations through 2015 Based upon
Projected Water Demands and Available Supplies to the Chino Basin*

Background

Inland Empire Utilities Agency (IEUA), Chino Basin Watermaster (CBWM), Black & Veatch (B&V), Wildermuth Environmental Inc. (WEI) and Tom Dodson & Associates (TDA) are working together to complete the Chino Basin Dry Year Yield (DYY) Expansion Program CEQA documentation process by December 31, 2008. The purpose of this memo is to update the collaborative process for updating the projected individual retail water demands and supplies for the Chino Basin and that will be used for the DYY Program CEQA modeling process.

This memo updates and is a supplement to the April 16, 2008 Technical Memo #1, *Net Groundwater Replenishment Obligations through 2015 Based upon Projected Water Demands and Available Supplies to the Chino Basin*, which analyzed current water use trends, future water demands, replenishment requirements, available supplies and Chino Basin groundwater pumping scenarios to assess the need for additional replenishment capacity (See Appendix C).

Projected Retail Water Demand and Supplies in the Chino Basin

The Chino Basin groundwater modeling performed by WEI is largely driven by the water demand projections and projected groundwater data that are entered into the model, reinforcing the need for up-to-date water demand and supply forecasts. In early 2008, B&V gathered initial demand forecast data for the purposes of the Dry Year Yield Expansion Program. In July and August, IEUA staff met with each IEUA retail agency to review current

water supply and growth conditions, update future water demand and supply trends and identify possible future replenishment obligations.¹

Current conditions that were discussed that may impact near term demand trends include:

- Fiscal Year 2006/07 was the driest year on record, and is thus likely to be the highest water demand recorded in the Chino Basin for the near future;
- Continued slowdown of the housing market which will delay increases in water demand and thus delay the need for additional water supplies;
- Enhanced regional conservation efforts and programs to respond to the continued statewide dry conditions, reduced MWD imported supplies and the potential mandatory reduction in MWD imported supplies; and
- The Governor's call for a 20% statewide reduction in water use by 2020 is leading to the development and implementation of increased conservation programs statewide, including DWR's 20x20x20 conservation initiative, SWRCB's consideration of regulatory conservation programs, and legislation such as AB 2175.

Since April and during this summer discussions with the retail agencies also addressed the implementation of programs that are increasing local water supplies including the recycled water program (consistent with the expedited scheduled under the 3 Year Business Plan) and the expansion of the Chino Desalter production.

Appendix A contains the updated water demand and supply projections that were reviewed by the IEUA retail agencies. These projections will be used in the WEI modeling to complete the DYY CEQA process by December 31, 2008. The projections will also be used in the modeling analysis for the update of the Chino Basin Groundwater Recharge Master Plan (July 2010).

Conclusion

Total projected water demands and supplies for the IEUA service area over the next seven years are expected to range from 244,000 AFY to 260,000 AFY (increasing to 300,000 AFY by 2035). Overall, these updated forecasts still appear to be high when considering all of the current conditions facing the Chino Basin. In particular, the stronger, more aggressive conservation message that is being delivered by the Governor, State Water Resources Control Board, the California Department of Water Resources and MWD will reinforce local water efficiency programs and enhance the near and long term effectiveness of these efforts.

It is important to note that Chino Basin groundwater pumping by DYY participating agencies is projected to remain steady through 2015, at approximately 140,000 AFY, and then increase to approximately 175,000 AFY in 2035. This projection through 2015 reflects, in large part, the planned increase in other local water supplies (such as the growth in the direct use of recycled water from 12,000 AFY to 35,000 AFY) and lower overall water demands (due to increased

¹ City of Pomona and Jurupa Community Services District initial demand forecasts were used for this analysis.

conservation) that will reduce the need for additional groundwater pumping. In the summer discussions, none of the IEUA retail agencies indicated that they expected to increase their respective Chino Basin groundwater replenishment obligations as a result of their groundwater pumping plans over the next ten years.

Chino Basin DYY participants projected groundwater use is lower (140,000 AFY in 2015 to 175,000 AFY in 2035) as compared to the initial forecasts of 180,000 AFY in 2015 to 200,000 AFY in 2035. Thus overall replenishment needs for MWD spreading supplies is significantly lower than previously projected. And opportunities exist to enhance storing supplemental supplies in the Chino Basin. For example, with a current recharge capacity for Chino Basin facilities at approximately 110,000 AFY with all the phase 1 and 2 improvements, the future replenishment of recycled water (20,000 AFY - 35,000 AFY by 2012 with a five year moving average) along with increased storm water capture will allow significant operating flexibility to use MWD supplies from the SWP when available (about 30-40 percent of the time) to achieve the Judgment requirements for replenishment. The additional combination of new in-lieu replenishment programs (30,000 AFY - 40,000 AFY) and aquifer storage and recovery (ASR) wells (10,000 – 15,000 AFY) can increase the Basin’s annual “put” into storage capacity, producing a potential total of 150,000 AFY – 165,000 AFY of recharge capacity (assumes that in-lieu water is appropriately priced and ASR wells can be constructed under an expanded DYY program).

Current & Additional Chino Basin Recharge Capacities	
Basins	110,000 AFY
In-Lieu	30,000 – 40,000 AFY
ASR Wells	10,000 – 15,000 AFY
TOTAL	150,000 – 165,000 AFY

Recharge Capacity Sources: 1. Basins – Appendix B; 2. In-Lieu – historical data; and 3. ASR Wells – DYY Expansion

Appendix A
Chino Basin Updated Water Demand Supply Projections

Fontana Water Company - Water Demand & Supply Projections											
Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	14,500.00	13,500.00	12,500.00	11,000.00	10,000.00	10,000.00	10,000.00	11,000.00	11,500.00	12,000.00	12,500.00
Other Basin Groundwater	16,500.00	14,000.00	13,000.00	12,000.00	11,000.00	11,000.00	11,000.00	12,000.00	13,000.00	13,500.00	14,000.00
Imported Water	10,000.00	12,000.00	14,000.00	16,000.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00
Surface Water	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	5,000.00	6,000.00	6,000.00	6,000.00
Recycled Water	1,000.00	2,500.00	3,500.00	5,000.00	5,500.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00
Desaliner Water	-	-	-	-	-	-	-	-	-	-	-
TOTAL	46,500.00	46,500.00	47,500.00	48,500.00	49,000.00	49,500.00	49,500.00	52,000.00	54,500.00	55,500.00	56,500.00

Cucamonga Valley Water District - Water Demand & Supply Projections											
Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	16,598.00	16,598.00	18,787.00	18,787.00	21,229.00	21,229.00	21,229.00	26,729.00	31,229.00	37,729.00	37,729.00
Other Basin Groundwater	5,400.00	5,400.00	5,400.00	5,400.00	5,400.00	5,400.00	5,400.00	5,400.00	5,400.00	5,400.00	5,400.00
Imported Water	35,202.00	33,000.00	30,811.00	30,811.00	28,369.00	28,369.00	28,369.00	28,369.00	28,369.00	28,369.00	28,369.00
Surface Water	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
Recycled Water	1,000.00	3,300.00	3,940.00	4,580.00	5,220.00	5,860.00	6,500.00	6,500.00	6,500.00	6,500.00	6,500.00
Desaliner Water	-	-	-	-	-	-	-	-	-	-	-
TOTAL	60,700.00	60,798.00	61,438.00	62,078.00	62,718.00	63,358.00	63,998.00	69,498.00	74,998.00	80,498.00	80,498.00

Monte Vista Water District - Water Demand & Supply Projections											
Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	20,000.00	16,000.00	16,000.00	16,000.00	16,000.00	16,000.00	17,000.00	18,500.00	20,000.00	21,500.00	21,500.00
Other Basin Groundwater	-	-	-	-	-	-	-	-	-	-	-
Imported Water	6,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00
Surface Water	150.00	300.00	400.00	400.00	400.00	400.00	400.00	450.00	500.00	500.00	500.00
Recycled Water	-	-	-	-	-	-	-	-	-	-	-
Desaliner Water	-	-	-	-	-	-	-	-	-	-	-
TOTAL	26,150.00	27,300.00	27,400.00	27,400.00	27,400.00	27,400.00	28,400.00	29,950.00	31,500.00	33,000.00	33,000.00

City of Upland - Water Demand & Supply Projections											
Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	1,433.00	1,284.00	1,284.00	2,140.00	2,140.00	2,140.00	2,140.00	2,140.00	2,140.00	2,140.00	2,140.00
Other Basin Groundwater	6,810.00	6,420.00	6,420.00	6,420.00	6,420.00	6,420.00	6,420.00	6,420.00	6,420.00	6,420.00	6,420.00
Imported Water	6,345.00	5,778.00	5,564.00	4,494.00	4,494.00	4,494.00	4,280.00	4,280.00	4,280.00	4,280.00	4,280.00
Purchased Water (SAWCO)	8,495.00	7,918.00	7,918.00	7,918.00	7,918.00	7,918.00	7,918.00	7,918.00	7,918.00	7,918.00	7,918.00
Recycled Water	-	-	214.00	428.00	642.00	856.00	1,070.00	1,070.00	1,070.00	1,070.00	1,070.00
Desaliner Water	-	-	-	-	-	-	-	-	-	-	-
TOTAL	23,483.00	21,400.00	21,400.00	21,400.00	21,400.00	21,400.00	21,400.00	21,400.00	21,400.00	21,400.00	21,400.00

City of Ontario - Water Demand & Supply Projections											
Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	26,000.00	25,000.00	24,000.00	23,000.00	23,000.00	23,000.00	23,000.00	26,000.00	28,000.00	30,000.00	30,000.00
Other Basin Groundwater	-	-	-	-	-	-	-	-	-	-	-
Imported Water	12,000.00	12,000.00	12,000.00	12,000.00	11,500.00	11,000.00	11,000.00	12,000.00	12,000.00	12,000.00	12,000.00
Surface Water	4,000.00	5,000.00	6,000.00	7,000.00	8,000.00	9,000.00	9,000.00	9,000.00	9,000.00	9,000.00	9,000.00
Recycled Water	5,000.00	5,000.00	5,500.00	5,500.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00
Desaliner Water	-	-	-	-	-	-	-	-	-	-	-
TOTAL	47,000.00	47,000.00	47,500.00	47,500.00	48,500.00	49,000.00	49,000.00	53,000.00	55,000.00	57,000.00	57,000.00

Appendix A
Chino Basin Updated Water Demand Supply Projections

City of Chino - Water Demand & Supply Projections											
Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	9,971.00	9,971.00	10,145.60	10,320.20	10,494.80	10,669.40	10,844.00	11,018.60	12,777.00	13,963.00	12,963.00
Other Basin Groundwater	-	-	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00
Imported Water	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00
Surface Water	2,000.00	3,000.00	4,000.00	5,000.00	5,500.00	5,500.00	5,500.00	6,000.00	6,000.00	6,000.00	6,000.00
Recycled Water	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Desalator Water	20,571.00	21,571.00	22,745.60	23,920.20	24,594.80	24,769.40	24,944.00	25,411.00	27,377.00	27,563.00	27,563.00
TOTAL											

City of Chino Hills - Water Demand & Supply Projections											
Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	12,500.00	14,200.00	14,500.00	14,800.00	15,100.00	15,400.00	15,700.00	16,000.00	16,000.00	16,000.00	16,000.00
Other Basin Groundwater	1,500.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00
Imported Water	-	-	-	-	-	-	-	-	-	-	-
Surface Water	1,685.00	1,700.00	1,875.00	2,050.00	2,225.00	2,400.00	2,400.00	2,500.00	2,500.00	2,500.00	2,500.00
Recycled Water	4,200.00	4,200.00	4,200.00	4,200.00	4,200.00	4,200.00	4,200.00	4,200.00	4,200.00	4,200.00	4,200.00
Desalator Water	19,885.00	21,300.00	21,775.00	22,250.00	22,725.00	23,200.00	23,200.00	23,900.00	23,900.00	23,900.00	23,900.00
TOTAL											

Jurupa Community Services District - Water Demand & Supply Projections											
Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	23,000.00	25,000.00	26,000.00	27,000.00	28,000.00	29,000.00	29,711.00	30,009.00	30,009.00	30,009.00	30,009.00
Other Basin Groundwater	-	-	-	-	-	-	-	-	-	-	-
Imported Water	-	-	-	-	-	-	-	-	-	-	-
Surface Water	8,700.00	8,700.00	8,700.00	8,700.00	8,700.00	8,700.00	8,700.00	8,700.00	8,700.00	8,700.00	8,700.00
Recycled Water	33,700.00	33,700.00	34,700.00	35,700.00	36,700.00	37,700.00	38,411.00	38,709.00	38,709.00	38,709.00	38,709.00
Desalator Water	-	-	-	-	-	-	-	-	-	-	-
TOTAL											

City of Pomona - Water Demand & Supply Projections											
Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	13,000.00	13,000.00	13,000.00	13,000.00	13,000.00	13,000.00	13,000.00	13,000.00	13,000.00	13,000.00	13,000.00
Other Basin Groundwater	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00
Imported Water	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00
Surface Water	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Recycled Water	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
Desalator Water	31,500.00	31,500.00	31,500.00	31,500.00	31,500.00	31,500.00	31,500.00	31,500.00	31,500.00	31,500.00	31,500.00
TOTAL											

TOTAL IEUA Participants - Water Demand & Supply Projections											
Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	101,002.00	96,553.00	97,216.60	96,047.20	97,963.80	98,438.40	99,613.00	112,180.00	122,646.00	132,332.00	132,832.00
Other Basin Groundwater	28,710.00	25,820.00	24,820.00	23,820.00	22,820.00	22,820.00	22,820.00	23,820.00	24,820.00	25,320.00	25,820.00
Imported Water	74,647.00	78,578.00	78,175.00	79,105.00	78,163.00	77,663.00	77,449.00	78,449.00	78,449.00	78,449.00	78,449.00
Surface Water	15,895.00	14,918.00	14,918.00	14,918.00	14,704.00	14,490.00	14,490.00	14,990.00	15,990.00	15,990.00	15,990.00
Recycled Water	9,835.00	15,800.00	19,928.00	24,458.00	27,487.00	30,016.00	30,870.00	31,570.00	31,570.00	31,570.00	31,570.00
Desalator Water	14,200.00	14,200.00	14,700.00	14,700.00	15,200.00	15,200.00	15,200.00	15,200.00	15,200.00	15,200.00	15,200.00
TOTAL	244,289.00	245,869.00	249,758.60	253,048.20	256,337.80	258,627.40	260,442.00	276,459.00	288,675.00	298,861.00	299,861.00

TOTAL DYY Participants - Water Demand & Supply Projections											
Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	137,002.00	134,533.00	136,216.60	136,047.20	138,963.80	140,438.40	142,374.00	155,189.00	165,655.00	175,341.00	175,841.00
Other Basin Groundwater	36,310.00	33,320.00	32,320.00	31,320.00	30,320.00	30,320.00	30,320.00	31,320.00	32,320.00	32,820.00	33,320.00
Imported Water	80,647.00	84,578.00	84,175.00	85,105.00	84,163.00	83,663.00	83,449.00	84,449.00	84,449.00	84,449.00	84,449.00
Surface Water	17,895.00	16,918.00	16,918.00	16,918.00	16,704.00	16,490.00	16,490.00	16,990.00	17,990.00	17,990.00	17,990.00
Recycled Water	12,835.00	18,800.00	22,928.00	27,458.00	30,487.00	33,016.00	33,870.00	34,570.00	34,570.00	34,570.00	34,570.00
Desalator Water	22,900.00	22,900.00	23,400.00	23,400.00	23,900.00	23,900.00	23,900.00	23,900.00	23,900.00	23,900.00	23,900.00
TOTAL	307,489.00	311,069.00	315,958.60	320,248.20	324,537.80	327,827.40	330,353.00	346,368.00	358,884.00	369,070.00	370,070.00

DRAFT - Appendix B
Chino Basins Recharge Capacity & Recharge Sources: Recycled Water, Storm Water, Imported Water

Basin	Recharge Capacity cfs	Recharge Capacity AF per day	Total Capacity (80% Usage)	Recycled Water (20%) Title 22 Report	Recycled Water (20%) (AF)	Recycled Water (30%) (AF)	Recycled Water (50%) (AF)	Storm Water (30%) (AF)	Imported Water (50%) For basins with no RW then (70%) (AF)	Imported Water (40%) For basins with no RW then (70%) (AF)	Imported Water (20%) For basins with no RW then (70%) (AF)
Banana Basin	5	9.9	2,900	1,000	580	870	1,450	870	1,450	1,160	580
Deleze Basins	6	11.9	3,500	500	690	1,040	1,730	1,040	1,730	1,390	690
Etiwanda Cons. Ponds	Not Developed			1,600							
Hickory Basin	5	9.9	2,900	1,300	580	870	1,450	870	1,450	1,160	580
Jurupa Basin	0	0.0	0	0	0	0	0	0	0	0	0
RP-3 Basins	7	13.9	4,000	2,400	810	1,210	2,020	1,210	2,020	1,620	810
Turner Basins	6	11.9	3,500	1,900	690	1,040	1,730	1,040	1,730	1,390	690
7th & 8th Street Basins	5	9.9	2,900	1,100	580	870	1,450	870	1,450	1,160	580
Etiwanda Debris Basin	7	13.9	4,000	2,400	810	1,210	2,020	1,210	2,020	1,620	810
Lower Day Basin	9	17.8	5,200	1,000	1,040	1,560	2,600	1,560	2,600	2,080	1,040
Brooks Street Basins	5	9.9	2,900	1,400	580	870	1,450	870	1,450	1,160	580
College Heights Basins	15	29.7	8,700	0	0	0	0	2,600	6,070	6,070	6,070
Montclair Basins	40	79.2	23,100	0	0	0	0	6,940	16,190	16,190	16,190
Upland Basin	20	39.6	11,600	0	0	0	0	3,470	8,090	8,090	8,090
San Seavaine Basins	50	99.0	28,900	4,100	5,780	8,670	14,450	8,670	14,450	11,560	5,780
Victoria Basin	6	11.9	3,500	1,400	690	1,040	1,730	1,040	1,730	1,390	690
Ely Basins	5	9.9	2,900	660	580	870	1,450	870	1,450	1,160	580
Subtotal			110,500	20,760	13,410	20,120	33,530	33,130	63,880	57,200	43,760

NOTES:

1. Recycled Water Recharge Capacity By Basin using Operations Data from FY2005/06 (assumes diluent water is available from stormwater or imported water)
2. In previous years, MWD replenishment water was thought to be available 7 out of 10 years. Under current conditions it is thought to be available only 3 out of 10 years. This is the assumption that is going into Wildermuth Environmental Inc. modeling efforts.

Date: April 16, 2008

Prepared By: IEUA - Ryan Shaw, Kathy Tiegs, Martha Davis and Richard Atwater

Subject: Recharge Master Plan – Technical Memo (UWMP Scenarios)

Net Groundwater Replenishment Obligations through 2015 Based Upon Projected Water Demands and Available Supplies to the Chino Basin

Background

Chino Basin Watermaster and Inland Empire Utilities Agency (IEUA) are working together to update the 2002 Recharge Master Plan. The purpose of this memo is to analyze the current water use trends, water demands, replenishment, available supplies and in particular Chino groundwater pumping scenarios to eliminate the need for replenishment capacity.

In July 2007, Wildermuth Environmental Inc. (WEI) published the Optimum Basin Management Plan (OBMP) that described the “state” of the Chino Basin. (“State of the Basin – 2006,” July 2007) As part of the OBMP, Watermaster conducted hydrogeologic investigations and collected new hydrogeologic data and is currently updating their hydrogeologic conceptual model of the Chino Basin.

The safe yield for Chino Basin is based primarily on accurate estimations of groundwater production, artificial recharge, and basin storage changes over time. Watermaster has been expanding its monitoring program extensively in order to get a better understanding for the current and future trends in groundwater production. The following are general trends in groundwater production:

- There was a basin wide increase in the number of wells producing over 1,000 AFY between 1978 and 2006. This is consistent with (1) the land use transition from agricultural to urban, (2) the trend of increasing imported water costs, and (3) the use of desalters.
- Since the implementation of the OBMP in 2000, the number of active production wells has decreased. This is consistent with the conversion of land use from agriculture to urban.
- Since the implementation of the OBMP in 2000, desalter pumping has commenced and has progressively increased to 16,542 AF in 2005/06.
- Since the implementation of the OBMP in 2000, groundwater production has decreased west of Euclid Avenue. This is consistent with (1) the MZ-1 Interim Management Plan, and (2) reduced the pumping in the City of Pomona, Monte Vista Water District and the City of Chino Hill, as these agencies have been participating in the Dry Year Yield Program.

- In accordance with the hypothesis that urbanization is the cause of decreased agricultural production, Appropriative Pool production tends to increase at approximately the same rate that Agricultural Pool production decreases.

In November 2007, Wildermuth Environmental Inc. (WEI) published a report for Chino Basin Watermaster, modeling and evaluating outcomes of the Peace II agreements. In March 2008, the Peace II agreements were approved. These agreements recognize that Hydraulic Control is an essential goal of the Watermaster and critical to the implementation of the Basin Plan for the Chino Basin. To accomplish this, Watermaster parties must pump 400,000 AF of water from the southern end of the basin creating a capture zone that prevents any measurable amount of low quality water from escaping into Prado Reservoir and eventually making its way into the Orange County aquifer. This controlled overdraft is a cornerstone to the plan approved by the court. By creating Hydraulic Control, the region will be allowed the continued use of recycled water for direct use on parks, golf courses and other non-potable demands, and also will be allowed the regulated use of recycled water for recharge into the Chino Ground Water Basin. The important question that came out of the Peace II agreements and WEI's report was whether there a need for additional groundwater recharge facilities in order to meet future replenishment obligations.

The Peace Agreement and the OBMP Implementation Plan both require Watermaster to develop a Recharge Master Plan. Program Element 2 of the OBMP set forth specific expectations and requirements for the development and implementation of specific recharge improvements.

With the adoption of the Peace II Measures, the parties to the Judgment assumed additional responsibilities to elevate the extent of their collective recharge efforts to address conditions arising from Basin Re-Operation and the effort to secure Hydraulic Control. (See e.g. Peace Agreement II Section 8.2.)

Watermaster committed to submitting an updated Recharge Master Plan to the Court for approval by July 10, 2010. In approving the Peace II Measures, the Court also added several procedural deadlines to ensure that the parties continued to make progress towards that end. Specifically, Watermaster must submit a detailed outline of the scope and content of the Recharge Master Plan to the Court for approval by July 1, 2008, and then make further progress reports on January 1, 2009 and July 1, 2009.

These commitments were restated to some degree and amplified in the Report of the Special Referee. These commitments that are inclusions for the Report are summarized as follows:

- A representation of baseline conditions that are clearly defined and supported by technical analysis. The "baseline condition" includes pumping demand, recharge capacity, total Basin water demand, and availability of replenishment water.
- An annual estimate of Safe Yield. The approach must be technically defensible.
- An evaluation of measures that can be taken to lessen or stop the projected Safe Yield decline. If a measure is practicable it should be evaluated in terms of potential benefits and feasibility.
- Annual evaluations and reporting on impacts on groundwater storage and water levels.

- Demand and imported water forecasts, supported by technical analysis for 2015, 2020, 2025 and 2030.

To address the finite character of the Basin resource, the Plan must include a detailed technical comparison of current and projected groundwater recharge capability and current and projected demand for groundwater.

This technical memorandum will review the baseline, future water demand and water supply projections, over the next five years and evaluate replenishment obligation in the Chino Basin.

Future Water Demand Projections

This section will discuss IEUA's Urban Water Management Plan, the retail agencies Urban Water Management Plan and Black & Veatch's future water demand projections, offer other future water demand projections that take into account recent events that are impacting water demands and supplies within the Chino Basin.

The adopted plan for future water demand and supply is the 2005 Urban Water Management Plan (UWMP). The UWMP is a public statement of the goals, objectives and strategies needed to maintain a reliable water supply for the IEUA service area. It is intended to be consistent with and to support the implementation of the Chino Basin Watermaster's OBMP.

Current Water Demand Projection Scenarios

IEUA completed its UWMP in November 2005, after receiving population, water supply and water demand projections from each of its retail agencies. The projections were based on an expected growth rate through 2025 that continued slightly lower through 2030. The UWMP forecasts water demands to increase from 255,280 AF to 316,825 AF by 2015, approximately a 25% increase *without considering conservation efforts*. The UWMP forecasts water demand to increase from 255,280 AF to 373,374 AF by 2030, approximately a 45% increase *without considering conservation efforts*. (See Appendix A) IEUA estimates that the regional conservation programs will reduce the above demands by at least 10%. (2005 UWMP, Appendix Z) (Note: Jurupa Community Service District, Chino Desalter Authority's UWMP and the City of Pomona projections are not included in the IEUA UWMP, and they do include San Antonio Water Company as it is part of the IEUA service area.)

Over the past 4 months, Black and Veatch gathered projections for future water supplies in the Chino Basin for the Metropolitan Water District's Dry Year Yield expansion feasibility study. It is assumed that this data was developed based off of Fiscal Year 2006/07 actual water production. These forecasts show an increase from 266,298 AF to 342,484 AF by 2015, approximately a 30% increase. These forecasts show an increase from 266,298 AF to 383,339 AF by 2030, approximately a 45% increase. (See Appendix A) (Note: In order to compare these projections to IEUA's UWMP, Jurupa Community Services District and the City of Pomona data was not included. However these projections do include San Antonio Water Company as it is a part of the IEUA service area.)

The UWMP and Black & Veatch's water demand projections do not take into account recent events that are expected to reduce water demands in the near future. These events include the following:

Conservation efforts over the past two years have exceeded expectations. Southern California experienced a record dry year, last year, which has led to more intensive regional investments in indoor and outdoor conservation. These programs will continue to grow over the next five years in response to recent legal decisions that have reduced imported water supplies available to Southern California by 35%. In addition, on February 28, 2008 Governor Schwarzenegger called on a 20% reduction of daily water use by 2020.

The current recession facing California has already had significant economic impacts on the Inland Empire region. The housing market has dropped significantly and last year foreclosures were at the highest ever, in the San Bernardino and Riverside counties. These directly affect the projected growth in the Chino Basin, and therefore reduce the water demands.

Effectiveness in recent conservation efforts are can be seen on regional wastewater flow trends. In the Chino Basin, IEUA has experienced no growth in overall wastewater flows, effectively “flat-lining” the average daily flow. (Figure 1)

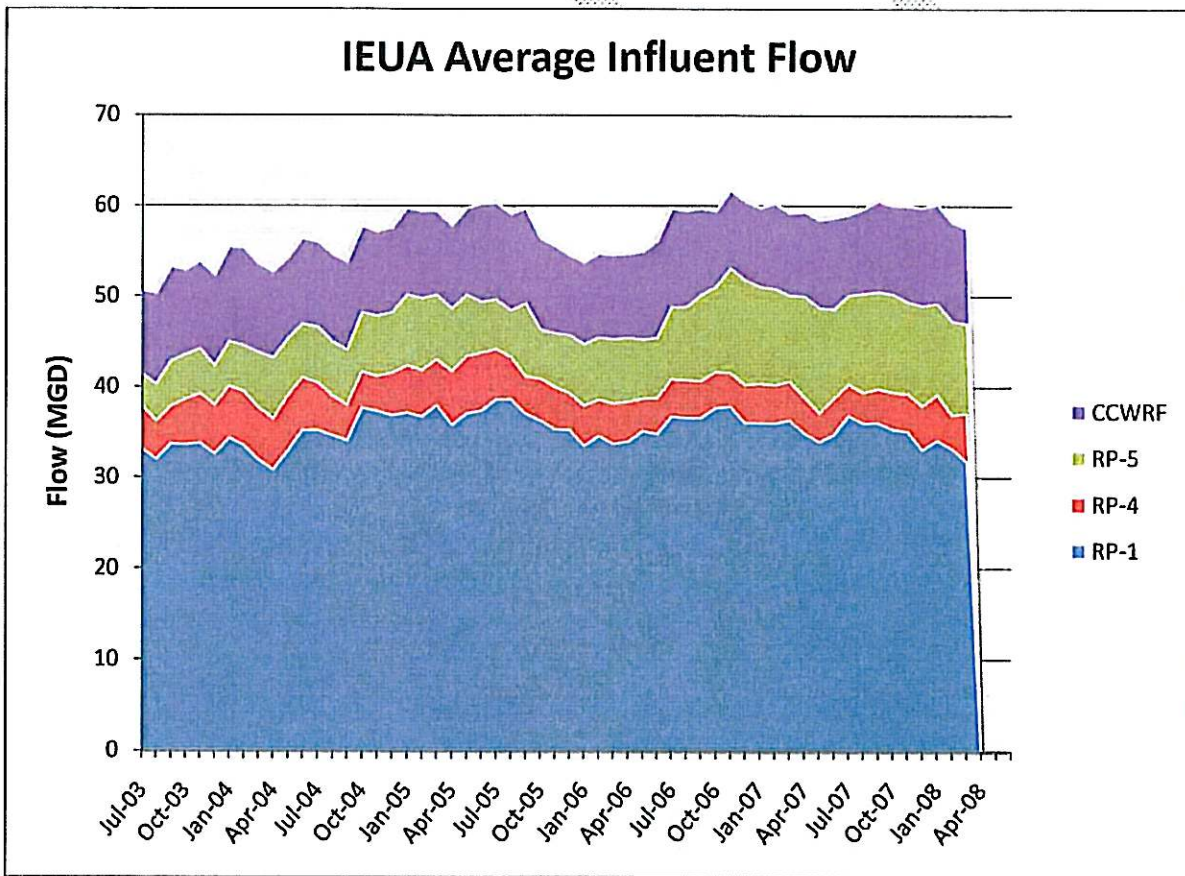


Figure 1 – Shows IEUA’s average wastewater influent flow from 2003 to 2008.

Other Southern California agencies have observed similar trends in wastewater treatment. Los Angeles County and Orange County, which are built-out areas, are actually experiencing declines in wastewater flows. (See Exhibits 1 thru 3.)

Alternative Water Demand Projection Scenarios

Given the impacts of recent events on water demand, the following scenarios incorporate these factors below.

The first scenario comes from MWD’s January 2008 “Drought Allocation Plan,” in which IEUA’s growth rate is set at 2.5%. (MWD’s Drought Allocation Plan, 2008) Using MWD’s growth rate, water demand projections are expected to increase from 255,280 AF to 268,204 AF by 2015, approximately a 5% increase. Using MWD’s growth rate, water demand projections are expected to increase from 255,280 AF to 288,826 AF by 2030, approximately a 13% increase. (See attachment A)

The second scenario is IEUA’s “adjusted water demand projection.” Water demand projections are expected to decrease from 255,280 AF to 219,200 AF by 2015, approximately a 14% decrease. This scenario takes into account aggressive conservation, minimal growth, and historical trends in water demand. The Chino Basin can expect to see a similar response to a strong conservation message, as it did when Southern California reduced its demand dramatically after the 1988-1993 drought.

Figure 2 shows the comparison of all four water demand projections.

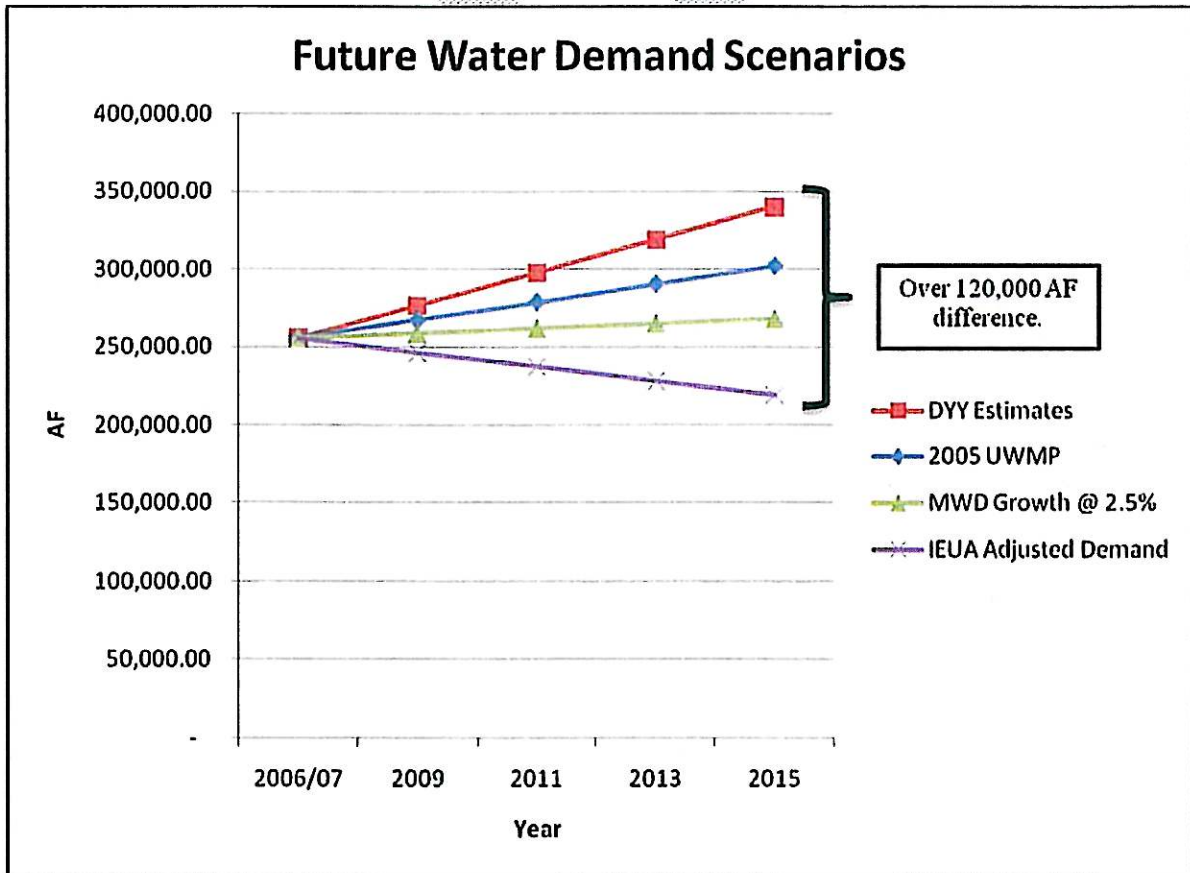


Figure 2 – Future water demand projections, comparing Black & Veatch, the UWMP, a MWD scenario and an IEUA adjusted demand scenario.

Overall, the projections produced by Black and Veatch appear to be significantly high when considering all the realities facing the Chino Basin. In FY 2006/07, California experienced the driest year on record, which also means California produced one of the highest water demand years on record. This suggests that using FY 2006/07 production data from the Chino Basin as a starting point for future projections, will extrapolate extremely high water demand projections. Taking all of the above factors into account, IEUA believes that the future water demand will be much lower than the projections mentioned above.

Future Water Supply Projections

The goal of the IEUA UWMP is to maximize local water sources and minimize the need for imported water, especially during dry years and other emergency shortages from MWD. The integrated plan strives to achieve multiple objectives of increased water supply, enhanced water quality, improved quality of life and energy savings. The UWMP projects that the expected increase of local supplies and the increase in conservation efforts will allow the Chino Basin to be self-reliant in future years, even during droughts.

The IEUA recently developed a 3-Year Recycled Water Business Plan that will increase the use of recycled water, which replaces the potable demand. For example, if recycled water is used in place of groundwater pumping, it will reduce the amount of water needed for groundwater replenishment. Not to mention recycled water is the only water resource that the Chino Basin can still increase, at a minimal cost, and it is virtually drought proof.

The Chino Desalter Authority is another reliable local water resource. The CDA is planning on continuing expanding its production over the next few years. This will reduce other groundwater pumping and will reduce imported water demand, which will be very beneficial in times of drought or emergency.

Overall, the increase of local supplies and conservation efforts will create a growing "cushion" between demand and available supply, with over 80,000 AF net supplies available over projected demand. (Figure 3) These available supplies can be expected to reduce the need for additional groundwater pumping and future replenishment requirements. Water supplies in the Chino Basin easily exceed the future demand, but suggest the need to continue increasing local supplies to allow the Chino Basin to be self-sufficient during a time emergency when no imported water supplies may be available. The increase in local supplies will reduce the groundwater pumping needed for past demands, which will reverse the need for replenishment/recharge that will no longer be required.

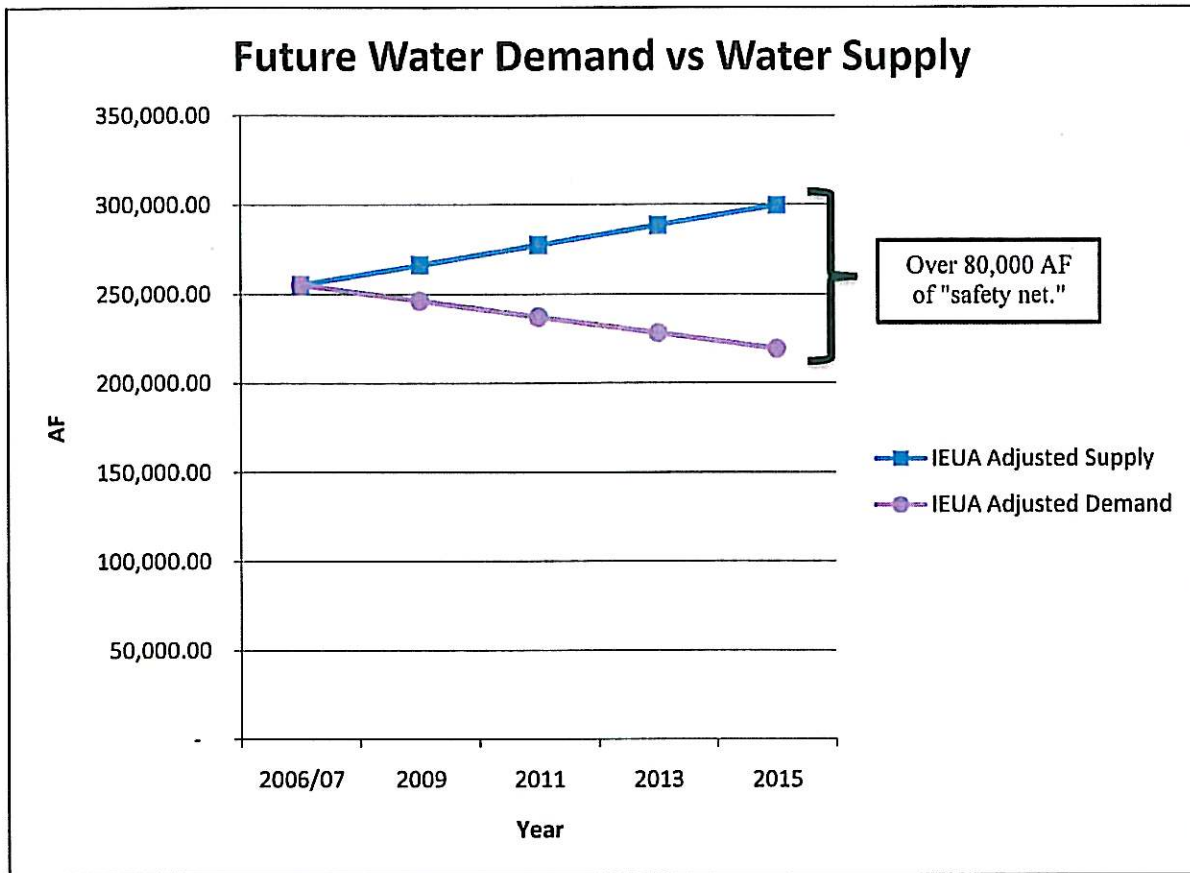


Figure 3 – Shows the comparison between water demand vs supply. There is a large “cushion” between demand and supply.

Net Replenishment Evaluation

Currently the recharge components in the Chino Basin include: the safe yield; the controlled overdraft; replenishment with wet water and by exchange; recharge for cyclic storage and other conjunctive use programs with wet water and by exchange; five-year, 6,500 AFY MZ1 recharge program; new yield from new storm water recharge; and desalter replenishment from new Santa Ana River recharge.

Under the assumptions of a decreasing or “flat-lining” future water demand and increasing development of local supplies, mentioned above, there is no need for additional recharge facilities within the next five years.

- Continued conversion of water rights, as mentioned in the 2006 State of the Basin Report, from the Non-Agricultural and Agricultural Pools to the Appropriative Pool will reduce the groundwater pumping and increase recycled water use. The Non-Ag Pool will shift 5,000 AF to the Appropriative Pool by converting large industries like California Steel Inc. and Sunkist to recycled water. There is no additional recharge required. The Ag Pool will shift 10,000 – 20,000 AF to the Appropriative Pool by converting Chino’s Institute for Men (CIM) and others to recycled water.

- The implementation of the 3-Year Recycled Water Business Plan will increase direct reuse as well as recharge. On top of the increase in recycled water use is the decrease in groundwater pumping that would have taken place without the recycled water.
- The Dry Year Yield Program requires an increase in groundwater pumping; however there are not any additional recharge requirements, as a result of the In-Lieu Program.
- The Dry Year Yield Expansion Program will increase from 100,000 AF to 150,000 AF with the development of ASR wells, providing recharge capacity.
- The CDA expansion will be increasing production; however there will not be any additional recharge requirements.

Conclusion

The current conditions suggest that retail urban water demands will probably decrease over the next several years in the Chino Basin. Fiscal Year 2006/07 was the driest year on record, thus the highest water demand recorded in the Chino Basin. The continued conservation efforts and programs combined with the reduction in State Water Project water and the Governor's call for a 20% reduction, will keep the demand lower than what was projected in the UWMP and Black & Veatch's projections.

Continued development of the recycled water program, CDA expansion and conservation efforts will increase local supplies. These supplies are projected to be much higher than the retail urban demand, creating a 80,000 AF "cushion" between supply and demand. These expanding programs may reduce the projected increase in groundwater pumping. Thus, the projected replenishment obligation is not expected to exceed 20,000 AF per year prior to 2015.

Therefore, based on these water demand and water supply scenarios, IEUA staff suggests that with the current recharge facilities (about 90,000 to 100,000 AF) there is no need for additional recharge capacity. The budgeted improvements are adequate for the next 5-10 years. In-lieu replenishment and additional ASR wells can augment the recharge spreading capacity by an additional 25,000 to 40,000 AFY.

IEUA Retail Agencies
Water Demand & Supply Plans

APPENDIX A

City of Chino	2006/2007 Actuals		IEUA Projected Supply	Black & Veatch Supply Projections	
	IEUA	Black & Veatch	Next 5 Years	2010	2015
Chino Basin GW	8,908.93	8,861.00	8,000.00	9,288.00	12,514.00
CDA Supply (Chino Basin GW)	4,689.57	4,690.00	5,000.00	5,000.00	5,000.00
Other Basin GW	-	-	-	-	-
Imported Water	4,278.59	4,309.00	5,000.00	5,353.00	5,353.00
Recycled Water	2,303.92	3,612.00	5,500.00	4,936.00	7,250.00
Local Surface Water	-	-	-	-	-
Total	20,181.01	21,472.00	23,500.00	26,587.00	32,132.00

IEUA's Range of Demand	17,300 to 20,500
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City of Chino Hills	IEUA	Black & Veatch	Next 5 Years	2010	2015
Chino Basin GW	5,190.34	4,154.00	See MVWD	See MVWD	See MVWD
CDA Supply (Chino Basin GW)	3,253.07	5,532.00			
Other Basin GW	-	-			
Imported Water	10,459.49	1,395.00			
Recycled Water	1,630.57	2,942.00			
Local Surface Water	-	-			
Total	20,533.48	14,023.00			

IEUA's Range of Demand	See MVWD
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CVWD	IEUA	Black & Veatch	Next 5 Years	2010	2015
Chino Basin GW	18,786.47	18,787.00	20,000.00	33,500.00	38,300.00
CDA Supply (Chino Basin GW)	-	-	-	-	-
Other Basin GW	6,308.04	6,308.00	6,500.00	5,400.00	5,400.00
Imported Water	32,825.07	32,825.00	32,000.00	29,000.00	29,000.00
Recycled Water	253.28	147.00	4,000.00	3,700.00	7,500.00
Local Surface Water	4,368.77	4,369.00	5,000.00	2,500.00	2,500.00
Total	62,541.63	62,436.00	67,500.00	74,100.00	82,700.00

IEUA's Range of Demand	55,000 to 64,000
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FWC	IEUA	Black & Veatch	Next 5 Years	2010	2015
Chino Basin GW	16,218.42	16,218.00	20,000.00	25,000.00	25,000.00
CDA Supply (Chino Basin GW)	-	-	-	-	-
Other Basin GW	24,351.20	25,051.00	25,000.00	22,600.00	22,600.00
Imported Water	-	-	5,000.00	23,000.00	23,000.00
Recycled Water	-	-	6,000.00	2,600.00	5,000.00
Local Surface Water	9,971.32	10,263.00	12,000.00	11,000.00	11,000.00
Total	50,540.94	51,532.00	68,000.00	84,200.00	86,600.00

IEUA's Range of Demand	43,000 to 55,000
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MVWD*	IEUA	Black & Veatch	Next 5 Years	2010	2015
Chino Basin GW	8,529.52	11,279.00	14,000.00	15,372.00	18,567.00
CDA Supply (Chino Basin GW)	-	-	5,000.00	4,200.00	4,200.00
Other Basin GW	-	-	-	9,617.00	10,052.00
Imported Water	3,845.66	11,484.00	16,000.00	13,351.00	11,856.00
Recycled Water	-	-	3,500.00	3,300.00	4,500.00
Local Surface Water	-	-	-	-	-
Total	12,375.18	22,763.00	38,500.00	45,840.00	49,175.00
			IEUA's Range of Demand	30,300 to 34,500	

City of Ontario	IEUA	Black & Veatch	Next 5 Years	2010	2015
Chino Basin GW	28,014.11	28,014.00	30,000.00	28,000.00	32,400.00
CDA Supply (Chino Basin GW)	4,961.95	5,070.00	7,500.00	8,921.00	8,921.00
Other Basin GW	-	-	-	-	-
Imported Water	13,219.30	13,314.00	12,000.00	16,500.00	16,500.00
Recycled Water	3,672.65	-	8,600.00	7,900.00	8,800.00
Local Surface Water	-	-	-	-	-
Total	49,868.01	46,398.00	58,100.00	61,321.00	66,621.00
			IEUA's Range of Demand	43,600 to 51,000	

City of Upland	IEUA	Black & Veatch	Next 5 Years	2010	2015
Chino Basin GW	1,270.71	2,237.00	2,000.00	4,000.00	4,000.00
CDA Supply (Chino Basin GW)	-	-	-	-	-
Other Basin GW	15,494.55	14,074.00	15,000.00	13,632.00	15,383.00
Imported Water	4,825.00	4,725.00	7,000.00	6,300.00	5,588.00
Recycled Water	16.74	-	800.00	400.00	1,000.00
Local Surface Water	2,199.11	2,342.00	2,000.00	1,300.00	1,300.00
Total	23,806.11	23,378.00	26,800.00	25,632.00	27,271.00
			IEUA's Range of Demand	19,500 to 24,200	

San Antonio	IEUA	Black & Veatch	Next 5 Years	2010	2015
Chino Basin GW	3,113.08	3,113.08	5,000.00	-	-
CDA Supply (Chino Basin GW)	-	-	-	-	-
Other Basin GW	7,676.13	7,676.13	7,000.00	-	-
Imported Water	-	-	-	-	-
Recycled Water	-	-	-	-	-
Local Surface Water	4,644.44	4,644.44	5,000.00	-	-
Total	15,433.65	15,433.65	17,000.00	-	-
			IEUA's Range of Demand	10,500 to 14,000	

Total for Appropriators	IEUA	Black & Veatch	Next 5 Years	2010	2015
Chino Basin GW	90,031.58	92,663.08	99,000.00	115,160.00	130,781.00
CDA Supply (Chino Basin GW)	12,904.59	15,292.00	17,500.00	18,121.00	18,121.00
Other Basin GW	53,829.92	53,109.13	53,500.00	51,249.00	53,435.00
Imported Water	69,453.11	68,052.00	77,000.00	93,504.00	91,297.00
Recycled Water	7,877.15	6,701.00	28,400.00	22,836.00	34,050.00
Local Surface Water	21,183.64	21,618.44	24,000.00	14,800.00	14,800.00
Total	255,279.99	257,435.65	299,400.00	315,670.00	342,484.00
			IEUA's Range of Demand	219,200 to 263,200	

* Probable Retail Demands & Total Supply Available include MVWD and Chino Hills projections.

APPENDIX B

FY 2006/07 Total Comparison**	IEUA	Black & Veatch	Difference
Chino Basin GW	90,031.58	92,663.08	2,631.50
CDA Supply (Chino Basin GW)	12,904.59	15,292.00	2,387.41
Other Basin GW	53,829.92	53,109.13	(720.79)
Imported Water	69,453.11	68,052.00	(1,401.11)
Recycled Water	7,877.15	6,701.00	(1,176.15)
Local Surface Water	21,183.64	21,618.44	434.80
Total	255,279.99	257,435.65	2,155.66

**Comparison doesn't include JSCD or Pomona

APPENDIX C

2015 Total Supply Comparison**	IEUA	Black & Veatch	Difference
Chino Basin GW	99,000.00	130,781.00	31,781.00
CDA Supply (Chino Basin GW)	17,500.00	18,121.00	621.00
Other Basin GW	53,500.00	53,435.00	(65.00)
Imported Water	77,000.00	91,297.00	14,297.00
Recycled Water	28,400.00	34,050.00	5,650.00
Local Surface Water	24,000.00	14,800.00	(9,200.00)
Total	299,400.00	342,484.00	43,084.00

**Comparison doesn't include JSCD or Pomona

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Chino Basin Watermaster Appropriative & Non-Ag Pool

Updated Water Demand & Supply Forecasts and
Dry Year Yield Status

September 11, 2008

Updated Demand & Supply Forecasts

- There are two main uses for the updated forecasts:
 - The DYY Expansion Program CEQA
 - The Groundwater Recharge Master Plan Update
- Wildermuth Environmental Inc. model is largely driven by demand & supply forecasts and production data.
- 2005 UWMP demand & supply forecasts do not reflect current conditions.
- IEUA retail agencies have reviewed the forecasts
 - CVWD, MVWD, Upland, Ontario, Chino, Chino Hills, Fontana
 - (Initial forecast data for Pomona & JCSD will be included)

Updated Demand & Supply Forecasts

IEUA DYY Participants	2009	2015	2035
Chino Basin GW	101,002	99,613	132,832
Other Basin GW	28,710	22,820	25,820
Imported Water	74,647	77,449	78,449
Surface Water	15,895	14,490	15,990
Recycled Water	9,835	30,870	31,570
Desalter Water	14,200	15,200	15,200
TOTAL	244,289	260,442	299,861
All DYY Participants	2009	2015	2035
Chino Basin GW	137,002	142,324	175,841
Other Basin GW	36,210	30,320	33,320
Imported Water	80,647	83,449	84,449
Surface Water	17,895	16,490	17,990
Recycled Water	12,835	33,870	34,570
Desalter Water	22,900	23,900	23,900
TOTAL	307,489	330,353	370,070

Updated Demand & Supply Forecast Trends

- Even with all DYY Participants, Chino Basin GW pumping will be “flat-lined” through 2015.
- Even with Fontana's new MWD connection (10,000 – 18,000 AFY), imported water will be “flat-lined” through build-out, 2035.
- Recycled Water (direct use not replenishment) will increase to 35,000 AFY by 2015 (if not sooner).
- The forecasts show an increase in overall demand through 2015, increasing from 307,000 AFY to 330,000 AFY.
 - IEUA DYY Participants – from 244,000 AFY to 260,000 AFY
 - Pomona & JCSD – from 63,000 AFY to 70,000 AFY
- Demands through 2015 still appear to be high given current statewide emphasis on water conservation.

Implications for Groundwater Replenishment Options

- Reduced demand & increased local supply means that Chino Basin groundwater pumping (140,000 AFY) will not be as high as previously thought (180,000 AFY).
- Alternative options to constructing new recharge facilities:
 - Basins
 - In-Lieu
 - ASR Wells

Current & Additional Chino Basin Recharge Capacities	
Basins	110,000 AFY
In-Lieu (thru expanded DYY)	30,000 – 40,000 AFY
ASR Wells	10,000 – 15,000 AFY
TOTAL	150,000 – 165,000 AFY

Summary of Initial and Expanded DYY Program “Puts” and “Takes”

**Table 3-1
Summary of Initial and Expanded DYY Program Participants and Proposed Pu/Take Capacities**

Agency	Initial DYY Program (1)		DYY Program Expansion (2)		
	Put Capacity (afy)	Take Capacity (afy)	Put Capacity (afy) (4)	Take Capacity (afy)	
City of Chino	(3)	1,159	500-1,000	2,000	
City of Chino Hills		1,448	–	1,000	
Cucamonga Valley Water District		11,353	4,000-5,000	None	
Fontana Water Company		0	–	2,000	
Jurupa Community Services District		2,000	–	2,000	
Monte Vista Water District		3,983	3,000-4,000	3,000-5,000	
City of Ontario		8,076	2,000-3,000	None	
City of Pomona		2,000	–	2,000	
City of Upland		3,001	–	1,000	
Three Valleys Municipal Water District		0	1,000-2,000	None	
Western Municipal Water District		0	–	8,000-10,000	
Total		25,000	33,000	10,500–15,000	21,000-25,000

Notes:

(1) Initial 100,000 AF DYY Program includes maximum 25,000 afy “put” over a four-year period of surplus and a maximum 33,000 afy “take” over a three-year dry period.

(2) DYY Program Expansion includes increases in total storage, “put” capacity, and “take” capacity.

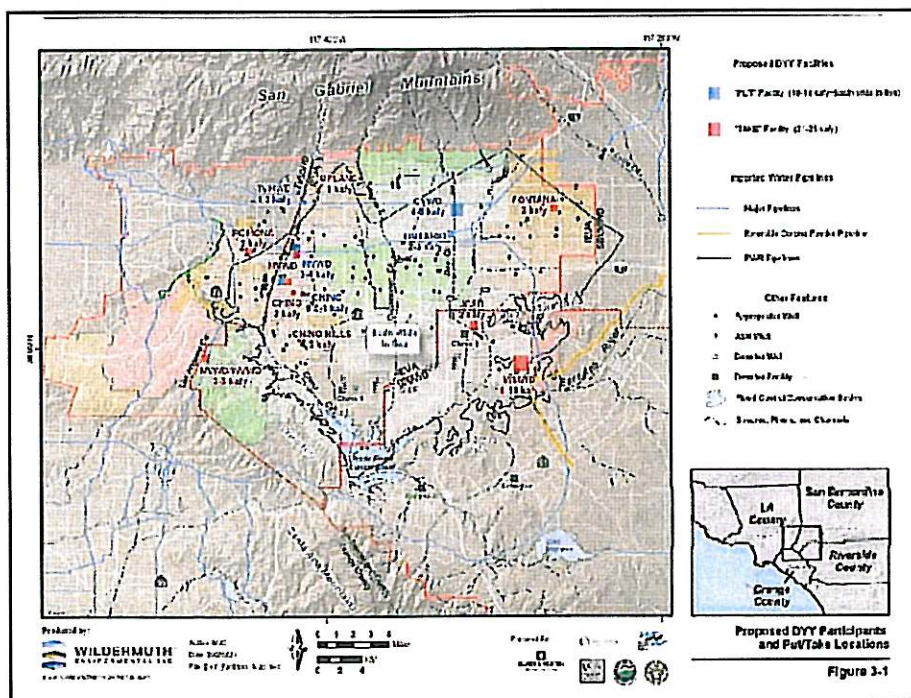
(3) “Put” for the initial DYY Program are accomplished by a combination of direct recharge and in-lieu deliveries.

(4) Does not include basin-wide in-lieu deliveries and direct recharge.

Summary of Program Participants and Facility Requirements

Table 5-1
Summary of Program Participants and Facility Requirements

Agency	Facility Requirements
City of Chino	<ul style="list-style-type: none"> Regenerable IX treatment at existing well nos. 3 and 12 ASR Site at Well No. 14: Regenerable IX treatment at existing well no. 14 and rehabilitation of existing Chino agriculture well for injection
City of Chino Hills	<ul style="list-style-type: none"> Convert existing well no. 19 to ASR
Cucamonga Valley Water District	<ul style="list-style-type: none"> Four new ASR wells
Fountain Water Company	<ul style="list-style-type: none"> Non-regenerable IX treatment at existing well no. F13A Non-regenerable IX treatment at existing well no. F25A Non-regenerable IX treatment at existing well no. F35A
Jurupa Community Services District	<ul style="list-style-type: none"> New well no. 27 ("Galleano Well") New well no. 28 ("Oda Well") New well no. 29 ("IDI Well")
Monte Vista Water District	<ul style="list-style-type: none"> New ASR well and regenerable IX treatment Rehabilitate existing well no. 2 and regenerable IX treatment Regenerable IX treatment at existing ASR well no. 4 and well no. 27 Conveyance facilities to deliver water from MVWD via Chino Hills to Walnut Valley Water District service area
City of Ontario	<ul style="list-style-type: none"> Conveyance facilities to establish interconnection with CVWD
City of Pomona	<ul style="list-style-type: none"> Regenerable IX treatment at existing Reservoir No. 5 site
City of Upland	<ul style="list-style-type: none"> New well in Six Basin
Three Valleys Municipal Water District	<ul style="list-style-type: none"> Treated water pipeline from WFA WTP to Miramar WTP Raw water pipeline from Azusa-Devil Cyn Pipeline to WFA WTP Tieout along Azusa-Devil Cyn Pipeline
Western Municipal Water District	<ul style="list-style-type: none"> Conveyance facilities to establish interconnection between planned RC Feeder and JCSD service area



"Condensed" Project Work Plan and Schedule

PROJECT TASK	MILESTONE (completion date)
CEQA*	
Develop Final Project Description	September 19, 2008
Prepare Draft IS/MND and Submit to CH**	October 24, 2008
Close of Public Comment Period	December 12, 2008
Conduct Public Hearing at IEUA and Adopt	December 17, 2008
TECHNICAL WORK	
Complete Groundwater Modeling Report	December 12, 2008
Develop Conceptual Designs for Facilities	December 12, 2008
Prepare and Submit Draft Project Report	December 12, 2008
Prepare and Submit Final Project Report	December 31, 2008
OTHER	
Negotiate Facilities, Shift and Funding	Jan. — Sept. 2009

* Assumes preparation of MND. If EIR is triggered from Initial Study, CEQA process will likely continue into 2009.

** Abbreviated hydrogeology/modeling section prepared for CEQA document based on preliminary modeling results.

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EDUCATION

- B.S. cum laude Saint Mary's College of California (Classics & Economics, 1962)
- M.A., Ph.D. Claremont Graduate School (Economics, 1965, 1971
Dissertation: Economic Impact of Defense Closures on the Inland Empire.)

RECENT CLIENTS HAVE INCLUDED

- Southern California Metropolitan Water District
- Southern California Association of Governments
- Roadway Express/Yellow Freight Systems
- March Inland Global Port
- Southern California Edison
- Verizon
- Hillwood (©A Perot Company)
- Citizens Business Bank
- Burlington Northern Santa Fe Railroad
- City National Bank
- Inland Empire Economic Partnership
- Orange County Transportation Agency
- Inland Valley Development Agency
- Southern California Logistics Airport
- General Growth Properties
- Forest City Development
- Riverside County Transportation Commission
- San Bernardino Associated Governments
- Western Riverside Council of Governments
- Coachella Valley Economic Partnership
- GE Capital
- California Speedway
- San Bernardino County
- Riverside County
- Arrowhead Credit Union
- Entrepreneurial Capital Group
- San Bernardino Valley Municipal Water District
- State of California
- PFF Bank
- Over 30 Cities

POSITIONS HELD

- Vice President **Economics & Politics, Inc.** & predecessor (Economics & Finance, 1981-Present)
- Editor/Writer **Inland Empire Quarterly Economic Report** (Economic Research, 1988-Present)
- Columnist **The Business Press** (Inland Empire Newspaper, 1998-Present)
- Executive Committee **Inland Empire Economic Partnership** (Economic Development, 1995-2003)
- President **Inland Empire Economic Partnership** (Economic Development, 1994)
- Economist **Inland Empire Business Center, California State University San Bernardino** (Economic Research, 1990-1992)
- Senior Consultant **California State Assembly** (Majority Services Analyst, 1980-1984)
- Associate Professor **San Bernardino Valley College** (Business & Economics, 1966-1981)

SAMPLES OF RECENT APPLIED RESEARCH

1. Logistics & Distribution: An Answer to Regional Upward Social Mobility, 2004

Analysis of Southern California's declining per capita income status, the need for a sector to replace manufacturing as a source of upward mobility for marginally educated workers, and the case why the logistics industry can play this role if its infrastructure issues are met. Client: Southern California Association of Governments

2. San Bernardino County General Plan Update, Economic Background & Strategies, 2003-2004

440 page analysis of each of six economic zones in San Bernardino County looking at its history, demographics, housing, employment, retail trade, competitive location characteristic and quality of life indicators. Client: San Bernardino County; sub-contractor to URS Corporation.

3. Transportation Uniform Mitigation Fees (TUMF). 2004

Researched the impact of Western Riverside County's TUMF fees on non-residential projects in that area compared to Orange County and San Bernardino County. Client: Western Riverside Council of Governments

4. Annual Budget Forecasts. 1992-2004

Researched and documented annual budget forecasts for key variables for San Bernardino and Riverside counties, plus the sales tax revenues from San Bernardino Associated Government's Measure "I". Clients: San Bernardino & Riverside Counties; SANBAG

5. 2000-2030 Long Term Population, Job & Housing Forecasts, Inland Empire, 2000 & 2003-2004

As part of the SCAG long term forecasting process, helped create the forecasts of jobs, housing and population with emphasis on the Inland Empire. Client: variously performed under contract to the San Bernardino Associated Governments, the City of Moreno Valley and SCAG.

6. Comprehensive Economic Development Strategy, Rancho Cucamonga, 2003

Detailed economic development strategy for the city based upon its current economic conditions and the forces affecting it and the Inland Empire. Client: City of Rancho Cucamonga

7. Inland Empire & Southern California's Airport Policy, 2000-2001; 2003

Examination of economic trends in the Inland Empire compared to the balance of Southern California and their implications for airport policy. Client: San Bernardino Associated Governments, Riverside County Transportation Commission; Southern California Edison.

8. Reorganization of Riverside County Transportation Commission, 2002

Facilitated and later mediated discussions between elected representatives of the 24 cities and Riverside County Board of Supervisors that resulted in the reorganization of RCTC from a seven person board to a board with one representative of each city and all five supervisors. The negotiation also resulted in the establishment of a formula for allocating SB 45 transportation funds between the Coachella Valley and the Western Riverside areas. Client: Riverside County

9. Comparative Economic Behavior of Inland Empire versus L.A. & Orange Counties, 1995 and 2002

Researched the reasons why the Inland Empire economy has added jobs faster than the larger adjacent counties and why this trend will continue into the foreseeable future. Identified the strengths and weaknesses of the inland area vis-à-vis its coastal county neighbors and the policy issues arising for both groups of counties. Clients: Verizon; Riverside County; Orange County Transportation Agency.

10. Analyze/criticize U.S. Fish & Wildlife economic impact study of San Bernardino Kangaroo Rat, Santa Ana Sucker, 2002, 2004

After a thorough review of the U.S. Fish & Wildlife economic impact studies of the San Bernardino Kangaroo Rat and Santa Ana Sucker, wrote critiques and criticism of them. The service redid their work and admitted that the impacts were far above their estimates. Clients: SB Valley Municipal Water District, SB County Flood Control.

11. Community College Role In Economic Development & Upward Social Mobility, 2001 & 2004

Analysis of the changing education needs of entry-level and adult workers and the role of the community colleges, economic development community and business community in designing and implementing programs to fill them. Clients: San Bernardino Community College District; Chaffey Community College District

12. Economic Development Data & Strategies: IEEP Factbook, Banning, Cathedral City, Coachella, Corona, Chino, Chino Hills, Colton, Desert Hot Springs, Fontana, Grand Terrace, Indio, Indian Wells, Lake Elsinore, La Quinta, Norco, Ontario, Palm Desert, Palm Springs, Perris, Pomona, Rancho Cucamonga, Rancho Mirage, Riverside, San Bernardino, Temecula, County of Riverside, County of San Bernardino, 1996-2004

Almanacs tracking such local variables as population, retail sales, home prices & sales, assessed valuation, new firm locations, employment, law enforcement, education. Explanations of the forces at work. Strategic recommendations.

13. Coachella Valley Economic Development Report, 2000-2004

First analysis of the Coachella Valley economy based solely on data from within the region.

14. Moody's, Fitch's and Standard & Poor Bond Ratings, 1993-2004

Researched the impact of the California recession/recovery on the near & long term health of the Inland Empire. Made repeated presentations to the New York and San Francisco offices of Fitch's, Moody's and Standard & Poor bond rating agencies on behalf of Inland Empire counties, school districts and transportation authorities. Feature speaker Bond Buyer conference on California municipal securities, 1995. Clients: San Bernardino & Riverside Counties and Transportation Agencies, Chaffey Community College District, San Bernardino Community College District.

15. Inland Empire Quarterly Economic Report, 1965-1969; 1988-2004

Author of the respected Inland Empire QER, a publication now in its 16 th year that is distributed to 12,000 business and governmental leaders. The QER gives hard data on the Inland Empire economy, discusses the impacts of economic trends and governmental policies. Sponsors: IEEP, Riverside County Transportation Commission, San Bernardino Associated Governments, Arrowhead Credit Union.

16. Economic Impact of Santa Fe Intermodal Rail Yards on San Bernardino, 1995, 2001

Researched the job and economic impact of developing a 500,000 lift capacity intermodal rail yard in the City of San Bernardino. Work explained the location advantage of intermodal rail for warehousing & manufacturing firms in an era County. Client: BNSF Railroad

17. Economic Impact of Roadway Express cross docking facilities on the efficiency of goods movement in the I-10 Corridor of San Bernardino County, 1999.

Study of how locating Roadway's cross docks near to Burlington Northern Santa Fe Railroad intermodal yard, Ontario International Airport and the 200 million feet of industrial space developed since 1985 will increase the efficiency, lower the cost and increase the competitiveness of the goods moving industry in that area. Client: Roadway Express

18. Impact of the El Sobrante Landfill on the character of economic development south of Corona, California, 1998

Examined competing views of the impact of this facility on the nature of residential values and the types of likely manufacturing development in light of experiences at mature landfills elsewhere in Southern California. Client: Riverside County Board of Supervisors.

19. Helped Coordinate Successful Effort to Stop Closure of Naval Warfare Assessment Division, Norco, 1995

Modeled cumulative employment and dollar impact of adding NWAD to the Norton, George, & March AFB closures and/or downsizing. Documented weaknesses in Navy's case for closing NWAD. Helped coordinated local lobbying efforts. Testified before BRAC 1995 & 1993. Wrote sections of Governor Wilson's BRAC testimony both years. 1,500 direct jobs saved at NWAD. Client: City of Norco, Consortium of Riverside County agencies.

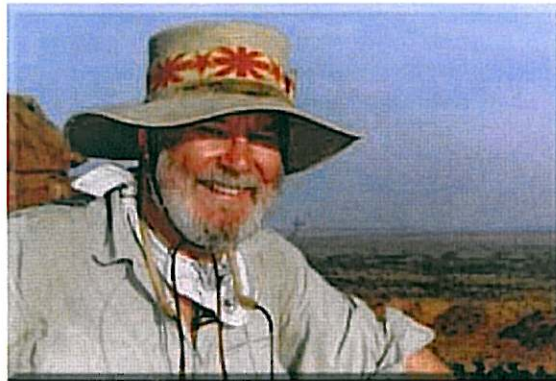
20. Inland Empire Data Base, 2004

Maintain extensive database of Riverside & San Bernardino County statistical indicators.

Sources include: DataQuick Information Systems; CB Commercial; Grubb & Ellis; U.S. Census; U.S. Bureau of Economic Analysis; Bureau of Labor Statistics; CA Employment Development Dept.; CA Dept. of Finance; CA Board of Equalization; The Meyer's Group; Hinderliter & DeLlamas; The Resource Group; The Findley Reports; Construction Industry Research Board; Sheshunoff Business Information Group; Real Estate Research Council; CA Department of Education; U.S. Department of Justice.

ADVENTURES

- Trekked over the Himalayas to Tibet; kora around Mt. Kailash to 18,600 feet; 1,000 mile 4-wheeling across Tibet, 2004
- West Africa (Senegal, Mali, Burkina Faso, Cote d'Ivoire), 2001
- First Contact, clans of the Kombai Tribe, Irian Jaya, New Guinea Rain Forest, 1996, 1998 (*Read about this fascinating adventure*).
- Climbed into the Lost World of Mt. Rorima in Venezuela, 1987.
- Climbed to Mt. Everest base camp (18,600), Nepal, 1984.
- Climbed Mt. Kilimanjaro (19,342), Tanzania, 1967, 1979.
- Jogged 8 1/2 miles through the heaviest concentration of lion in the Serangeti National Park, Tanzania, 1979.
- Crossed Alakili Swamp, 1978
- Professional White Water Guide, Western American Rivers, 1972-1973
- Extensive Travel: 52 Countries



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CHINO BASIN WATERMASTER

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

2. LRP Funding Agreement



AGREEMENT NO. 93343
CHINO BASIN DESALINATION PROGRAM, PHASE II
JOINT PARTICIPATION AGREEMENT FOR RECOVERY, TREATMENT AND
UTILIZATION OF CONTAMINATED GROUNDWATER AMONG
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA,
THE WESTERN MUNICIPAL WATER DISTRICT OF RIVERSIDE COUNTY,
INLAND EMPIRE UTILITY AGENCY, AND
CHINO BASIN DESALTER AUTHORITY

THIS AGREEMENT is made and entered into as of July 1, 2007, by and among THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (hereinafter "Metropolitan"), WESTERN MUNICIPAL WATER DISTRICT OF RIVERSIDE COUNTY (hereinafter "WMWD"), INLAND EMPIRE UTILITIES AGENCY (hereinafter "IEUA"), and CHINO BASIN DESALTER AUTHORITY (hereinafter "CDA").

RECITALS

- A. Metropolitan was incorporated under the Metropolitan Water District Act ("Act") for the purpose of developing, storing, and distributing water for domestic and municipal purposes.
- B. The Act empowers Metropolitan to acquire water and water rights within or without the State; develop, store and transport water; provide, sell and deliver water at wholesale for domestic and municipal uses and purposes; fix water rates, acquire, construct, operate and maintain any and all works, facilities, improvements and property necessary or convenient to the exercise of the powers granted by the Act.
- C. WMWD and IEUA, as member public agencies of Metropolitan under the Act, are wholesale purchasers within its service area of water developed, stored, and distributed by Metropolitan.
- D. CDA is a California joint powers agency comprised of IEUA, the Jurupa Community Services District, the Santa An River Water Company, and the cities of Chino, Chino Hills, Norco, and Ontario. CDA was formed by these entities pursuant to the Joint Exercise of Powers Agreement Creating the CHINO DESALTER AUTHORITY, dated as of September 25, 2001 for the purpose of jointly exercising powers to own, operate and maintain water desalting facilities in the lower part of the Chino Basin.
- E. Metropolitan's water supply and demand projections for its service area, including that encompassed by WMWD and IEUA, show that additional sources of water must be developed to meet future needs.

- F. Metropolitan, WMWD and IEUA and CDA have determined that it is mutually beneficial for local projects originating in the service areas of WMWD and IEUA be developed as a supplement to Metropolitan's imported water supplies in order to meet future water needs.
- G. CDA owns and operates the Chino Basin Desalination Program, Phase II (Project), which commenced operation June 30, 2006. The Project treats approximately 15,000 acre-feet per year of contaminated groundwater from the Chino Groundwater Basin for domestic and municipal purposes.
- H. Metropolitan, in accordance with its Integrated Resources Plan, and Board Letter 7-11, dated June 12, 2007 and attached hereto as Exhibit "A", desires to assist WMWD, IEUA and CDA with the cost of a study to expand water storage in Chino Basin and, if the expansion is implemented, with the cost of that expansion, under the Chino Basin Groundwater Storage Agreement, AGREEMENT NO. 49960 (Storage Agreement) executed in June 2003, attached hereto as Exhibit "B", between Metropolitan, The Chino Basin Watermaster, Three Valleys Municipal Water District and IEUA.
- I. In return for Metropolitan's financial assistance for the study to expand water storage in Chino Basin and, if the expansion is implemented, with the cost of that expansion, WMWD, IEUA and CDA desire to eliminate the Metropolitan losses provision in the Storage Agreement, and to comply with the provisions of Board Letter 7-11, Exhibit "A", and the terms of this Agreement.
- J. This agreement is part of a group of agreements intended to better integrate the various elements of several related programs that all have an impact on the production and beneficial utilization of the Chino Groundwater Basin. Through coordination of resources and operations, Metropolitan's Conjunctive Use Program, Local Resources Programs, which include the Groundwater Recovery Program and Recycled Water Program, can provide benefits for the region. An aspect or change in one program may impact one or more of these other programs. In addition to the current agreement, two other agreements are either being prepared or have been executed. These three agreements are summarized as follows:
1. Chino Basin Desalination Program, Phase II, under which Metropolitan pays an incentive payment for water produced by existing facilities constructed without Metropolitan financial support as part of support for a study, and possible construction, of facilities to expand the amount of water Metropolitan can store in Chino Basin. This agreement expires after two years if the existing storage agreement is not amended for a planned expansion and after five years if the amendments under the storage agreement have not been implemented.

2. The Chino Basin Groundwater Study, Agreement No. 88734, to explore possible expansion of the existing Metropolitan's Conjunctive Use Program for the storage of water in Chino Basin.

3. An Amendment to Metropolitan's Chino Basin Groundwater Storage Conjunctive Use Program to eliminate Metropolitan's responsibility for loss of water held in the Metropolitan's storage account under that agreement.

Three other existing related agreements involving storage of groundwater in Chino Basin are:

1. Chino Basin Groundwater Storage – under the Conjunctive Use Program, Agreement No. 49960, between Metropolitan, Inland Empire Utilities Agency, Three Valleys Municipal Water District, Chino Basin Watermaster, June 19, 2003.

2. Chino Basin Desalination Program, Phase I – a Groundwater Recovery Project under the Local Resources Program, Agreement No. 4912, between Metropolitan, Santa Ana Watershed Project Authority, Western Municipal Water District of Riverside County, Chino Basin Municipal Water District, Orange County Water District, December 7, 1995.

3. IEUA Regional Recycled Water Distribution System – a Recycled Water Project under the Local Resources Program, June 1996.

These existing agreements are included herein as Exhibits I, J, and K as any amendments to any of these agreements must be checked with the other agreements for consistency of overall program goals.

NOW, THEREFORE, in consideration of the promises and covenants herein set forth, the Parties do agree as follows:

Section 1. Definitions

The following words and terms, unless otherwise expressly defined in their context, shall be defined to mean:

- 1.1. "Allowable Yield" shall mean the amount of Recovered Groundwater that is delivered to End User by CDA from the Project in any fiscal year eligible to receive Metropolitan's financial assistance. Allowable Yield, measured in acre-feet, shall exclude any Recovered Groundwater Metropolitan reasonably determines will not reduce WMWD and IEUA's demand for Metropolitan's imported water. Metropolitan shall not be obligated to purchase in excess of 18,000 acre-feet (120 percent of the Project's approximate capacity), of Recovered Groundwater in any one fiscal year, unless otherwise agreed in writing. Allowable Yield shall exclude: (1) any non-Project water

conveyed through the Project facilities; (2) Allowable Yield from other projects with active or terminated LRP, Groundwater Recovery Program, or LPP agreements.

- 1.2. "Degraded Groundwater" shall mean groundwater that does not meet applicable drinking water quality standards such as those set forth in Division 4, Environmental Health of Title 22, California Code of Regulations, as amended from time to time, or any successor regulations.
- 1.3. "End User" shall mean each user that purchases Recovered Groundwater furnished by the Project, unless otherwise approved by Metropolitan.
- 1.4. "Fiscal year" shall mean Metropolitan fiscal year that begins on July 1 and ends on June 30.
- 1.5. "Final Groundwater Storage Program Contribution" shall mean the financial contribution by Metropolitan to the Project in dollars per acre-foot of Allowable Yield. The Final Groundwater Storage Program Contribution for the Project is equal to the sum of the Project Unit Cost and Deferred Cost minus Metropolitan's prevailing full service treated water rate, but shall not exceed \$250 per acre-foot.
- 1.6. "Project" shall mean the Chino Basin Desalination Program, Phase II, owned and operated by CDA, as described in Exhibit C and incorporated herein by reference, consisting of facilities capable of producing and distributing the Allowable Yield. CDA shall notify Metropolitan prior to making any changes to the Project that require new environmental documentation other than addendum to the existing environmental documentation. After reviewing the proposed change and associated environmental documentation, Metropolitan shall inform WMWD and IEUA and CDA of Metropolitan's decision to include or exclude the Project change to this Agreement.
- 1.7. "Recovered Groundwater" shall mean all Degraded Groundwater recovered and delivered for beneficial use by the Project in a fiscal year.
- 1.8. "Replenishment Water" shall mean that water obtained from Metropolitan and used for the purpose of replenishing natural groundwater basins.
- 1.9. "Estimated Contribution" shall mean the advanced financial contribution in dollars per acre-foot Metropolitan pays for Allowable Yield to CDA for monthly billing purposes until the Final Groundwater Storage Program Contribution is calculated pursuant to procedures in Sections 4.2 and 5.2, respectively.
- 1.10. "Project Unit Cost" shall mean the actual cost to produce an acre-foot of water by the Project in a fiscal year and is comprised of three components: Annualized Capital Component, Operation and Maintenance Component, and Annualized Replacement Component as specified in Exhibits D, E, and F, incorporated herein by this reference.

- 1.11. "Deferred Cost" shall mean that cost, in dollars per acre-foot, carried forward from the preceding fiscal year as calculated in Exhibit G, incorporated herein by this reference.

Section 2. Warranties

- 2.1. CDA warrants that the Project will continue to increase groundwater production for potable uses from the Chino Groundwater Basin and improve regional water supply reliability.
- 2.2. CDA warrants that it will continue to extract groundwater from the Chino Groundwater Basin to operate the Project subject to appropriate water rights.
- 2.3. CDA warrants that it is able and has a right to utilize and distribute Allowable Yield.
- 2.4. CDA warrants that it does not discriminate against employees or against any applicant for employment because of age, ancestry, color, creed, denial of family and medical care leave, mental or physical disability (including HIV and AIDS), marital status, medical condition, national origin, race, religion, sex or sexual orientation, and further warrants that it requires all contractors and consultants performing work on the Project to comply with all laws and regulations prohibiting discrimination against any applicant for employment because of age, ancestry, color, creed, denial of family and medical care leave, mental or physical disability (including HIV and AIDS), marital status, medical condition, national origin, race, religion, sex or sexual orientation.
- 2.5. CDA warrants that it has or will comply with the provisions of the California Environmental Quality Act for each and all components of the Project facilities.

Section 3. Ownership and Responsibilities

- 3.1. CDA is the sole owner of Project facilities. Metropolitan, WMWD and IEUA have no ownership right, title, security interest or other interest in the Project facilities.
- 3.2. CDA is solely responsible for all design, environmental documentation, right-of-way acquisitions, permits, construction, and cost of the Project and all modifications thereof.
- 3.3. CDA is solely responsible for operating and maintaining the Project in accordance with all applicable local, State, and federal laws. Metropolitan and WMWD and IEUA shall have no rights, duties or responsibilities for operation and maintenance of the Project.
- 3.4. CDA agrees to install, operate and maintain metering devices for the purpose of measuring the quantity of Allowable Yield delivered to its distribution system.
- 3.5. CDA agrees, at all times during the term of this Agreement, to use its best efforts to operate or cause the Project facilities to be operated to maximize Allowable Yield on a sustained basis.

Section 4. Billing Process

- 4.1. CDA shall invoice Metropolitan monthly for the Contribution based upon the Allowable Yield delivered to End Users during the previous month. After receiving CDA's invoice, Metropolitan shall include a credit equal to CDA's invoice amount on the next monthly water service invoice issued to WMWD and IEUA.
- 4.2. Upon receiving the Metropolitan invoice, WMWD and IEUA shall include the full amount of the credit received from Metropolitan pursuant to Section 4.1 as credit on its next water service invoice to CDA.
- 4.3. Unless otherwise provided for in this Agreement, all invoicing, billing and crediting processes shall be in accordance with the rules and regulations established from time to time by Metropolitan as reflected in Metropolitan's Administrative Code.

Section 5: Reconciliation Process

- 5.1. By December 31 of each fiscal year, CDA shall provide Metropolitan with: (a) records of Recovered Water and Allowable Yield; (b) supporting documentation of the actual cost of the Project for the previous fiscal year required to perform the calculations prescribed in Exhibits "D", "E", and "F"; (c) the terms and schedule of payments of the Project's financing instrument; and (d) a description of any changes to the Project's financing instruments. Metropolitan will suspend its Estimated Contribution if CDA fails to provide any of the above-required data by April First of each fiscal year. During the suspension period, CDA shall continue to invoice Metropolitan for the Allowable Yield for water accounting purposes. Metropolitan will resume the monthly Estimated Contribution once complete data is received and conduct the corresponding reconciliation pursuant to Section 5.2. Failure by CDA to provide reconciliation data within 18 months after the end of the fiscal year for which reconciliation is required shall constitute material breach of the Agreement.
- 5.2. Within 180 days after Metropolitan receives complete data from CDA, pursuant to Section 5.1, Metropolitan shall calculate the Final Contribution for the fiscal year. The Final Contribution shall then apply retroactively to all Allowable Yield for the applicable fiscal year. An adjustment shall be computed by Metropolitan for over- or under-payment for the Allowable Yield and included on the next billing issued to WMWD and IEUA and payments shall be made in accordance with Metropolitan's Administrative Code.
- 5.3. Parties agree that all contributions other than those derived from within WMWD and IEUA service area boundaries received prior to and during the term of this Agreement that offset eligible Project cost shall be deducted from respective cost components. During the reconciliation following receipt of such contributions, the Parties shall determine the equitable apportionment of such contributions for capital and/or operational purposes. If the Parties are unable to arrive at agreement, Section 6 shall apply.

Section 6: Coordinating Committee

- 6.1. The Coordinating Committee is composed of one participant each from Metropolitan, WMWD, IEUA, and CDA. The Coordinating Committee shall meet as needed to resolve issues regarding the Contribution, Annualized Capital Component, Operation and Maintenance Component, Annualized Replacement Component, and Project Unit Cost. Coordinating Committee's responsibilities exclude renegotiating the terms of this agreement.
- 6.2. The Coordinating Committee shall, to the extent possible, seek to establish consensus in carrying out its responsibilities. Metropolitan shall have one vote and WMWD, IEUA, and CDA shall collectively have one vote on the committee. If by voting the Coordinating Committee cannot resolve a particular matter or matters, a third party shall be appointed by the Parties to provide a third vote on the Committee, and the Coordinating Committee shall then act by majority vote as to the matter or matters. The Coordinating Committee's decision shall be final and binding on all Parties. If the Parties cannot agree on the third party, then any Party may request a court to appoint the third party pursuant to Code of Civil Procedure, Section 1281.6. Costs for the third party shall be paid equally by Parties, and shall not be included in the Project Unit Cost.

Section 7: Term and Amendments

- 7.1. This Agreement shall commence on July 1, 2007 and terminate on June 30, 2032 unless terminated earlier pursuant to the provisions set forth in the sections below.
- 7.2. This Agreement may be amended at any time by written mutual agreement of the parties.
- 7.3. CDA may terminate this Agreement upon 30 days prior notice.
- 7.4. Consistent with Met Board Letter 7-11, dated June 12, 2007 and included hereto as Exhibit "A", Metropolitan will terminate this Agreement upon 30 days prior notice upon the following occurrences, whichever occurs first, unless these deadlines are subsequently extended by Metropolitan's Board:
 - (a) on September 1, 2009 (two years from September 1, 2007) if the parties have not amended Agreement No. 49960 (Groundwater Storage Program Funding Agreement) to expand the groundwater storage program as contemplated in Exhibit "A".
 - (b) on September 1, 2009 (two years from September 1, 2007) if the parties have not amended Agreement No. 49960 (Groundwater Storage Program Funding Agreement) to eliminate losses to the Metropolitan Storage Account contemplated in Agreement No. 49960 section VI.C.1.c. retroactive to September 1, 2007 and for the term of Agreement No. 49960 for the expanded storage program, as amended from time to time.

(c) on September 1, 2012 (five years from September 1, 2007) if the parties have not implemented the actions defined in the amended Agreement No. 49960 (Groundwater Storage Program Funding Agreement). Implemented, for purposes of this section means: completed construction for all facilities and signed all agreements necessary for performance of the expanded Groundwater Storage Program set forth in the amendment to Agreement No. 49960.

7.5 Metropolitan will terminate this agreement upon 30 days prior notice upon the following occurrences:

(a) breach of this Agreement by any other party, other than Metropolitan.

(b) If the Project does not continue to produce at least 10,000 acre-feet per year.

(c) breach of Agreement No. 49960 (Groundwater Storage Program Funding Agreement) by any other party, other than Metropolitan.

Section 8: Record Keeping and Audit

- 8.1. CDA shall establish and maintain accounting records of all costs incurred for the construction, operation and maintenance, and replacement parts of the Project as described in Exhibits "D", "E", and "F" and all contributions as described in Section 5.3. Accounting for the Project shall utilize generally accepted accounting practices and be consistent with the terms of this Agreement. CDA's Project accounting records must clearly distinguish all costs for the Project from CDA's other water production, treatment, and distribution costs. CDA's records shall also be adequate to determine Allowable Yield and Recovered Groundwater to accomplish all cost calculations described in this Agreement.
- 8.2. CDA shall establish and maintain accounting records of all contributions including grants that offset eligible Project capital costs, operation and maintenance costs, and/or replacement costs, as outlined in Section 5.3.
- 8.3. CDA shall collect Recovered Water and Allowable Yield data for each fiscal year of Project operation and retain records of that data based on the metering requirements in Section 3.4.
- 8.4. Metropolitan shall have the right to audit all Project costs and other data relevant to the terms of this agreement for a period of three fiscal years following the termination of this Agreement. Metropolitan may elect to have such audits conducted by its staff or by others, including independent accountants, as designated by Metropolitan. CDA shall make available for inspection to Metropolitan or its designee, upon 30 days advance notice, all records, books and other documents, including all billings and costs incurred by contractors, relating to the construction, operation and maintenance of the Project; any grants and contributions, as described in Exhibits "D", "E", and "F"; and capital cost financing. Upon 30 days advance notice and at Metropolitan's request, CDA shall also allow Metropolitan's personnel or its designee to accompany CDA staff in inspecting

CDA's contractors' records and books for the purpose of conducting such audits of Project costs.

- 8.5. In lieu of conducting its own audit(s), Metropolitan shall have the right to direct CDA to have an independent audit conducted of all Project costs incurred in any fiscal year(s) pursuant to this Agreement. CDA shall then have an audit performed for said fiscal year (s) by an independent certified public accounting firm and provide Metropolitan copies of the audit report within six months after the date the audit was requested. The cost of any independent audit performed under this agreement shall be paid by CDA and is an allowable Project operation and maintenance cost pursuant to Exhibit "E". Based on the results of any independent audit, an adjustment for over or under payment of Allowable Yield for each applicable fiscal year shall be paid by Metropolitan or CDA through WMWD and IEUA within one year of determination after such adjustment.
- 8.6. With the first submittal of Project data as required by Section 5, CDA shall provide Metropolitan with an audit of costs pursuant to Section 8.5 and a certification from an independent certified public accounting firm indicating that CDA has established an accounting system to record Project water deliveries and costs pursuant to Sections 8.1, 8.2, and 8.3.

Section 9: Interruption of Water Supply

- 9.1. Replenishment for the Project pumping is contemplated to be derived from: intercepting rising water, reclaimed water, transfer or abandonment of existing presently unused water, the new water introduced to the basin and Metropolitan's imported water if available, and if the aforementioned sources are insufficient.
- 9.2. Nothing in this agreement guarantees replenishment water deliveries by Metropolitan needed to support the Project's Allowable Yield. Availability of such deliveries shall be solely at Metropolitan's discretion.
- 9.3. CDA agrees to diligently prepare for and operate the Project during interruption of Metropolitan's replenishment deliveries pursuant Subsection 9.2.
- 9.4. Subsequent to restoration of Metropolitan deliveries of replenishment water, the parties shall diligently replenish the Chino Basin to sustain another three years of interruption of Metropolitan replenishment water. Subject to the provisions of Metropolitan's policies and Administrative Code, Metropolitan shall make deliveries of replenishment water requested by the Watermaster for its use in restoring groundwater storage.

Section 10. Hold Harmless and Liability

- 10.1. CDA agrees at its sole cost and expense to protect, indemnify, defend, and hold harmless Metropolitan, WMWD, and IEUA and their Board of Directors, officers, representatives, agents and employees from and against any and all claims and liability of any kind (including, but not limited to, any claims or liability for injury or death to any person, damage to property, natural resources or the environment, or water quality problems) that arise out of or relate to CDA's approval, construction, operation, repair or ownership of the Project, including any use, sale, exchange or distribution of Project water. Such

indemnity shall include all damages and losses related to any claim made, whether or not a court action is filed, and shall include attorney fees, administrative and overhead costs, engineering and consulting fees and all other costs related to or arising out of such claim of liability.

- 10.2. CDA shall include the following language in its agreement with any consultant or contractor retained by CDA to work on the Project:“(Consultant) agrees at its sole cost and expense to protect, indemnify, defend, and hold harmless Metropolitan, WMWD, and IEUA, and their Board of Directors, officers, representatives, agents and employees from and against any and all claims and liability of any kind (including, but not limited to, any claims or liability for injury or death to any person, damage to property, natural resources or to the environment, or water quality problems) that arise out of or relate to CDA’s approval, construction, operation, repair or ownership of the Project, including the use, sale, exchange or distribution of Project water. Such indemnity shall include all damages and losses related to any claim made, whether or not a court action is filed, and shall include attorneys’ fees, administrative and overhead costs, engineering and consulting fees and all other costs related to or arising out of such claim or liability.”

Section 11. Notice

Any notice, payment or instrument required or permitted to be given hereunder shall be deemed received upon personal delivery or 24 hours after deposit in any United States post office, first class postage prepaid and addressed to the Party for whom intended, as follows:

If to Metropolitan:	The Metropolitan Water District of Southern California Post Office Box 54153 Los Angeles, California 90054-0153 Attention: Jeffrey Kightlinger
If to CDA:	CHINO DESALTER AUTHORITY 6905 Kimball Avenue Chino, California 91710 Attention: Dean Martin
If to WMWD:	Western Municipal Water District of Riverside County P. O. Box 5286 Riverside, California 92517 Attention: John V. Rossi
If to IEUA:	Inland Empire Utilities Agency P. O. Box 9020 Chino Hills, CA 91709-9020 Attention: Richard W. Atwater

Any Party may change such address by notice given to each of the other Parties as provided in this section.

Section 12. Successors and Assigns

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Parties hereto. This Agreement and any portion thereof shall not be assigned or transferred to any entity not an original Party to this Agreement, nor shall any of the duties be delegated, without the express written consent of all the Parties. Any attempt to assign or delegate this Agreement or any of the obligations or benefits of this Agreement without the express written consent of all Parties shall be void and of no force or effect.

Section 13. Severability

The partial or total invalidity of one or more sections of this Agreement shall not affect the validity of this Agreement.

Section 14. Integration

This Agreement comprises the entire integrated understanding between the Parties concerning the Project, and supersedes all prior negotiations, representations, or agreements.

Section 15. Governing Law

The law governing this Agreement shall be the laws of the state of California and the venue of any action brought hereunder shall be in Los Angeles County, California.

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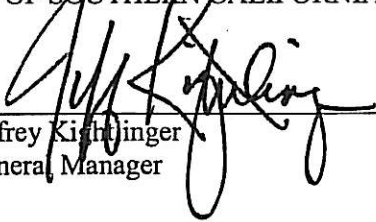
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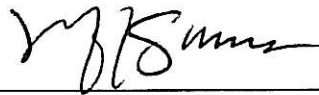
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement effective as of the date first hereinabove written.

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA




Jeffrey Kightlinger
General Manager

WESTERN MUNICIPAL WATER
DISTRICT OF RIVERSIDE



POB: John V. Rossi
General Manager

INLAND EMPIRE UTILITIES AGENCY



Richard W. Atwater
General Manager

CHINO DESALTER AUTHORITY



Dean Martin
Treasurer

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EXHIBIT "A"

BOARD LETTER 7-11 DATED JUNE 12, 2007

EXHIBIT "B"

CHINO BASIN GROUNDWATER STORAGE AGREEMENT, AGREEMENT NO. 49960
EXECUTED IN JUNE 2003

EXHIBIT "C"

PROJECT DESCRIPTION

Chino Basin Desalination Program, Phase II

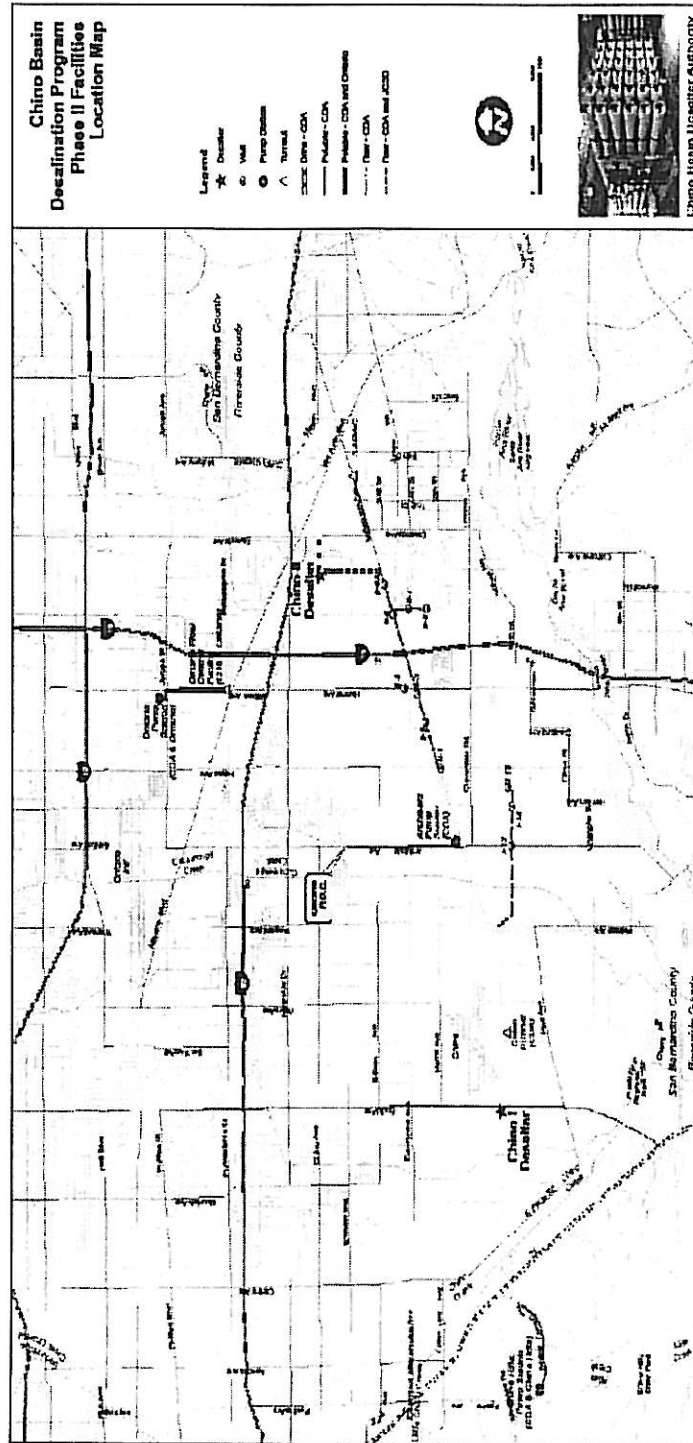
The Chino Basin Desalination Program, Phase II Project, consists of the construction, operation and maintenance of groundwater production wells, pipelines, with ion exchange and reverse osmosis treatment system facilities and ancillary facilities to recover degraded groundwater from the Chino Basin as shown on the attached figure. The project includes clearwell, booster pumps, storage tanks and transmission pipelines, groundwater raw water pipelines, and wastewater brine sewers connecting to the Santa Ana Watershed Project Authority (SAWPA) Santa Ana Regional Interceptor (SARI) system.

The project will yield an estimated 15,000 acre-feet per year (AFY) of treated "potable" water for use within the Inland Empire Utilities Agency and Western Municipal Water District. Approximately 3,000 AFY of brine concentrate will be discharged into the SARI system.

The project will include the extraction of groundwater containing high concentrations of total dissolved solids (tds) and nitrates, treatment of groundwater and conveyance of product water to the cities of Chino, Chino Hills, Ontario, Norco, and Santa Ana River Mutual Water Company, and Jurupa Community Services District potable systems. All of these agencies are members of the CDA, which owns and operates the Chino Basin Desalination Facilities.

FIGURE "A"

CHINO BASIN DESALINATION PROGRAM - PHASE II LOCATION MAP



ANNUALIZED CAPITAL COMPONENT

1. The Annualized Capital Component shall be computed using only the following incurred costs for the Project:
 - a. Final design and construction management services.
 - b. Construction of Project facilities (including start-up), more particularly described in Exhibit "C". Additional capital improvements that are not consistent with the Project Description outlined in Exhibit "C" must be submitted to Metropolitan for review. Written approval by Metropolitan is required before such costs are considered eligible for inclusion in the Annualized Capital Component calculation.
 - c. Agency administration of the design, construction and start-up not to exceed three percent of the eligible construction costs unless approved in writing by Metropolitan.
 - d. Permits, including required data collection.
 - e. Purchase of land, rights-of-way and easements for the Project described in Exhibit "C" except as provided herein.
 - f. County Sanitation District of Orange County (CSDOC) treatment capacity charge, not to exceed CSDOC's uniform capacity rate applicable to all other users at the time of capacity purchase.
 - g. CDA's Santa Ana Regional Interceptor (SARI) capacity charge, not to exceed CDA's uniform SARI capacity rate applicable to all other users at the time of capacity purchase.
 - h. All contributions (except those derived from Metropolitan water management incentives), which are received by CDA from others and offset the above listed eligible capital costs shall be treated as negative capital cost values for the purpose of computing Annualized Capital Component.
2. Cost of the following items shall not be used to calculate the Annualized Capital Component:
 - a. Distribution and concentrated waste disposal facilities beyond the Project's points of connection.
 - b. Environmental planning, documentation, and mitigation measurements required to comply with applicable environmental laws, including but not limited to the California Environmental Quality Act (CEQA), National Environmental Policy Act (NEPA), and the California and Federal Endangered Species Acts.
 - c. Existing water systems, facilities, land, rights-of-way, and easements except as provided herein.
 - d. Feasibility studies.

- e. Deposit of any reserve funds required as a condition of financing.
- f. All others not specified in Section 1 of this Exhibit.

3. Annualized Capital Cost (ACCost) in dollars per year shall be computed using the following procedure:

- a. For fixed-interest rate financing with uniform payments:

$$\text{ACCost} = \text{CRF}_1 \times P_1 + \text{CRF}_2 \times P_2 + \dots + \text{CRF}_j \times P_j$$

Where:

- i. P_j is each portion of incurred capital cost for Project with a distinct financing arrangement.
 - ii. CRF_j is the capital recovery factor for each distinct financing arrangement, as follows:
 - iii. $\text{CRF}_j = [i \times (1+i)^n] / [(1+i)^n - 1]$
 - iv. i is the interest rate (%)
 - v. n is the term of financing commencing in the first fiscal year of Project operation (years)
 - vi. j is the number of each separate financing element
- b. If the Project capital cost is part of a broad financing arrangement that includes other costs, annual payments shall be calculated by prorating the annual payments of the broad financing using the ratio of the Project capital cost to total principle of the financing instrument.
 - c. For variable-interest rate financing, annual payments shall be computed based on the actual payments made in applicable fiscal year according to CDA's financing documents. Any principal payments toward the Project capital cost before the Project operation will be treated as cash. CDA shall provide Metropolitan with the accumulated paid principal pursuant to Section 5.1.
 - d. For fixed-interest rate financing with a non-uniform annual payment schedule, an economically equivalent uniform annual payment schedule shall be calculated based on "Internal Rate of Return" analysis to establish the annualized capital cost.
 - e. Project capital costs not covered by a financing arrangement described above and all grants and contributions as defined in Section 5.3 shall be amortized over 25 years at an interest rate equal to the lesser of:
 - i. Metropolitan's most recent weighted cost of long-term debt on June 30 in the year the capital expenditure occurred; or
 - ii. The fiscal year average of the 25-bond Revenue Bond Index (RBI), as published in the Bond Buyer, in the year the capital expenditure occurred.

- f. All grants or contributions shall be amortized as a negative capital cost values beginning in the year that money was received.
- g. After first fiscal year of operation, only refinancing changes, which lower the Annualized Capital Component, shall be included in the Annualized Capital Component calculation of each subsequent fiscal year.
- h. If the Project capital cost is part of a broad financing arrangement, annual payments shall be calculated by prorating the annual payments of the broad financing using the ratio of the Project capital cost to total amount of the bigger financing.
- i. For all capital financing, cash expenditures, and grants and contributions received after the Project operation, annual payments shall be calculated, using above process, beginning in the fiscal year the costs occur.

4. The Annualized Capital Component (ACCom) in dollars per acre-foot for purposes of determining the Project Unit Cost each fiscal year shall be calculated using the following formula:

$$ACCom = (ACCost)(D)/[(365)(Q)]$$

Where:

Q is Recovered Groundwater, and may not be less than 12,000 acre-feet (80% of approximate Project Capacity) unless otherwise approved in writing by Metropolitan; and

D is number of days, not to exceed 365, in a fiscal year following the initial start of operation, and prior to the termination of the agreement.

OPERATION AND MAINTENANCE COMPONENT

1. The Operation and Maintenance Component shall be computed using the costs incurred during the applicable fiscal year for the following:
 - a. Professional consulting services for Project operation, maintenance and audits, excluding daily Project operation.
 - b. CDA labor costs and/or contract labor costs for the hours worked by CDA's staff specifically pertaining to administration of the Project, not to exceed the sum total of \$150,000 for fiscal year 2007/08. This upper limit shall be escalated pursuant to changes in the Consumer Price Index for Los Angeles area, using the following formula:
$$(\$50,000 \times \text{ENRCCI-LA for July of fiscal year } i) / (\text{ENRCCI-LA for July 2007}),$$
any Party may request the Coordinating Committee to revise the allowable labor cost. Labor cost in the first fiscal year of production of Allowable Yield shall be prorated based on the number of days of production of Allowable Yield.
 - c. Chemicals and supplies for Project operation, maintenance and repair to maintain reliable system operation and achieve regulatory compliance.
 - d. Electrical or gas energy use, not to exceed \$5,000,000 per year, for:
 - (i) Project supply wells.
 - (ii) Project lighting and general electrical needs.
 - (iii) Project booster pumps.
 - (iv) Concentrate waste disposal pumping.
 - e. Water quality sampling and analysis for the Project.
 - f. Contractor staff or O&M services and supplies for Project operation, maintenance and repair to maintain reliable system operation and achieve regulatory compliance, or if CDA chooses to do this work itself, this O&M cost shall be subject to Metropolitan's approval.
 - g. Concentrate disposal user fee limited to CDA's and CSDOC's uniform SARI rate applied to all other water discharged into CDA's Santa Ana Regional Interceptor pipeline and CSDOC's treatment facilities.

- h. All contributions (except those derived from Metropolitan water management incentives), which are received by CDA from others and offset the listed eligible operation and maintenance costs shall be treated as negative values for the purpose of computing Operation and Maintenance Component.
 - i. Watermaster replenishment charges and appropriate administration costs applied to all groundwater pumped for Project operation. These charges shall be equal to or less than:
 - A. The uniform rate charged by the Chino Basin Watermaster applied to comparable municipal groundwater production in the Chino Basin, or
 - B. A uniform rate, not to exceed i. (A.) above charged by others for replenishment water.
 - j. Project Insurance.
 - k. Lease of Project site.
 - l. Replacement parts costs that are less than or equal to \$100,000 per unit.
2. Costs of the following items shall not be used to calculate the Operation and Maintenance Component:
- a. Operation and maintenance of distribution, concentrate waste disposal and storm drain systems beyond Project's points of connection.
 - b. Replacement parts pursuant to Exhibit "F".
 - c. Concentrate waste disposal fee unless approved by Metropolitan.
 - d. All other operation and maintenance items not specified in Section 1 of this Exhibit.
3. The Operation and Maintenance Component (OMC) in dollars per acre-foot for purposes of determining the actual Project Unit Cost each fiscal year shall be calculated using the following formula:

$$(\text{OMC}) = (\text{Actual Annual Cost of O\&M})/(\text{Recovered Groundwater}).$$

ANNUALIZED REPLACEMENT COMPONENT

1. The Annualized Replacement Component shall be computed using incurred costs for the following:

- a. Membrane replacement.

Replacement of major parts exceeding \$100,000 per unit, including existing components described in Exhibit "C".

- b. All contributions (except those derived from Metropolitan water management incentives), which are received by CDA from others and offset the listed eligible replacement costs, shall be treated as negative values for the purpose of computing Annualized Replacement Component.
- c. Salvage of replaced parts shall be a negative replacement cost.

2. Costs of the following items shall not be used to calculate the Annualized Replacement Component:

- a. Replacement of distribution and concentrate waste disposal systems beyond the Project's points of connection.
- b. Any capital or operation and maintenance costs as previously defined in Exhibits "D" and "E", respectively.
- c. Reserve funds.

3. The Annualized Replacement Cost (ARCost) regarding each replacement occurrence defined in this Exhibit "F" shall be calculated using the following procedure:

$$\text{ARCost} = (\text{CRF}) \times (\text{R})$$

Where:

- a. R is the summation of all costs of replacing major Project parts other than membranes, incurred through the term of the Agreement.
- b. CRF is the capital recovery factor specified in Exhibit "D", used to amortize incurred replacement costs, other than membranes, over 20 years using Metropolitan's default interest rate. Metropolitan's default interest shall be equal to the lower of:

- i. Metropolitan's most recent weighted cost of long-term debt; or
- ii. the average of the 25-bond Revenue Bond Index (RBI) (as published in the Bond Buyer), or such other index that may replace the 25-bond RBI, over the most recent six-month period prior to the date the replacement cost was incurred by CDA.

4. The Annualized Replacement Component (ARCom) for each replacement occurrence in dollars per acre-foot shall be calculated using the following procedure:

$$\text{ARCom} = \text{ARCost}/Q$$

Where:

Q is the Recovered Groundwater for the fiscal year, and shall not be less than $(0.8)(\text{Project Capacity})(D/365)$, unless otherwise approved in writing by Metropolitan; and

D is the number of days, not to exceed 365, in a fiscal year following the initial start of operation, and prior to the termination of the Agreement.

DEFERRED COST

Deferred Cost (DC) applicable to the determination of Agreement Purchase Price for the next fiscal year is computed as follows:

$$DC = (EPC) / (\text{Recovered Groundwater})$$

Where:

1. EPC is the Excess Project Cost incurred in a fiscal year, and it is calculated using the following formula:

$$EPC = [(\text{Project Unit Cost}) - (\text{Treated Non-interruptible Water Rate} - \text{Metropolitan's Maximum Financial Incentive Rate})] \times [\text{Allowable Yield}]$$

The EPC value for a given fiscal year shall be used only in the calculation of DC for the next fiscal year and shall be considered zero thereafter. There shall be no DC value carryover upon Agreement termination.

2. The Recovered Groundwater term is the Project water in acre-feet produced in the next fiscal year.



• **Board of Directors**
Water Planning and Stewardship Committee

June 12, 2007 Board Meeting

7-11

Subject

Authorize execution of an agreement for the Chino Basin Desalination Phase II desalter; and appropriate \$1.5 million to study expansion of the existing Chino Basin Groundwater Storage Program (Approp. 15272)

Description

Background

In the early 1990s, Metropolitan and its member agencies developed its Integrated Water Resources Plan (IRP) to ensure regional water supply reliability. The IRP identifies in-basin groundwater storage as an important part of Metropolitan's water resource mix. In 2004, the Board approved the IRP Update, which updated the resource development targets for groundwater storage. The groundwater storage dry-year yield target for 2010 is 275,000 acre-feet per year (AFY).

Entities within the Chino Basin have developed a comprehensive planning document, the Optimum Basin Management Plan (OBMP), which identifies strategies to protect and manage the Chino Basin for the next 50 years. The goals of the OBMP are to provide additional water supplies, improve water quality, "drought proof" the region, enhance economic development, and improve environmental quality. The OBMP has nine elements, including groundwater storage and salt management plans. Parties within the Chino Basin have begun implementation of various strategies outlined in the OBMP.

In June 2003, Metropolitan executed the Chino Basin Groundwater Storage Agreement (Storage Agreement) with the Chino Basin Watermaster (Watermaster), Three Valleys Municipal Water District (TVMWD), and Inland Empire Utilities Agency (IEUA) for a groundwater storage program in the Chino groundwater basin. The Storage Agreement gives Metropolitan the ability to store 100,000 AF of water in the basin. Metropolitan funded facilities in the basin to pump and treat its stored water. These facilities will give the participating agencies the ability to produce 33,000 AFY of water from the basin at Metropolitan's call. Total funding for the project is \$27.5 million, including \$18.5 million of Metropolitan funds and \$9 million of Proposition 13 funds. Currently, more than 90,000 AF of water is stored in Metropolitan's storage account.

Current Proposal

Watermaster, TVMWD, IEUA, and Western Municipal Water District (Western) are proposing to expand the storage capacity in the existing Storage Agreement from 100,000 AF to 150,000 AF, with a corresponding increase in dry-year yield from 33,000 AFY to 50,000 AFY. As an essential element for expanding the Storage Agreement, Watermaster, TVMWD, IEUA, and Western are also proposing an agreement that would pay up to \$250/AF for about 15,000 acre-feet per year of water produced by the existing Phase II of the Chino Desalination Project. This desalter has been producing water since June 30, 2006.

As an integral part of the Storage Program these facilities will eliminate losses for water stored in the existing agreement, and help provide needed flexibility in the basin.

The expanded Storage Program is expected to provide the following regional benefits: (1) Additional storage capacity – an increase of 50 percent to 150,000 AF; (2) Additional dry year yield increasing from 37,000 AF to 50,000 AF; (3) Elimination of losses in Metropolitan's account; (4) The ability to help manage peak delivery on the East Branch and Rialto Feeder; and (5) Improved water quality in the Chino Basin.

In order to implement the program, staff recommends the following terms and conditions for the two agreements:

Chino Desalter II Agreement—The proposed terms of the agreement would be as follows:

- Metropolitan would pay \$250/AF for up to 15,000 AFY for water from Phase II of the Chino Desalination Project (this agreement is not under the Local Resources Program);
- The Chino II Desalter Agreement would expire in two years if the existing Storage Agreement has not been amended consistent with the terms noted in the board letter;
- The Chino II Desalter Agreement would expire in five years if the amendments to the Storage Agreement have not been implemented; and
- The term of the agreement would be 25 years.

Storage Agreement—The proposed amendments to the Storage Agreement would be as follows:

- Metropolitan's stored water in the basin would not be subject to losses;
- Participants would reduce peak demands at Metropolitan's request;
- Western would be added as a party to the Storage Agreement; and
- Metropolitan would reimburse \$1.5 million to Chino Basin entities to conduct the groundwater study.

Groundwater study—Metropolitan's partners in the Chino Basin would conduct a groundwater and operational study. The proposed budget for the study would be \$1.5 million and would be reimbursed by Metropolitan. This funding level would be approximately equivalent to what Metropolitan paid to fund the study for the existing Groundwater Storage Agreement. The study would be designed to:

- Determine facility and operational components needed to allow dry-year yield to be increased to approximately 50,000 AFY;
- Determine facilities needed, with a cost limited to \$15 million for capital, to implement the expanded Storage Agreement;
- Develop an operating plan for the expanded Storage Agreement to determine local agency participation;
- Investigate optimized operations of the Azusa Pipeline, Rialto Feeder, Upper Feeder and East Branch of the California Aqueduct;
- Investigate the impacts of reduced peaking on the East Branch and the Rialto Pipeline; and
- Perform preliminary engineering design and CEQA for the expanded program.

Conclusion

Without the Chino Desalination Project desalination activities, Metropolitan's ability to participate in conjunctive use programs in the Chino Basin would be limited. Pumping and treatment by the Chino Desalination Project maintains groundwater levels conducive to storing water in the basin, keeps poor quality water from flowing into the Santa Ana River, and treats previously unusable groundwater for potable use. In addition, Metropolitan's stored water in the Chino Basin would not be subject to losses, which would reduce costs. These actions would help meet Chino Basin's OBMP objectives and help Metropolitan meet its water supply objectives. Upon completion of the study, staff would return to the Board with a proposal for amending the Storage Agreement.

Funds for this study have been budgeted within the Local Groundwater Storage Agreement Program. See **Attachment 1** for the Financial Statement.

Policy

As adopted by the Board, the IRP Update recommends developing an in-basin dry-year yield of 275,000 AFY by 2010 and 300,000 AFY by 2025.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed actions are not subject to CEQA because they involve other government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines). In addition, the proposed actions consist of basic data collection and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. This may be strictly for information gathering purposes, or as part of a study leading to an action which a public agency has not yet approved, adopted, or funded. Accordingly, the proposed actions also qualify for a Class 6 Categorical Exemption (Section 15306 of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed actions are exempt from CEQA pursuant to Sections 15306 and 15378(b)(4) of the State CEQA Guidelines.

CEQA determination for Option #2:

The proposed action is categorically exempt under the provisions of CEQA and the State CEQA Guidelines. The proposed action consists of basic data collection and resource evaluation activities, which do not result in a serious or major disturbance to an environmental resource. This may be strictly for information gathering purposes, or as part of a study leading to an action which a public agency has not yet approved, adopted, or funded. Accordingly, the proposed action qualifies as a Class 6 Categorical Exemption (Section 15306 of the State CEQA Guidelines).

The CEQA determination is: Determine that pursuant to CEQA, the proposed action qualifies under a Categorical Exemption (Class 6, Section 15306 of the State CEQA Guidelines).

CEQA determination for Option #3:

None required

Board Options

Option #1

Adopt the CEQA determination and

- a. Authorize the General Manager to execute the Chino Desalter II Agreement for up to \$250 per acre-foot of desalted water. This agreement will expire in two years if the existing Storage Agreement has not been amended consistent with the terms noted in the board letter, or if the amendments to the Storage Agreement have not been implemented within five years;
- b. Appropriate \$1.5 million in budgeted funds; and
- c. Authorize the General Manager to reimburse IEUA, TVMWD and Western \$1.5 million for a study to expand the existing Storage Agreement.

Fiscal Impact: \$3.75 million of desalted water per year for 15,000 AFY from Phase II of the Chino Desalter at \$250/AF for 25 years, and \$1.5 million in studies for the expanded conjunctive use program

Business Analysis: The IRP Update includes targets for developing an in-basin dry-year yield of 275,000 acre-feet by the year 2010. In-basin conjunctive use is an integral part of Metropolitan's overall plan to ensure the future reliability of Metropolitan's water supply. Not approving these actions could jeopardize Metropolitan's ability to meet its in-basin and local project targets. Phase II of the Chino Desalination Project is already producing water. While Metropolitan does not usually pay incentives to assure continued production from existing programs, this project is an integral element for expanding the Storage Agreement.

Option #2

Adopt the CEQA determination and

- a. Appropriate \$1.5 million in budgeted funds; and
- b. Authorize the General Manager to expend \$1.5 million for the groundwater study. Based on the outcome of the studies, the General Manager would then negotiate the Chino Desalter II Agreement and amendments to the existing Storage Agreement to initiate payment of up to \$250/AF for produced water.

Fiscal Impact: \$1.5 million for the groundwater studies and \$3.75 million per year for desalted water, once the program is approved

Business Analysis: The IRP Update includes targets for developing an in-basin dry-year yield of 275,000 acre-feet by the year 2010. In-basin conjunctive use is an integral part of Metropolitan's overall plan to ensure the future reliability of Metropolitan's water supply. Not approving these actions could jeopardize Metropolitan's ability to meet its dry-year yield targets.

Option #3

- a. Do not appropriate funds for the groundwater study or the agreement.
- b. Authorize the General Manager to enter into negotiations with the member agencies for the Chino Desalter II Agreement and to amend the existing Storage Agreement under different terms.
- c. Return to the Board for approval of the amended agreements.

Fiscal Impact: None

Business Analysis: Groundwater rights holders may be less likely to enter into conjunctive use agreements without information on impacts to the basin and assurances for payments for desalter production.

Staff Recommendation

Option #1


 Stephen N. Arakawa
 Manager, Water Resource Management

5/29/2007
Date


 Jeffrey Lightinger
 General Manager

5/31/2007
Date

Attachment 1 – Financial Statement for Local Groundwater Storage Agreements Program

BLA #5459

Financial Statement for Local Groundwater Storage Agreements Program

A breakdown of Board Action No. 8 for Appropriation No. 15272 for the Local Groundwater Storage Agreements Program is as follows:

	Previous Total Appropriated Amount (May 2006)	Current Board Action No. 8 (June 2007)	New Total Appropriated Amount
Labor			
Studies & Investigations	\$ 210,000	-	\$ 210,000
Materials and Supplies	-	-	-
Incidental Expenses	-	-	-
Professional/Technical Services	480,000	1,500,000	1,980,000
Equipment Use	-		-
Contracts	60,200,000		60,200,000
Remaining Budget	-	-	-
Total	\$ 60,890,000	\$ 1,500,000	\$ 62,390,000

Funding Request

Program Name:	Local Groundwater Storage Agreements		
Source of Funds:	Revenue Bonds, Replacement and Refurbishment or General Funds		
Appropriation No.:	15272	Board Action No.:	8
Requested Amount:	\$ 1,500,000	Capital Program No.:	15272-S
Total Appropriated Amount:	\$ 62,390,000	Capital Program Page No.:	E-45
Total Program Estimate:	\$ 210,000,000	Program Goal:	S – Supply and Delivery Reliability

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CHINO BASIN WATERMASTER

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

5. MOU of Water Accounting Procedures in Chino Basin





MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Executive Office

August 26, 2008

Mr. Richard Atwater
General Manager
Inland Empire Utilities Agency
P.O. Box 9020
Chino Hills, CA 91709

Mr. Richard Hansen
General Manager/Chief Engineer
Three Valleys Municipal Water District
1021 E. Miramar Avenue
Claremont, CA 91711

Mr. Ken Manning
Chief Executive Officer
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Dear Messrs. Atwater, Hansen, and Manning:

Memorandum of Understanding of Water Accounting Procedures in Chino Basin

Enclosed are four originals of the Memorandum of Understanding of Water Accounting Procedures in Chino Basin (MOU). This MOU sets out the basic procedures for administering the groundwater storage program agreement in Chino Basin. This document does not change the provisions of the agreement in any way. Please execute the four originals of the MOU on behalf of your agency and return them to Mr. Matthew Hacker at The Metropolitan Water District of Southern California. Once all parties have executed the amendment, a complete set will be forwarded to your agency. Please direct any questions to Ms. Kathy Kunysz at (213) 217-6272 or to Mr. Matthew Hacker at (213) 217-6756.

Very truly yours,

Stephen N. Arakawa
Manager, Water Resource Management

MH:tw

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Enclosures

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MEMORANDUM OF UNDERSTANDING OF WATER ACCOUNTING PROCEDURES

RELATING TO

**GROUNDWATER STORAGE PROGRAM FUNDING AGREEMENT NO. 49960 (DYY)
IN CHINO BASIN,
AS AMENDED**

AMONG

**METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
INLAND EMPIRE UTILITIES AGENCY
THREE VALLEYS MUNICIPAL WATER DISTRICT
CHINO BASIN WATERMASTER**

SEPTEMBER 2008

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**MEMORANDUM OF UNDERSTANDING OF WATER ACCOUNTING PROCEDURES
RELATING TO
GROUNDWATER STORAGE PROGRAM FUNDING AGREEMENT NO. 49960 (DYY)
IN CHINO BASIN,
AS AMENDED**

1. INTRODUCTION

THIS MEMORANDUM OF UNDERSTANDING OF WATER ACCOUNTING PROCEDURES RELATING TO GROUNDWATER STORAGE PROGRAM FUNDING AGREEMENT NO. 49960 (DYY) IN CHINO BASIN, AS AMENDED dated as of September __, 2008 sets out the basic procedures for administering the groundwater storage program in Chino Basin in conjunction with other water resource programs of the Metropolitan Water District of Southern California (Metropolitan) in the Chino Basin. This document does not change the provisions of any of these programs or associated agreements in any way. The purpose of this document is to provide a basis for common understanding and consistent administration of the groundwater storage program in light of multiple local resources programs in the Chino Basin that provide incentives for recovering poor quality water (e.g. desalters) and use of recycled water for recharge of the groundwater basin. The purpose of this Memorandum of Understanding is consistent with Section VI. of the Groundwater Storage Program Funding Agreement (Agreement) relating to the duties of the Operating Committee established therein to develop an Annual Operating Plan and to reconcile financial and water accounting matters for the groundwater storage program. This Memorandum of Understanding represents the agreement of the signatories as members of the Groundwater Storage Program Operating Committee to carry out administrative tasks in a consistent manner, and may be updated and amended by the Groundwater Storage Program Operating Committee by written mutual consent.

2. GROUNDWATER STORAGE PROGRAM (DRY-YEAR-YIELD -DYY- PROGRAM)

The Groundwater Storage Program (DYY) provides for the storage of up to 100,000 acre-feet (AF) of water at any point in time in a Metropolitan Storage Account in the Chino Basin pursuant to the Groundwater Storage Program Funding Agreement dated June 2003 and as subsequently amended. Signatories to this Agreement are Metropolitan, Inland Empire Utilities Agency (IEUA), Three Valleys Municipal Water District (TVMWD), and Chino Basin Watermaster. As of July 2008, the Operating Parties under this Agreement are for IEUA: City of Ontario, City of Upland, Cucamonga Valley Water District, Monte Vista Water District, City of Chino, City of Chino Hills and Jurupa Community Services District (through Ontario); and for TVMWD: City of Pomona. The Agreement provides for storage of up to 25,000 AF per year unless Chino Basin Watermaster allows for more, and extraction, at Metropolitan's call, of up to 33,000 AF per year not to exceed the amount of water in the Metropolitan Storage Account. The call may be for any twelve month period beginning on the first of day of the month following 15 days notice.

The Agreement requires the Operating Committee to prepare an Annual Operating Plan that estimates how storage or extraction will be accomplished during the course of the year. In practice, Metropolitan indicates the amount it would like to store (up to 25,000 AF per year unless more is approved by Chino Basin Watermaster) or extract (up to 33,000 AF per year, but not to exceed the account balance), and IEUA and TVMWD develop a projection indicating the anticipated monthly schedule by service connection for storage deliveries, or monthly schedule for shifting full service demands from the service connection to the wells. IEUA and TVMWD certify storage or extraction against the Annual Operating Plan and updating the plan for actual amounts as the year progresses. Certification of storage and extraction is reconciled following the end of the storage year or the end of the 12-month call period.

The Agreement provides that the DYY Facilities may be used for unrelated purposes by IEUA and TVMWD so long as excess operable capacity is maintained on a monthly basis for performance under the Agreement unless operable capacity on another basis is agreed to by the Operating Committee.

2.A. STORAGE TO THE METROPOLITAN STORAGE ACCOUNT

2.A.1. Upon notice to IEUA and TVMWD, Metropolitan may deliver imported water for storage in the Metropolitan Storage Account in the Chino Basin. Water may be stored directly (spread or injected) or via in-lieu. In-lieu storage means that an Operating Party with groundwater rights foregoes production of a portion of its rights and directly uses the additional delivery of imported water to meet its retail demands. For each AF of unpumped groundwater right stored in-lieu, one AF of additional Metropolitan imported water delivery will be delivered at the service connections to replace the stored AF in meeting retail demands.

2.A.2. Certification of storage on a monthly basis (see Agreement section VI.B.4) by IEUA and TVMWD to both Metropolitan and Chino Basin Watermaster provides for:

- a) Credit adjustment on the Metropolitan invoice to either IEUA or TVMWD for the conjunctive use delivery (water is not billed until it is called for extraction --Stored Water Delivery) and associated accounting for the stored AF in Metropolitan's WINS accounting system, and
- b) Accounting for stored AF in Metropolitan's Storage Account by Chino Basin Watermaster.

Any subsequent adjustments to certifications for storage of water need to be copied to both Metropolitan and Chino Basin Watermaster to ensure consistent records of stored AF.

Metropolitan Administrative Code section 4507(f) allows for late certifications (and adjustments to prior certifications via re-certification) for a period of up to six months from the time the delivery was made. Reconciliation of in-lieu storage by Metropolitan within twelve months of such a delivery may also result in adjustments. Any such adjustments need to be reported to Metropolitan, IEUA or TVMWD, and the Chino Basin Watermaster to ensure consistency of records. These provisions apply to both storage and extraction from the Metropolitan Storage Account.

Additionally, Chino Basin Watermaster assesses losses to the Metropolitan Storage Account (see Agreement section VI.C.1) once each fiscal year in July. Each year, after July 1 but before September 30, the Operating Committee (Metropolitan, IEUA, TVMWD, and Chino Basin Watermaster) compares records for the balance of AF in the Metropolitan Storage Account and resolves any discrepancies.

2.A.3. Storage to the Metropolitan Storage Account shall exclude all of the following:

1. In-lieu against overproduction of groundwater rights. All storage is required to be new, wet-water storage. Storage cannot be reliant upon a replenishment obligation.
2. In-lieu against foregone rights to produce recharged recycled water. This means that accomplishment of storage through in-lieu means shall only be against Chino Basin native groundwater production rights that would have otherwise been produced and shall exclude recycled water that has been recharged.
3. In-lieu against rights for desalter production that is not pumped. This means that in-lieu storage to the Metropolitan Storage Account shall not be accomplished by reducing the groundwater pumping of the desalters.
4. In-lieu cannot exceed on-line, operational extraction capacity and cannot be against water that cannot be produced. This means that amounts of water certified as stored in-lieu during a month must have been able to be produced--there must be sufficient extraction capacity that is operable, and the water quality must be usable.
5. In-lieu storage cannot exceed the amount of firm water purchased by IEUA or TVMWD from Metropolitan for the month it is certified. This means that acre-foot for acre-foot, imported water was used to meet the demand for the groundwater that was not pumped and certified as stored in-lieu.
6. In-lieu against leased water rights. This means that in-lieu storage to the Metropolitan Storage Account shall not allow a Chino Basin Operating Party to lease groundwater production rights from another basin rights holder in order to underproduce the leased amount of water and certify that the leased water is stored in-lieu.

2B. EXTRACTION FROM THE METROPOLITAN STORAGE ACCOUNT

2.B.1 Extraction from the Metropolitan Storage Account occurs when Metropolitan notifies IEUA and TVMWD that it is making a call for extraction of stored water (Stored Water Delivery) as provided in Agreement section VI.D.3.

Agreement Exhibit G provides that in a call year the following will occur:

- a) deliveries at the Metropolitan service connections will decrease by the call amount over the course of the 12 month call period as compared to the prior 12 months; and
- b) the call amount will be pumped from the Metropolitan Storage Account in Chino Basin over the 12 month call period; and
- c) groundwater pumping in the Chino Basin will increase by the call amount over the 12 month call period as compared to the prior 12 months.

Exhibit G also provides flexibility on each of these measures of +/-10%, and acknowledges that growth in local resources may reduce demand for imported Metropolitan full service water and therefore for the water stored in the Metropolitan Storage Account.

Measurement of these provisions in a call year is against a baseline of the prior twelve months preceding the call. When a call is made two or more years in sequence, the baseline shall be the twelve month period preceding the first call year with any warranted adjustments.

2.B.2. Extraction Baseline

For groundwater production, the following will be included in the baseline:

- a) the prior twelve months of Chino Basin production of groundwater rights by participating IEUA and TVMWD agencies inclusive of in-lieu storage, and as adjusted by agreement of the Operating Committee; and
- b) the prior twelve months of Chino Basin production of recharged recycled water credits by participating IEUA and TVMWD agencies, as adjusted by agreement of the Operating Committee; and
- c) the prior twelve months of Chino Basin desalter production.

Production from the Metropolitan Storage Account will be measured as the number of AF certified as such by IEUA or TVMWD and that production that exceeds the sum of 'a', 'b' and 'c' above in the call year.

For service connection deliveries the following will be included in the baseline:

- a) the prior twelve months of full service deliveries to each IEUA and TVMWD at the service connections.

The following will be excluded from the service connection deliveries baseline:

- a) any direct or in-lieu deliveries certified for storage to the Metropolitan Storage Account;
- b) any direct or in-lieu replenishment deliveries; and

- c) any direct or in-lieu cyclic storage deliveries.

In setting the baselines, note that in-lieu deliveries are subject to reconciliation and any resulting adjustments that are completed up to twelve months following the in-lieu delivery.

2.B.3. Extraction Pumping

Certified extraction from the Metropolitan Storage Account shall exclude the following:

- a) desalter production;
- b) recycled water production;
- c) production from basins other than Chino Basin; and
- d) amounts that exceed: i) available operable extraction capacity and ii) the amount of water pumped in that month.

Metropolitan Administrative Code section 4507(f) allows for late certifications (and adjustments to prior certifications via re-certification) for a period of up to six months from the time the delivery was made. Reconciliation of amounts certified as extracted from the Metropolitan Storage Account is conducted within twelve months and may also result in adjustments. Any such adjustments need to be reported to Metropolitan, IEUA or TVMWD and the Chino Basin Watermaster to ensure consistency of records. These provisions apply to both storage and extraction from the Metropolitan Storage Account.

3. DATA COLLECTION PROCESS

- a) TVMWD will collect, track and certify storage and extraction for Pomona.
- b) IEUA is to receive its retail agencies' production data no later than six weeks after the last day of any given month to allow for efficient updates on compliance progress to Metropolitan. If data have not been received, IEUA staff will contact individual agencies and request the production data.
- c) IEUA tracks and submits (if necessary) performance for the DYY program
- d) Before submitting certifications to Metropolitan, IEUA staff will perform a "check and balance"
 1. Two working days prior to Metropolitan's certification deadline (the third working day of each month by 3:30 p.m.). IEUA is to receive any of four certifications:
 - Conjunctive Use Storage Account
 - Agricultural Credit (Chino Hills)

- Desalter Production
 - Recycled Water Production
2. IEUA staff will check each certification for 'double counting' of credits to ensure that each program is accounting for its own credits.
 3. IEUA will then submit the certifications in a form acceptable to Metropolitan.
- e) IEUA and TVMWD staff will review the monthly Metropolitan invoice to confirm that any submitted certifications are correctly documented.

AS MEMBERS OF THE OPERATING COMMITTEE FOR THE GROUNDWATER STORAGE PROGRAM IN CHINO BASIN WE HEREBY concur with this Memorandum of Understanding of Water Accounting Procedures Relating to Groundwater Storage Program Funding Agreement in Chino Basin and agree to implement the procedures stated herein and to jointly update and clarify this document as needed for the continued coordinated administration of the Metropolitan resource programs in the Chino Basin:

 Stephen N. Arakawa
 Manager, Water Resource Management Group
 Metropolitan Water District of Southern California

 Date

 Richard Atwater
 General Manager
 Inland Empire Utilities Agency

 Date

 Richard Hansen
 General Manager
 Three Valleys Municipal Water District

 Date

 Ken Manning
 Executive Officer
 Chino Basin Watermaster

 Date



CHINO BASIN WATERMASTER

III. REPORTS / UPDATES

E. INLAND EMPIRE UTILITIES AGENCY

1. Drought and MWD IRP/5 Year Supply Plan Update
2. Water Softener Rebate Program
3. Final Water Demand and Supply Forecasts for Chino Basin Dry Year Yield Expansion
4. Recycled Water Newsletter
5. Monthly Water Conservation Programs
6. Monthly Imported Water Deliveries
7. State and Federal Legislative Report
8. Community Outreach/Public Relations



CHINO BASIN WATERMASTER

ADVISORY COMMITTEE

September 25, 2008

AGENDA

INTERAGENCY WATER MANAGERS' REPORT

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

15-20 Minutes

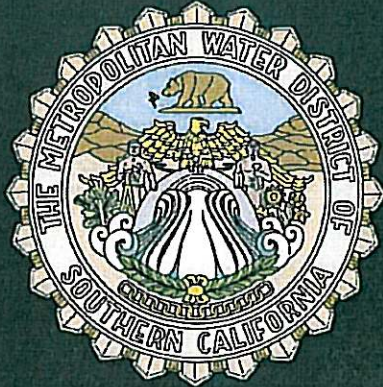
Discussion Items:

- Drought and MWD IRP/5 Year Supply Plan Update (Oral and Attachment)
- Water Softener Rebate Program (Oral and Attachment)

Receive and File:

- Final Water Demand and Supply Forecasts for Chino Basin Dry Year Yield Expansion Program CEQA Analysis – Technical Memo #2
- Recycled Water Newsletter
- Monthly Water Conservation Programs Report
- Monthly Imported Water Deliveries Report
- State and Federal Legislative Reports
- Community Outreach/Public Relations Report

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Metropolitan Water District of Southern California

2009 IRP Update

Stakeholder Forums

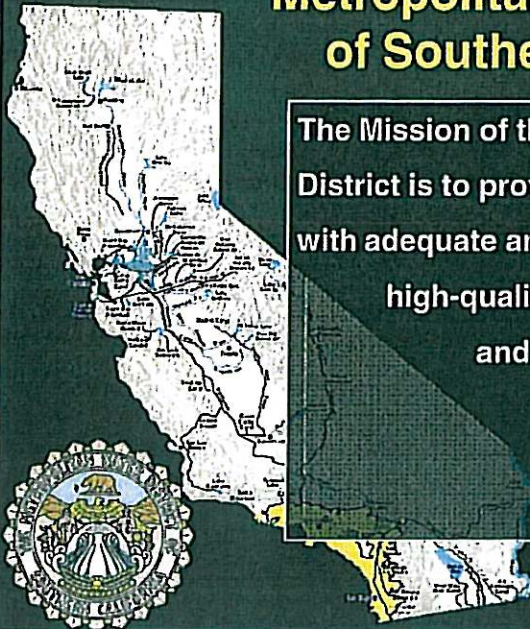
September 11, 2008

September 16, 2008

September 25, 2008

October 22, 2008

Metropolitan Water District of Southern California



The Mission of the Metropolitan Water District is to provide its service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.

Metropolitan Water District of Southern California



- Regional Water Wholesaler to 6 counties
 - 5,200 square miles
- 26 Member Agencies
- 37 Member Board
- 18+ million people
- Owns and operates:
 - 5 regional treatment plants
 - 14 dams and reservoirs
 - 16 hydroelectric plants
 - 770 miles of pipelines, feeders and canals
- Regional economy: \$800+ billion
- Water Supplies: Meets about 1/2 of retail demands

California Water Today

2nd consecutive year of drought conditions

Coming off an 8-year drought

Driest March - May

Court ordered cutbacks due to fishery conflicts

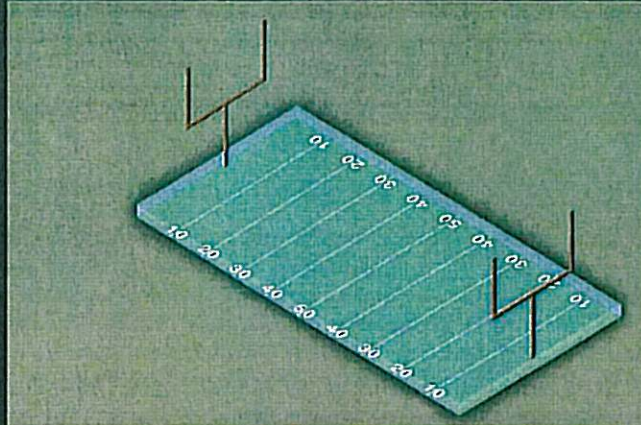
State Water Project

Los Angeles Aqueduct

Colorado River Aqueduct

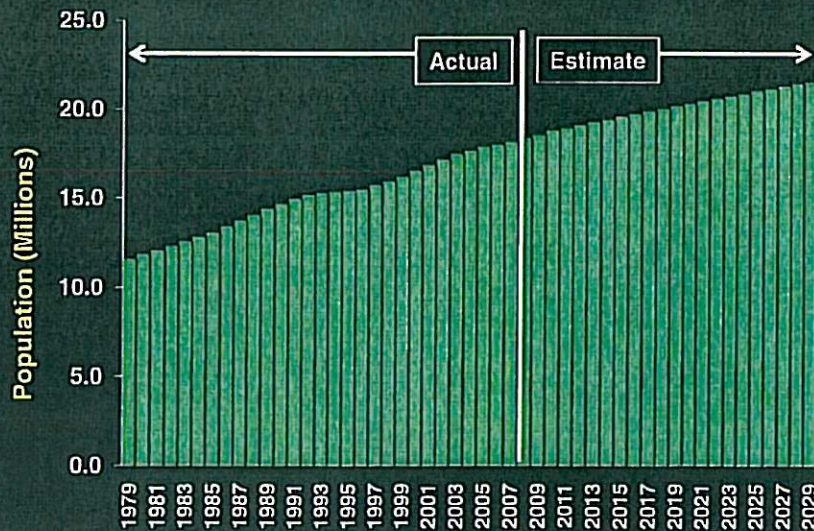
Local

Acre-Foot

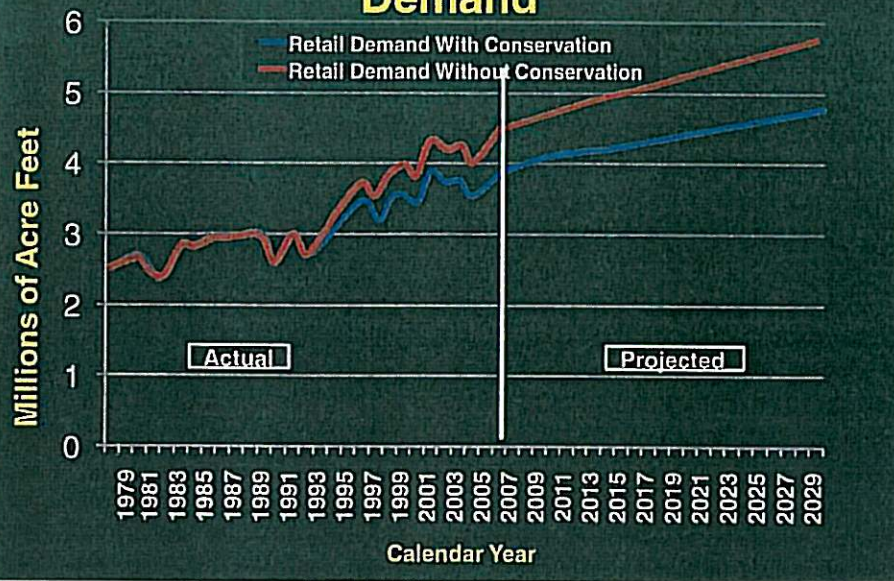


- One Acre-Foot covers:
- 1 acre of land 1 foot deep
 - Supplies roughly six to seven people for one year

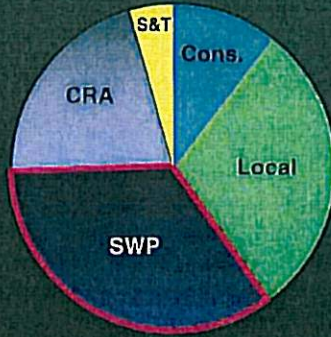
Estimated Population Growth



Service Area Actual and Projected Retail Demand



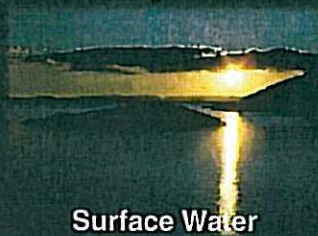
Dry Year Supply Strategy (Pre-IRP)

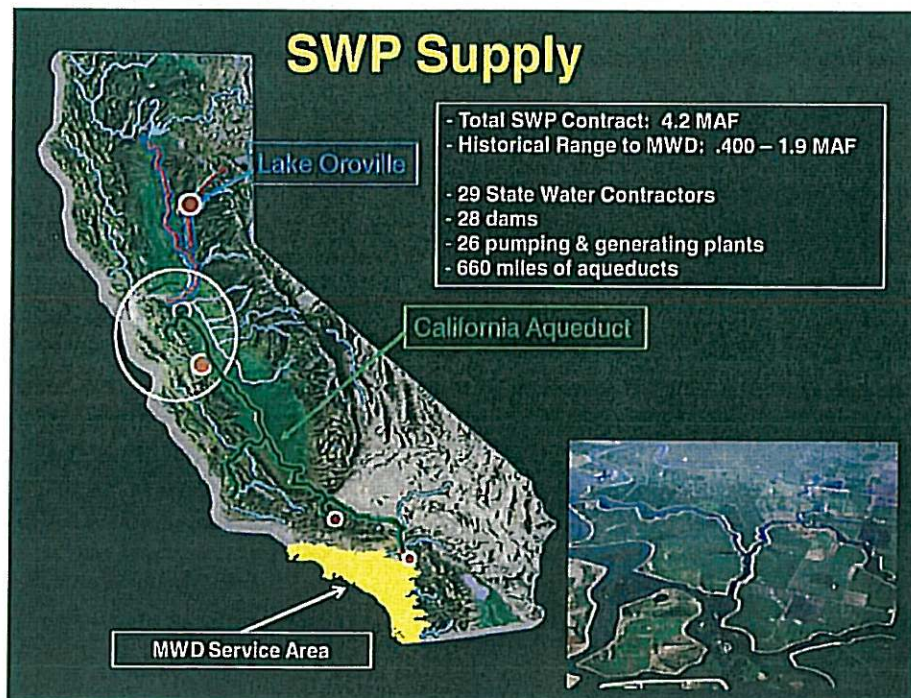


Early 1990's

*Heavy dependence on
imported supply
and SWP Diversions*

Local Supplies



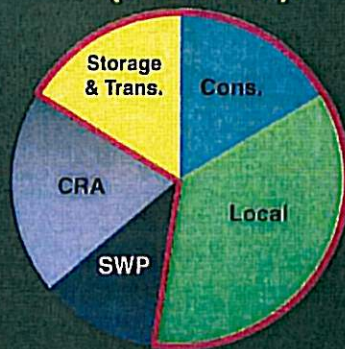


Metropolitan's Integrated Water Resources Plan (IRP)

- Long-term water resource plan
- Open and participatory process
- Ensures
 - Diversification, adaptability
- Recognizes constraints
 - Environmental, institutional
- Emphasizes
 - Reliability, affordability, water quality

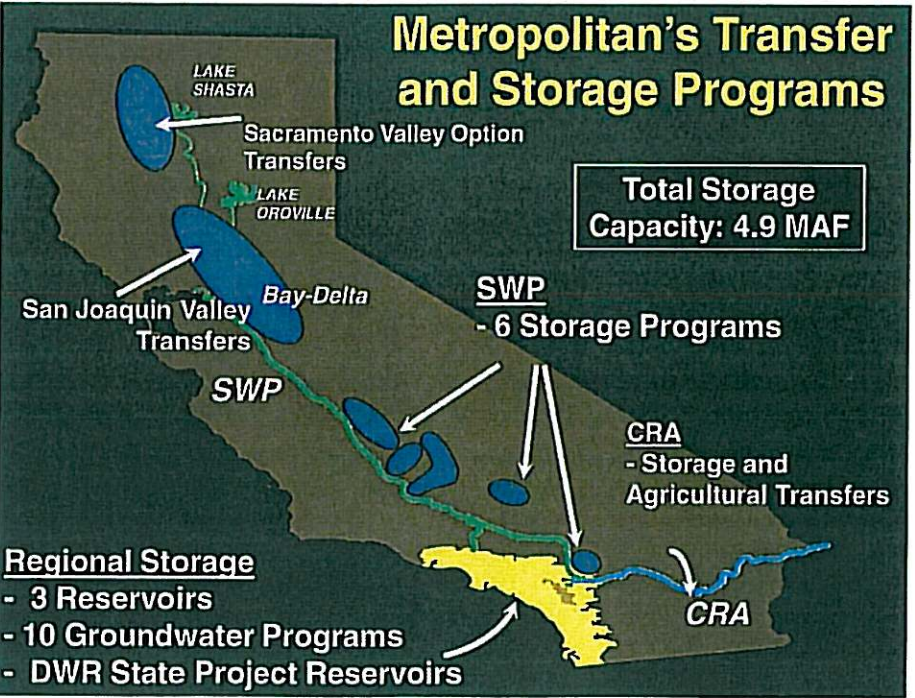


Dry Year Supply Strategy (with IRP)

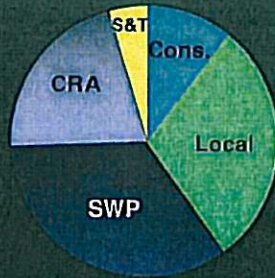


Current Strategy

*Emphasis on Conservation,
Local Supplies, and
Storage & Transfers*

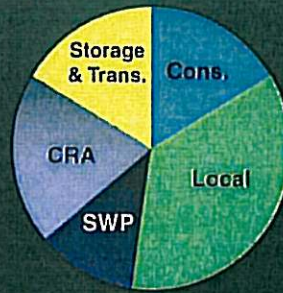


Dry Year Supply Strategy



Early 1990's

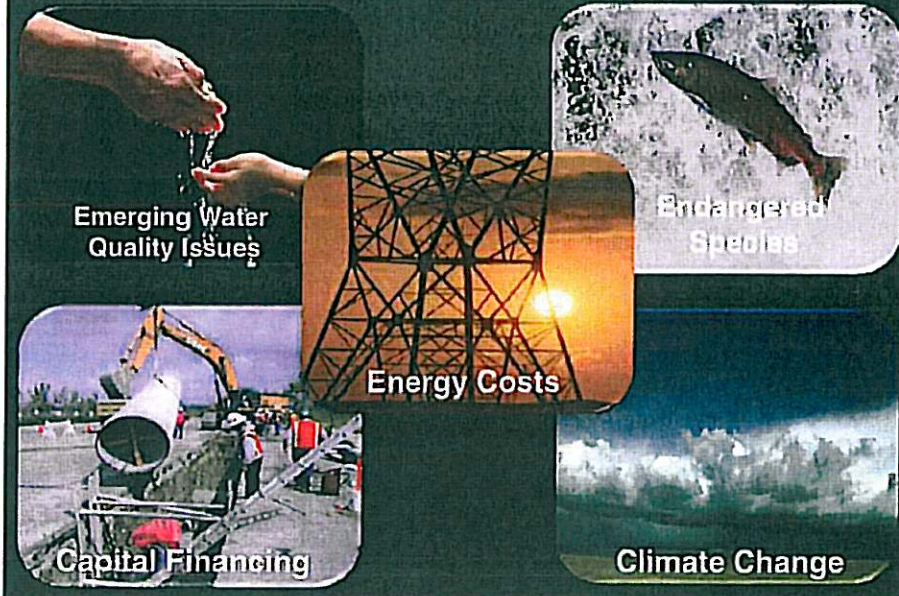
Heavy dependence on imported supply and SWP Diversions

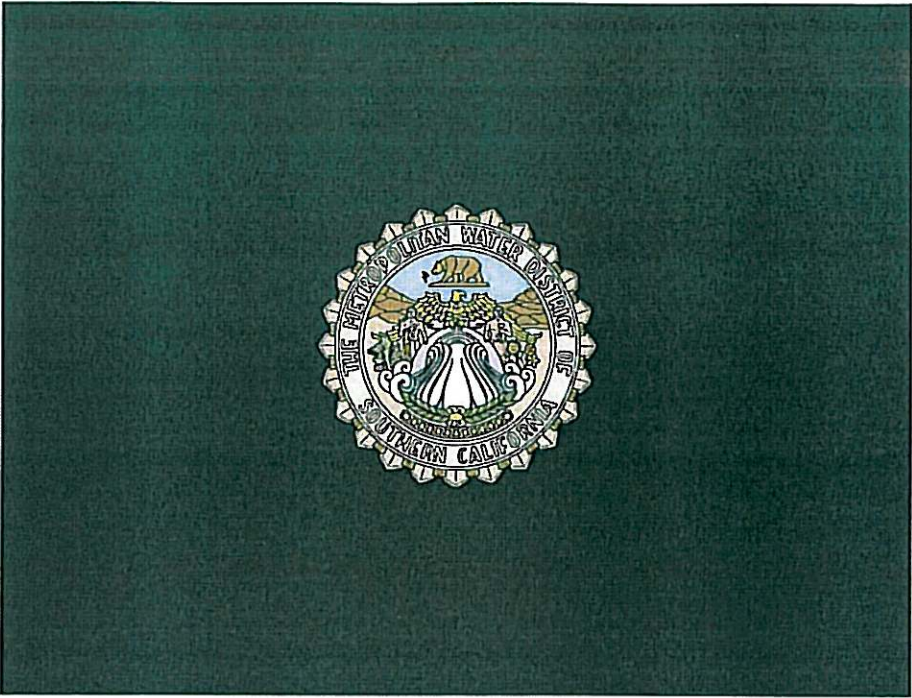


Current Strategy

Emphasis on Conservation, Local Supplies, and Storage & Transfers

New Challenges

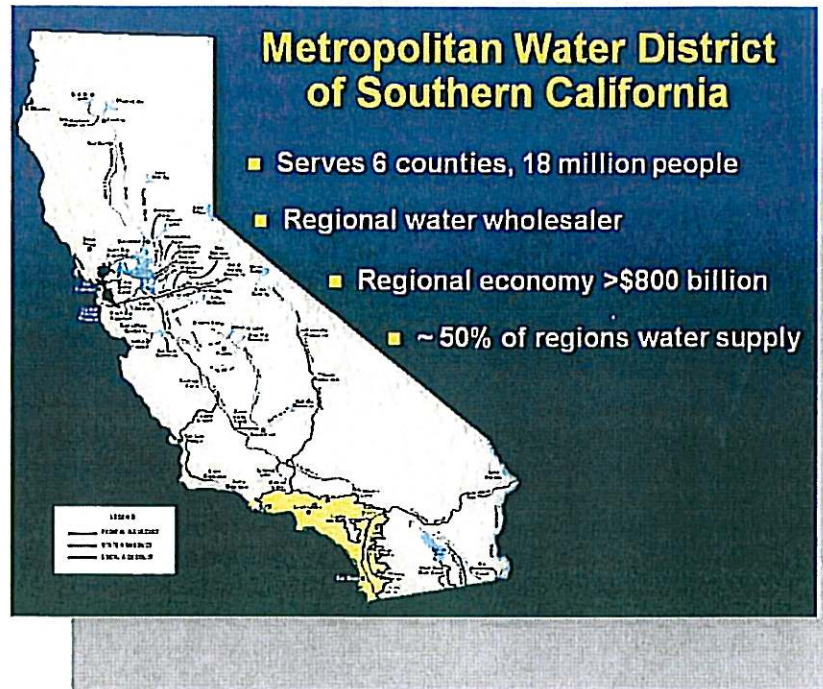






An Integrated Resources Plan... **The IRP**

Water transformed this landscape into the vibrant region it is today. And it has never been so precious. Our region's water supplies have never been so challenged. Record drought, climate change and environmental concerns have limited supplies imported from the Colorado River and Northern California. Our region and the state continue to grow. We all share the responsibility of ensuring we have a reliable and high-quality water supply. To prepare for the future, we need a new plan for a new water reality.



What is an IRP?

For the Metropolitan Water District of Southern California, water planning is about putting all of the pieces together, both augmenting supplies and lowering demand. Together, they create an Integrated Resources Plan or IRP. Metropolitan created its first IRP in the early 1990s. This new update will identify a water planning strategy through the year 2030.

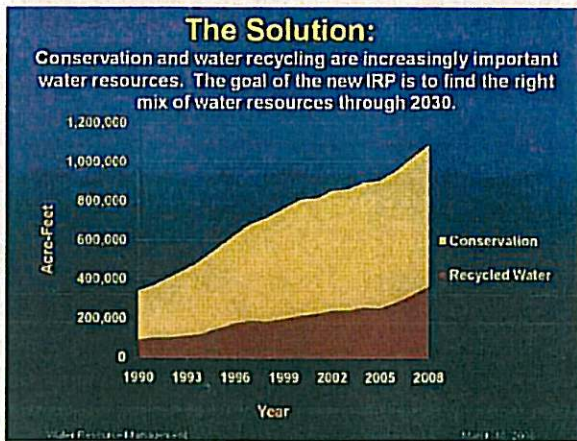
On the supply side, there are the traditional supply sources imported from Northern California through the State Water Project (SWP) and Metropolitan's Colorado River Aqueduct (CRA), along with local supplies such as groundwater, recycling and ocean water desalination. Conservation, the lowering of demand and using water more efficiently, is an increasingly important management tool of its own.

Finding the right mix of local water supplies and conservation efforts are vital to a successful Integrated Resources Plan and our future.

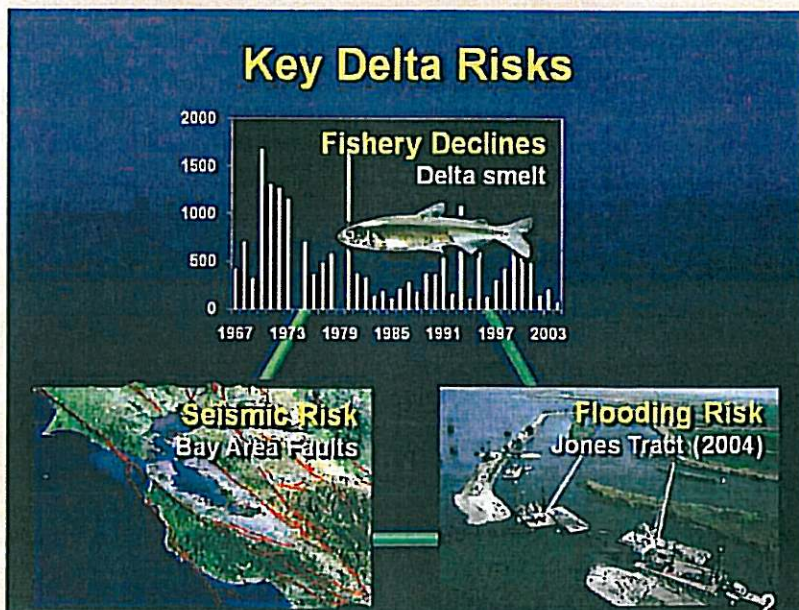
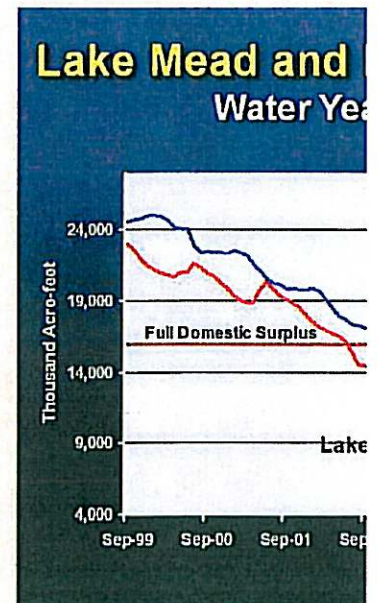
The Future Challenge:

Metropolitan's Integrated Resources Plan has helped maintain a reliable water supply for the Southland by anticipating needs and providing a "buffer" of additional water resources to address changing conditions. Imported sources will remain important baseline supplies. But conservation and new local supplies (such as recycling and ocean water desalination) will provide water for growing needs. The coming challenge is to assure that overall supplies and demands remain in balance while the region's traditional imported supplies face uncertainties.

The Delta: Multiple Threats



The Sacramento-San Joaquin Delta, California's most important estuary, faces environmental struggles that are causing historic reductions in water deliveries. Natural disasters could cut off water supplies for months, perhaps even longer.



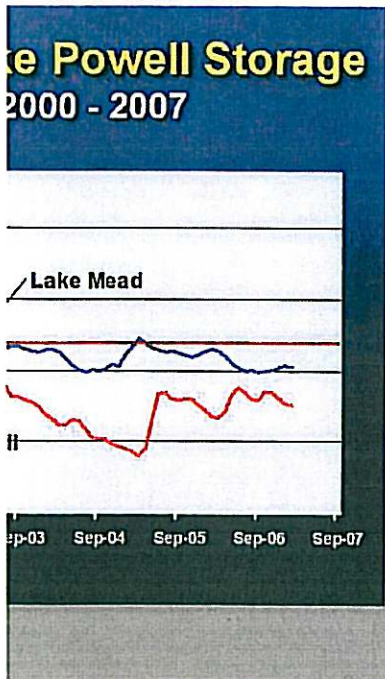
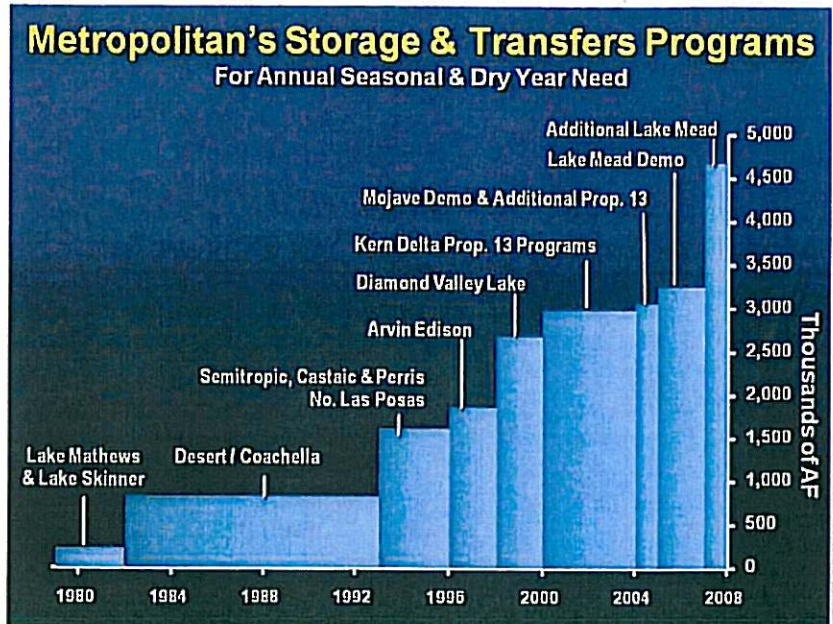
The mission of the Metropolitan Waterworks Agency is to provide its service area with adequate water to meet present and future needs in an economically responsible way.

For More Information:

Managing Uncertainty

Colorado Supplies: Changing Fast

When Metropolitan first adopted its IRP, reservoirs along the Colorado River had "surplus" supplies. A record eight consecutive dry years brought the prospect of shortages closer. Climate experts predict less precipitation in the future in this key western watershed.



New Challenges

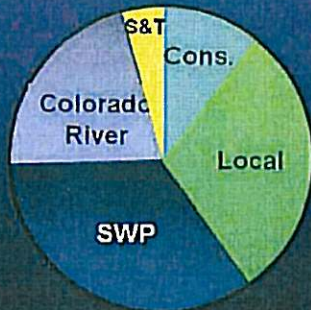
- Emerging Water Quality Issues
- Endangered Species
- Energy Costs
- Capital Financing
- Climate Change

District of Southern California is to and reliable supplies of high quality's in an environmentally and

www.mwdh2o.com/IRP

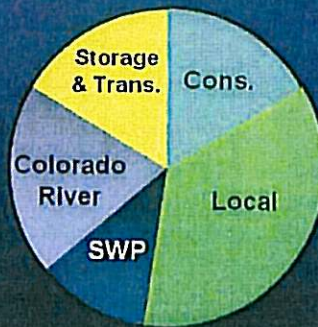
Evolving Southland Water Plans

- No additional reliance on Delta
- Conservation & local programs support increased demands



Early 1990s

Heavy dependence on imported supply & State Water Project Diversions in dry years for the future.



Current Strategy

Emphasis on Conservation, Local Supplies, & Storage & Transfers for the future.

Lessons Learned...

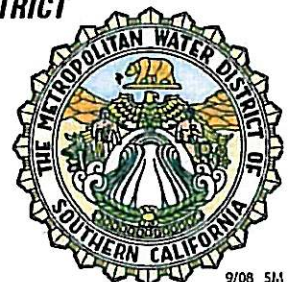
After droughts forced water rationing in parts of Southern California in 1991, Metropolitan increased storage capacity by more than 10-fold. The increased storage has benefited the region tremendously. Metropolitan can now store more water in wet years for dry-year use. The region also needs to become even more water efficient through increased conservation, water recycling and other local resources to meet the continuing challenges.

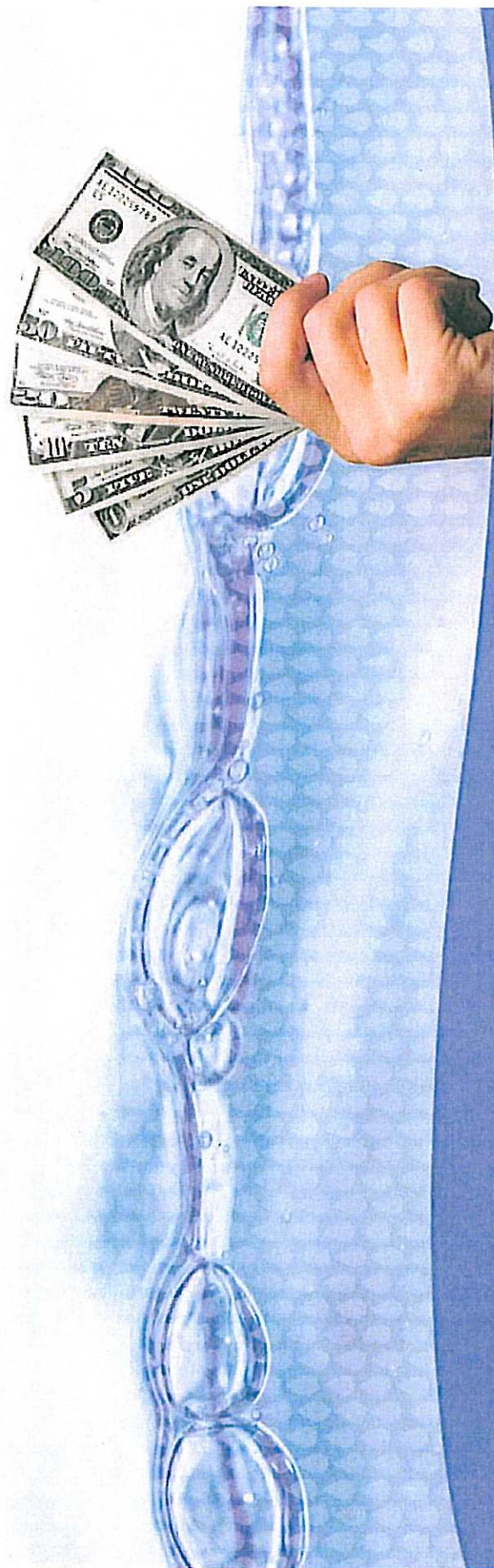
Public Involvement: Key

We all share the responsibility of ensuring a reliable water supply. To meet that responsibility, we all play a role in water planning as well. Stakeholder forums and public outreach are essential in creating an updated IRP.

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

700 N. ALAMEDA ST., LOS ANGELES, CA 90012
 P.O. BOX 54153, LOS ANGELES, CA 90054-0153
 (213) 217-6000
 (800) call mwd
www.dvlake.com
www.bewaterwise.com
www.mwdh2o.com





Automatic Water Softener Removal Rebate Program

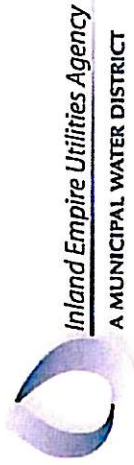


Inland Empire
UTILITIES AGENCY

Automatic Water Softener Removal Rebate Program Partners

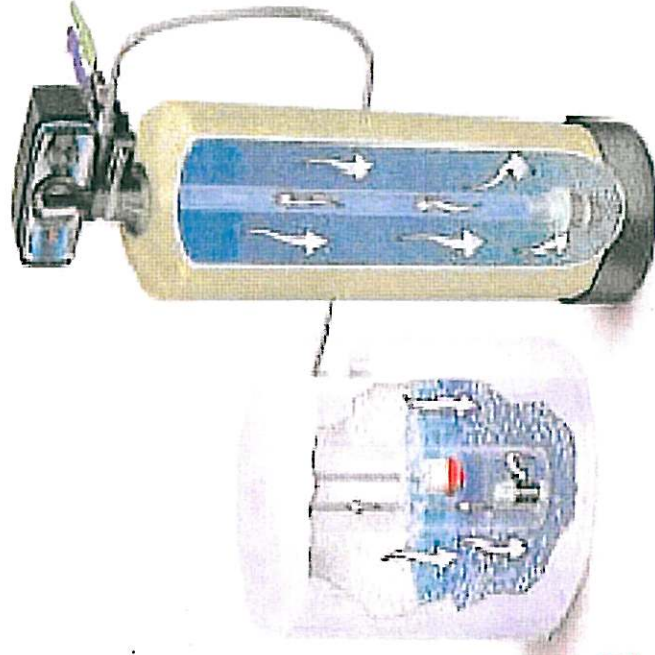
Inland Empire Utilities Agency

Partner Agencies



Automatic Water Softener Removal Rebate Program

- **What is automatic water softener?**
- **Automatic Water Softeners (AWS) are water conditioning systems to which you or a service provider adds salt (sodium or potassium chloride pellets).**



Automatic Water Softener Removal Rebate Program

- Inland Empire Utilities Agency distributes water to and collects and treats wastewater for partner agencies
- IEUA's goal is to use high quality recycled water for irrigation, industrial reuse, and groundwater recharge, 50,000 afy by 2010
- IEUA operates four water recycling plants that provide advanced treatment but do not remove dissolved salts, known as TDS
- If salt levels in the sewer system do not decrease, IEUA will need additional treatment processes which will be costly
- IEUA AWS rebate program is similar to LACSD rebate program implemented in Santa Clarita, CA



Automatic Water Softener Removal Rebate Program

• Offers residents \$300-\$2,000 for their unit based on:

- Make/model sales price
- Receipt (if available)
- Installation date
- 12-year life expectancy



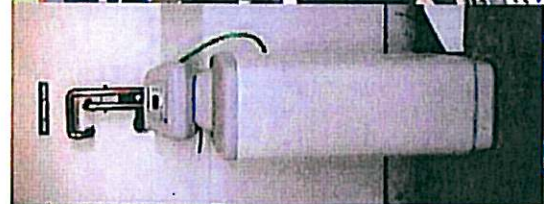
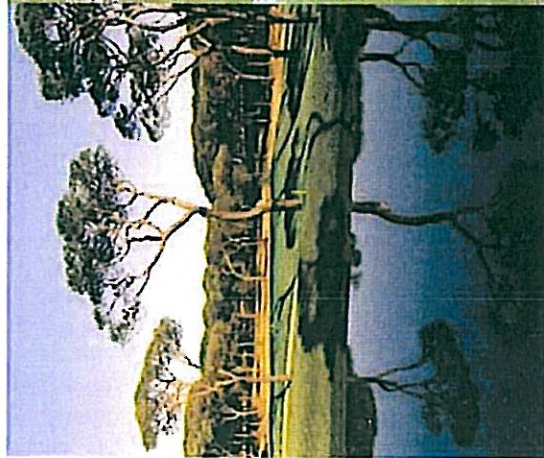
• Provides free disconnection and disposal by a licensed plumber

• The AWS Rebate is available to residents within IEUA service area who fill out an application; IEUA will then send a letter presenting the rebate offer



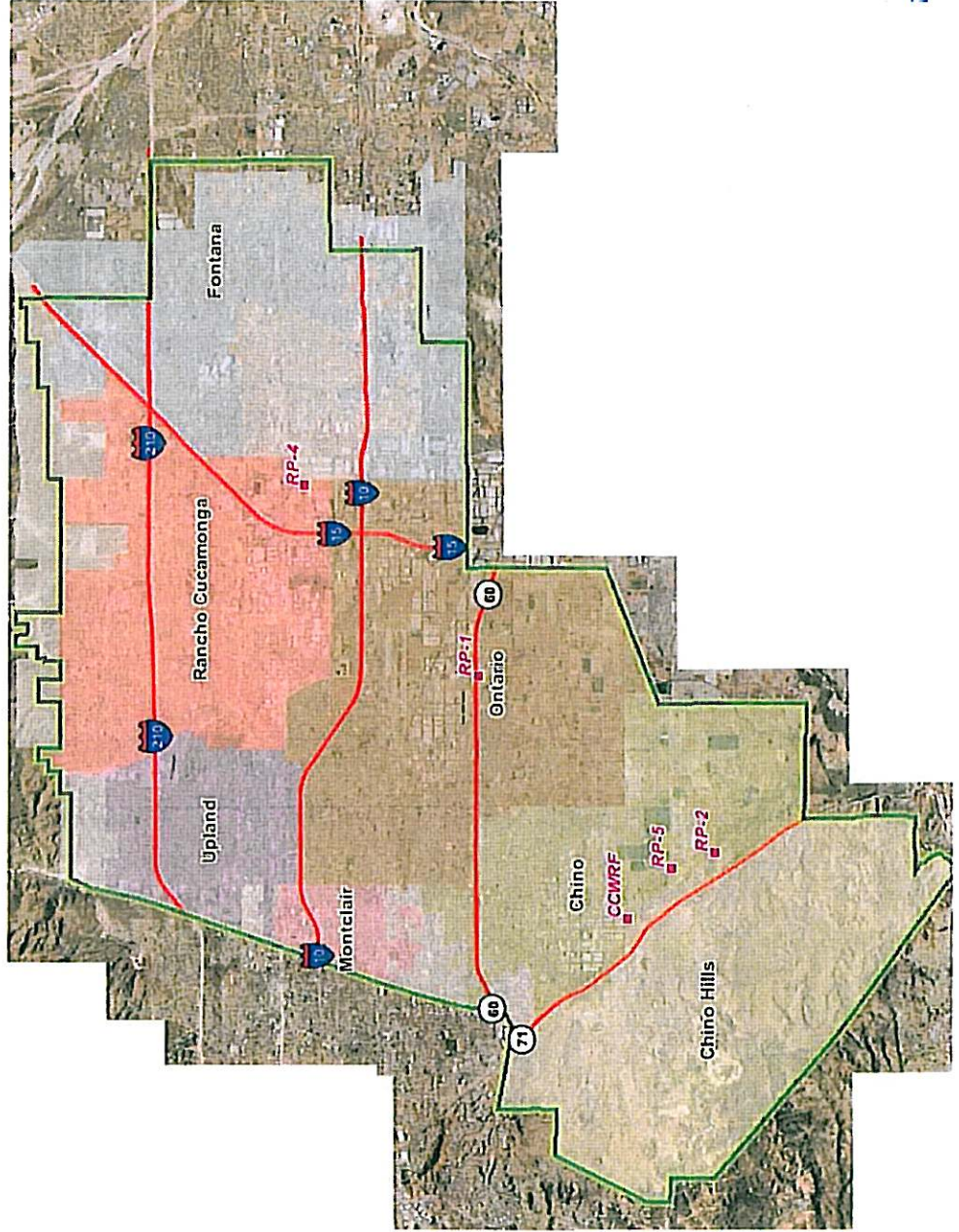
Rebate Program Goals

- Educate residents about recycled water efforts and harmful effects of AWS
- Remove AWS from IEUA service area
- Discourage future installation of AWS softeners
- Removal of AWS will also save water



Targets

- Homeowners throughout IEUA's service area



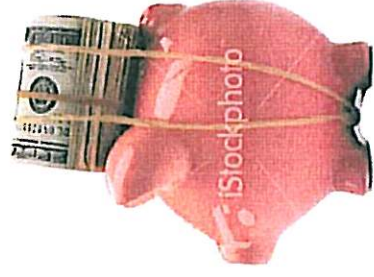
Methods of Reach

Advertising

- Cable television (ESPN, Lifetime, HGTV, ABC Family etc.)
- Radio (KCAA-AM)
- Print (Daily Bulletin, Los Angeles Times, La Opinion, Fontana Herald, El Chicano, The Champion, and La Prensa)

Media outreach

- Event launch and initial press release
- Ongoing outreach including press releases



Creative

Our New Automatic Water Softener Removal Rebate is a WIN-WIN!

It puts more money in your pocket (**up to \$2,000**) and **protects recycled water** for our future.



FACT

Automatic water softeners leave a **salty waste** that **harms our recycled water efforts** aimed to ensure our community has a reliable water source for the future.

TAKE ACTION

Remove your automatic water softener now and get a rebate up to \$2,000 and free disconnection and removal. **It's that important.**

Brought to you by the Inland Empire Utilities Agency
in partnership with your local water provider.

Visit www.IEUA.org or call (909) 993-1550 today
to get your rebate.



Inland Empire
UTILITIES AGENCY

¡Nuestro nuevo reembolso para **deshacerse de los ablandadores automáticos de agua** es una propuesta en donde **TODOS GANAMOS!**

Ponga más dinero en su bolsillo (**hasta \$2,000**) y **proteja el agua reciclada** para nuestro futuro.



HECHO

Ablandadores automáticos de agua dejan **desechos salados** que **hacen daño a nuestros esfuerzos para reciclar el agua** que tienen como objetivo asegurar que nuestra comunidad tenga una fuente de agua confiable en el futuro.

TOME ACCIÓN

Quite su **ablandador automático de agua** ahora y reciba un reembolso de hasta \$2,000 con desconexión y despojo gratis. **Es así de importantes.**

Patrocinado por el Inland Empire Utilities Agency
conjuntamente con su proveedor local del agua.

Visite www.IEUA.org o llame al (909) 993-1550 hoy
para obtener su reembolso.



Inland Empire
UTILITIES AGENCY

Methods of Reach (cont.)

- Website
- Partner Agency methods
 - Bill inserts
 - City TV
 - Newsletters
 - Website stories and link
- Direct mail
 - New homeowners
 - Target neighborhoods

Our New Automatic Water Softener Removal Rebate is a WIN-WIN!

It puts more money in your pocket (up to \$2,000) and protects recycled water for our future.

FACT
Automatic water softeners leave a salty waste that harms our recycled water efforts aimed to ensure our community has a reliable water source for the future.

TAKE ACTION
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Inland Empire
UTILITIES AGENCY

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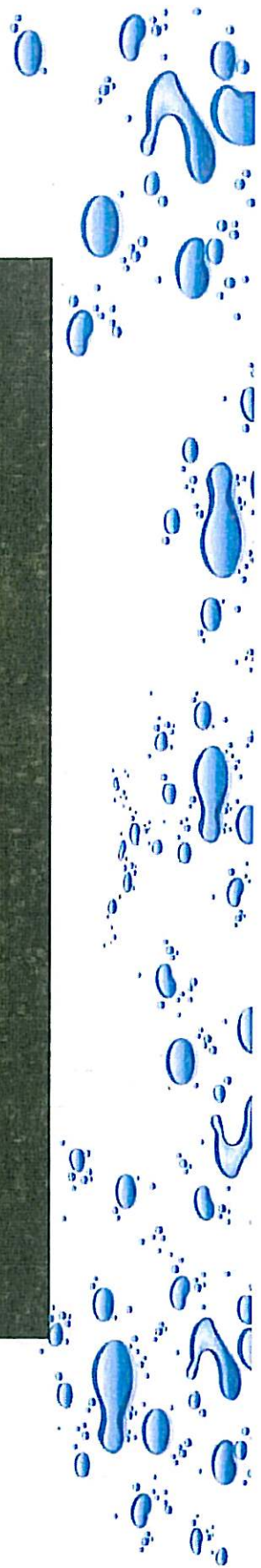


Television

\$300-\$2,000

**Automatic Water Softener Rebates
IT'S A WIN-WIN**

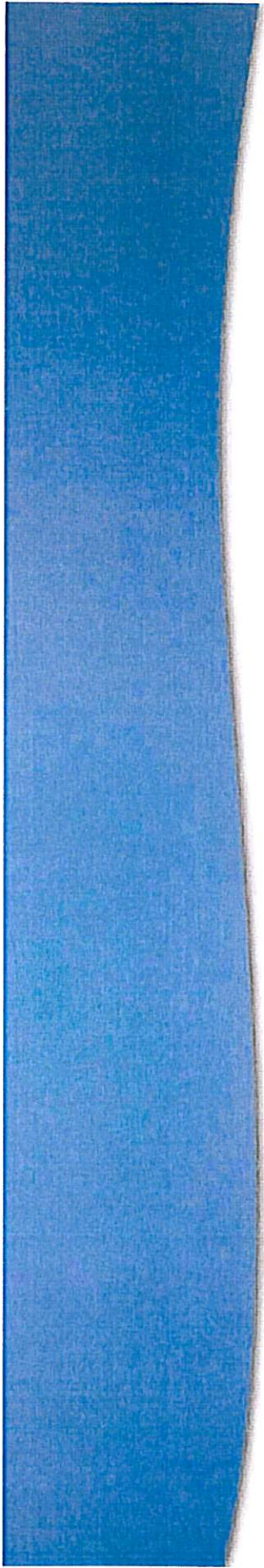
(909) 993-1550 www.ieua.org



Schedule

September 15, 2008





**“When the well is dry,
we know the worth of water.”**

--Benjamin Franklin



Please join us for the
**Automatic Water Service
Removal Rebate
Kick-off Event**



When:
Monday, September 22, 2008
10:00 a.m.

Where:
Cucamonga Valley Water District
10440 Ashford Street
Rancho Cucamonga

Please RSVP to Sondra Elrod at
909.993.1747

Light Refreshments will be Served

Brought to you by
Metropolitan Water District of Southern California,
Inland Empire Utilities Agency
and its local water providers

Date: September 25, 2008

Prepared By: Inland Empire Utilities Agency

Reviewed By: Black & Veatch and Wildermuth Environmental Inc.

Subject: REVISED – Final Water Demand and Supply Forecasts for Chino Basin Dry Year Yield Expansion Program CEQA Analysis – Technical Memo #2

*Supplement to the April 16, 2008 IEUA Tech Memo #1 –
Net Groundwater Replenishment Obligations through 2015 Based upon
Projected Water Demands and Available Supplies to the Chino Basin*

Background

Inland Empire Utilities Agency (IEUA), Chino Basin Watermaster (CBWM), Black & Veatch (B&V), Wildermuth Environmental Inc. (WEI) and Tom Dodson & Associates (TDA) are working together to complete the Chino Basin Dry Year Yield (DYY) Expansion Program CEQA documentation process by December 31, 2008. The purpose of this memo is to update the collaborative process for updating the projected individual retail water demands and supplies for the Chino Basin and that will be used for the DYY Program CEQA modeling process.

This memo updates and is a supplement to the April 16, 2008 Technical Memo #1, *Net Groundwater Replenishment Obligations through 2015 Based upon Projected Water Demands and Available Supplies to the Chino Basin*, which analyzed current water use trends, future water demands, replenishment requirements, available supplies and Chino Basin groundwater pumping scenarios to assess the need for additional replenishment capacity (See Attached).

Projected Retail Water Demand and Supplies in the Chino Basin

The Chino Basin groundwater modeling performed by WEI is largely driven by the water demand projections and projected groundwater data that are entered into the model, reinforcing the need for up-to-date water demand and supply forecasts. In early 2008, B&V gathered initial demand forecast data for the purposes of the Dry Year Yield Expansion Program. In July and August, IEUA staff met with each IEUA retail agency to review current

water supply and growth conditions, update future water demand and supply trends and identify possible future replenishment obligations.¹

Current conditions that were discussed that may impact near term demand trends include:

- Fiscal Year 2006/07 was the driest year on record, and is thus likely to be the highest water demand recorded in the Chino Basin for the near future;
- Continued slowdown of the housing market which will delay increases in water demand and thus delay the need for additional water supplies;
- Enhanced regional conservation efforts and programs to respond to the continued statewide dry conditions, reduced MWD imported supplies and the potential mandatory reduction in MWD imported supplies; and
- The Governor's call for a 20% statewide reduction in water use by 2020 is leading to the development and implementation of increased conservation programs statewide, including DWR's 20x20x20 conservation initiative, SWRCB's consideration of regulatory conservation programs, and legislation such as AB 2175.

Since April and during this summer discussions with the retail agencies also addressed the implementation of programs that are increasing local water supplies including the recycled water program (consistent with the expedited scheduled under the 3 Year Business Plan) and the expansion of the Chino Desalter production.

Appendix A contains the updated water demand and supply projections that were reviewed by the IEUA retail agencies. These projections will be used in the WEI modeling to complete the DYY CEQA process by December 31, 2008. The projections will also be used in the modeling analysis for the update of the Chino Basin Groundwater Recharge Master Plan (July 2010).

Conclusion

Total projected water demands and supplies for the IEUA service area over the next seven years are expected to range from 244,000 AFY to 273,000 AFY (increasing to 328,000 AFY by 2035). Overall, these updated forecasts still appear to be high when considering all of the current conditions facing the Chino Basin. In particular, the stronger, more aggressive conservation message that is being delivered by the Governor, State Water Resources Control Board, the California Department of Water Resources and MWD will reinforce local water efficiency programs and enhance the near and long term effectiveness of these efforts.

It is important to note that Chino Basin groundwater pumping by DYY participating agencies is projected to remain steady through 2015, at approximately 145,000 AFY, and then increase to approximately 188,000 AFY in 2035. This projection through 2015 reflects, in large part, the planned increase in other local water supplies (such as the growth in the direct use of recycled water from 12,000 AFY to 35,000 AFY) and lower overall water demands (due to increased

¹ City of Pomona and Jurupa Community Services District initial demand forecasts were used for this analysis.

conservation) that will reduce the need for additional groundwater pumping. In the summer discussions, none of the IEUA retail agencies indicated that they expected to increase their respective Chino Basin groundwater replenishment obligations as a result of their groundwater pumping plans over the next ten years.

Chino Basin DYY participants projected groundwater use is lower (145,000 AFY in 2015 to 188,000 AFY in 2035) as compared to the initial forecasts of 180,000 AFY in 2015 to 200,000 AFY in 2035. Thus overall replenishment needs for MWD spreading supplies is significantly lower than previously projected. And opportunities exist to enhance storing supplemental supplies in the Chino Basin. For example, with a current recharge capacity for Chino Basin facilities at approximately 110,000 AFY with all the phase 1 and 2 improvements, the future replenishment of recycled water (20,000 AFY - 35,000 AFY by 2012 with a five year moving average) along with increased storm water capture will allow significant operating flexibility to use MWD supplies from the SWP when available (about 30-40 percent of the time) to achieve the Judgment requirements for replenishment. The additional combination of new in-lieu replenishment programs (30,000 AFY - 40,000 AFY) and aquifer storage and recovery (ASR) wells (10,000 – 15,000 AFY) can increase the Basin’s annual “put” into storage capacity, producing a potential total of 150,000 AFY – 165,000 AFY of recharge capacity (assumes that in-lieu water is appropriately priced and ASR wells can be constructed under an expanded DYY program).

Current & Additional Chino Basin Recharge Capacities	
Basins	110,000 AFY
In-Lieu	30,000 – 40,000 AFY
ASR Wells	10,000 – 15,000 AFY
TOTAL	150,000 – 165,000 AFY

Recharge Capacity Sources: 1. Basins – Appendix B; 2. In-Lieu – historical data; and 3. ASR Wells – DYY Expansion

Appendix A
Chino Basin Updated Water Demand Supply Projections

Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	14,500.00	13,500.00	13,500.00	11,000.00	10,000.00	10,000.00	10,000.00	11,000.00	11,500.00	12,000.00	12,500.00
Other Basin Groundwater	36,500.00	14,000.00	12,000.00	11,000.00	11,000.00	11,000.00	11,000.00	12,000.00	13,000.00	13,500.00	14,000.00
Imported Water	10,000.00	12,000.00	14,000.00	16,000.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00
Surface Water	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	5,000.00	6,000.00	6,000.00	6,000.00
Recycled Water	1,000.00	2,500.00	3,500.00	5,000.00	5,500.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00
Desaliner Water	-	-	-	-	-	-	-	-	-	-	-
TOTAL	46,500.00	46,500.00	47,500.00	48,500.00	49,000.00	49,500.00	49,500.00	52,000.00	54,500.00	55,500.00	56,500.00

Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	36,598.00	16,598.00	18,787.00	18,787.00	21,229.00	21,229.00	21,229.00	26,729.00	32,229.00	37,729.00	37,729.00
Other Basin Groundwater	5,400.00	5,400.00	5,400.00	5,400.00	5,400.00	5,400.00	5,400.00	5,400.00	5,400.00	5,400.00	5,400.00
Imported Water	35,202.00	33,000.00	30,811.00	30,811.00	28,369.00	28,369.00	28,369.00	28,369.00	28,369.00	28,369.00	28,369.00
Surface Water	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
Recycled Water	1,000.00	3,900.00	3,940.00	4,580.00	5,220.00	5,860.00	6,500.00	6,500.00	6,500.00	6,500.00	6,500.00
Desaliner Water	-	-	-	-	-	-	-	-	-	-	-
TOTAL	60,700.00	60,798.00	61,438.00	62,078.00	62,718.00	63,358.00	63,998.00	69,498.00	74,998.00	80,498.00	80,498.00

Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	20,000.00	16,000.00	16,000.00	16,000.00	16,000.00	16,000.00	17,000.00	18,500.00	20,000.00	21,500.00	21,500.00
Other Basin Groundwater	6,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00
Imported Water	-	-	-	-	-	-	-	-	-	-	-
Surface Water	-	-	-	-	-	-	-	-	-	-	-
Recycled Water	150.00	300.00	400.00	400.00	400.00	400.00	400.00	450.00	500.00	500.00	500.00
Desaliner Water	-	-	-	-	-	-	-	-	-	-	-
TOTAL	26,150.00	27,300.00	27,400.00	27,400.00	27,400.00	27,400.00	28,400.00	29,950.00	31,500.00	33,000.00	33,000.00

Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	1,433.00	1,284.00	1,284.00	2,140.00	2,140.00	2,140.00	2,140.00	2,140.00	2,140.00	2,140.00	2,140.00
Other Basin Groundwater	6,810.00	6,420.00	6,420.00	6,420.00	6,420.00	6,420.00	6,420.00	6,420.00	6,420.00	6,420.00	6,420.00
Imported Water	6,345.00	5,778.00	5,564.00	4,694.00	4,694.00	4,694.00	4,280.00	4,280.00	4,280.00	4,280.00	4,280.00
Purchased Water (SAWCO)	8,895.00	7,918.00	7,918.00	7,918.00	7,918.00	7,490.00	7,490.00	7,490.00	7,490.00	7,490.00	7,490.00
Recycled Water	-	-	214.00	428.00	856.00	856.00	1,070.00	1,070.00	1,070.00	1,070.00	1,070.00
Desaliner Water	-	-	-	-	-	-	-	-	-	-	-
TOTAL	23,483.00	21,400.00	21,400.00	21,400.00	21,400.00	21,400.00	21,400.00	21,400.00	21,400.00	21,400.00	21,400.00

Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	28,014.00	28,796.00	30,011.00	29,455.00	28,782.00	30,021.00	27,211.00	32,360.00	37,508.00	42,658.00	42,658.00
Other Basin Groundwater	-	-	-	-	-	-	-	-	-	-	-
Imported Water	13,314.00	16,200.00	16,025.00	15,980.00	16,200.00	16,000.00	19,850.00	19,900.00	19,950.00	20,000.00	20,000.00
Surface Water	1,293.00	3,933.00	4,461.00	4,989.00	5,517.00	6,045.00	6,573.00	9,213.00	11,853.00	14,492.00	14,492.00
Recycled Water	5,070.00	5,400.00	5,400.00	7,000.00	8,533.00	8,533.00	8,533.00	8,533.00	8,533.00	8,533.00	8,533.00
Desaliner Water	47,691.00	54,329.00	55,897.00	57,464.00	59,032.00	60,599.00	62,167.00	70,006.00	77,844.00	85,683.00	85,683.00
TOTAL	135,782.00	108,458.00	108,806.00	109,929.00	111,554.00	113,189.00	113,726.00	132,172.00	154,788.00	175,833.00	175,833.00

Appendix A
Chino Basin Updated Water Demand Supply Projections

City of Chino - Water Demand & Supply Projections											
Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	9,971.00	9,971.00	10,145.60	10,320.20	10,494.80	10,669.40	10,844.00	11,018.60	12,777.00	12,963.00	12,963.00
Other Basin Groundwater	-	-	-	-	-	-	-	-	-	-	-
Imported Water	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00
Surface Water	-	-	-	-	-	-	-	-	-	-	-
Recycled Water	2,000.00	3,000.00	4,000.00	5,000.00	5,000.00	5,500.00	5,000.00	6,000.00	6,000.00	6,000.00	6,000.00
Desaliner Water	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
TOTAL	20,571.00	21,571.00	22,745.60	23,920.20	24,594.80	24,769.40	24,944.00	26,411.00	27,377.00	27,563.00	27,563.00

City of Chino Hills - Water Demand & Supply Projections											
Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	12,500.00	14,200.00	14,500.00	14,800.00	15,100.00	15,400.00	15,700.00	16,000.00	16,000.00	16,000.00	16,000.00
Other Basin Groundwater	-	-	-	-	-	-	-	-	-	-	-
Imported Water	1,500.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00
Surface Water	-	-	-	-	-	-	-	-	-	-	-
Recycled Water	1,685.00	1,700.00	1,875.00	2,050.00	2,225.00	2,400.00	2,400.00	2,500.00	2,500.00	2,500.00	2,500.00
Desaliner Water	4,200.00	4,200.00	4,200.00	4,200.00	4,200.00	4,200.00	4,200.00	4,200.00	4,200.00	4,200.00	4,200.00
TOTAL	19,885.00	21,300.00	21,775.00	22,250.00	22,725.00	23,200.00	23,200.00	23,900.00	23,900.00	23,900.00	23,900.00

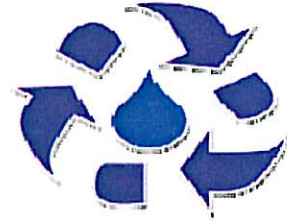
Jurupa Community Services District - Water Demand & Supply Projections											
Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	23,000.00	25,000.00	26,000.00	27,000.00	28,000.00	29,000.00	29,711.00	30,000.00	30,000.00	30,000.00	30,000.00
Other Basin Groundwater	-	-	-	-	-	-	-	-	-	-	-
Imported Water	-	-	-	-	-	-	-	-	-	-	-
Surface Water	-	-	-	-	-	-	-	-	-	-	-
Recycled Water	8,700.00	8,700.00	8,700.00	8,700.00	8,700.00	8,700.00	8,700.00	8,700.00	8,700.00	8,700.00	8,700.00
Desaliner Water	31,700.00	33,700.00	34,700.00	35,700.00	36,700.00	37,700.00	38,411.00	38,700.00	38,700.00	38,700.00	38,700.00
TOTAL	63,400.00	67,400.00	69,400.00	71,400.00	73,400.00	75,400.00	76,822.00	77,400.00	77,400.00	77,400.00	77,400.00

City of Pomona - Water Demand & Supply Projections											
Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	13,000.00	13,000.00	13,000.00	13,000.00	13,000.00	13,000.00	13,000.00	13,000.00	13,000.00	13,000.00	13,000.00
Other Basin Groundwater	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00
Imported Water	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00
Surface Water	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Recycled Water	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
Desaliner Water	-	-	-	-	-	-	-	-	-	-	-
TOTAL	31,500.00	31,500.00	31,500.00	31,500.00	31,500.00	31,500.00	31,500.00	31,500.00	31,500.00	31,500.00	31,500.00

TOTAL IEUA Participants - Water Demand & Supply Projections											
Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	103,016.00	100,349.00	103,277.60	102,542.20	103,745.80	105,459.40	103,874.00	118,540.00	132,154.00	144,590.00	145,490.00
Other Basin Groundwater	28,710.00	25,830.00	24,820.00	23,820.00	22,820.00	22,820.00	22,820.00	23,820.00	24,820.00	25,320.00	25,820.00
Imported Water	75,951.00	82,778.00	82,700.00	83,085.00	82,863.00	82,663.00	86,299.00	86,349.00	86,399.00	86,449.00	86,449.00
Surface Water	15,895.00	14,918.00	14,918.00	14,918.00	14,704.00	14,490.00	14,490.00	14,900.00	15,990.00	15,990.00	15,990.00
Recycled Water	7,128.00	14,733.00	18,390.00	22,447.00	25,904.00	27,051.00	28,443.00	31,733.00	34,423.00	37,062.00	37,062.00
Desaliner Water	14,270.00	14,600.00	14,600.00	16,200.00	17,733.00	17,733.00	17,733.00	17,733.00	17,733.00	17,733.00	17,733.00
TOTAL	244,980.00	253,198.00	258,155.60	263,012.20	266,869.80	270,226.40	273,609.00	293,165.00	311,519.00	327,544.00	328,544.00

TOTAL DYY Participants - Water Demand & Supply Projections											
Source of Water Use	2009	2010	2011	2012	2013	2014	2015	2020	2025	2030	2035
Chino Basin Groundwater	139,916.00	138,349.00	142,227.60	142,542.20	144,745.80	147,459.40	146,535.00	161,549.00	175,163.00	187,999.00	188,499.00
Other Basin Groundwater	36,210.00	33,320.00	32,320.00	31,320.00	30,320.00	30,320.00	30,320.00	31,320.00	32,320.00	32,820.00	33,320.00
Imported Water	81,961.00	88,778.00	88,700.00	89,085.00	88,863.00	88,663.00	92,299.00	92,349.00	92,399.00	92,449.00	92,449.00
Surface Water	17,895.00	16,918.00	16,918.00	16,918.00	16,704.00	16,490.00	16,490.00	16,900.00	17,990.00	17,990.00	17,990.00
Recycled Water	10,128.00	17,733.00	21,390.00	25,447.00	28,904.00	30,051.00	31,443.00	34,733.00	37,423.00	40,062.00	40,062.00
Desaliner Water	22,970.00	23,300.00	23,300.00	24,900.00	26,433.00	26,433.00	26,433.00	26,433.00	26,433.00	26,433.00	26,433.00
TOTAL	308,180.00	318,398.00	324,355.60	330,212.20	335,069.80	339,426.40	343,520.00	363,574.00	381,728.00	397,753.00	398,753.00

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SEPTEMBER 2008
RECYCLED WATER PROGRAM NEWSLETTER

Highlights:

- Construction of New Recycled Water Facilities on Schedule.....Page 2
- 93 AFY New Recycled Water Customers Connected August 2008.....Page 3
- IEUA Awarded \$1 M DWR Grant.....Page 4
- City of Ontario milestone.....Page 5
- Recycled Water Project Status Map.....Page 6

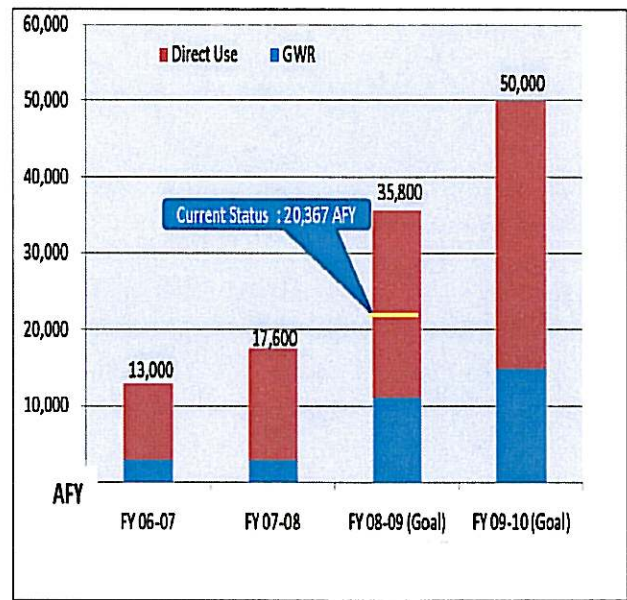
Program Description

The 3 Year Business Plan

The Recycled Water Three Year Business Plan (Plan), adopted by the IEUA Board of Directors on December 20, 2007, is currently being updated.

This Plan is an action oriented document to guide the expansion of the IEUA recycled water system. The Plan will focus on the most cost effective and rapid ways to increase the amount of recycled water available and used within IEUA's service area. The Plan is intended to focus on the 2007-2010 fiscal years and will be revised and updated on an annual basis. Metrics and an annual usage goal will be identified every year. Monthly progress reports will track these metrics and assess the progress toward the annual usage goal.

The implementation of the Plan will result in the development of a new water supply - 37,000 AFY (50,000 AFY Total). The program is self-funded through recycled water sales and the MWD local resources program rebates. Capital projects over the next three years are budgeted at \$120 million, primarily using SRF and Grant funding (accounting for approximately \$115 million). Current project status is shown on Page 5.



PROJECTS IN PLANNING



RP-4 1158 Reservoirs, Pump Stations, and Pipeline

- **Northeast Project Area:** The Projects are on schedule to deliver recycled water to Victoria and San Sevaine Recharge basins in Summer 2009.
- **Northwest Project Area:** City of Upland has completed their recycled water master plan and is scheduled for council approval in September 2008.
- **Southern Project Area:** The project will design the 930 pressure Zone Pipeline and Reservoir in the city of Chino Hills. The project is in the preliminary design stage.
- **Central Project Area:** The first draft of the North Chino Master plan was completed by IEUA. The environmental report for the Wineville Avenue Extension Pipeline Project has been completed.

CAPITAL PROJECTS SUMMARY

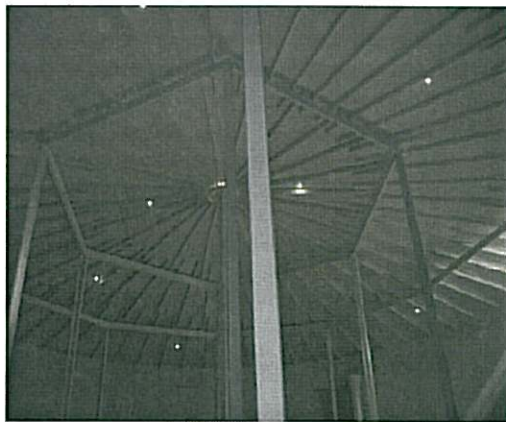


PROJECTS IN DESIGN AND CONSTRUCTION

- 1630 East Segment A Pipeline**– The project includes the construction of a 36-inch pipeline from the 1630 E Pump Station to the Victoria and San Sevaine Basins. The project is in the design phase, and is being designed by RMC Consultants. Design is in the final design stage and is pending comments from regulatory agencies on permit conditions .
- 1299 East Regional Pipeline, 1299 East Reservoir and 1630 East Pump Station**– The project includes the construction of a 36-inch pipeline from the north end of the North Etiwanda Pipeline to the 1299 E Reservoir and 1630 E Pump Station. These facilities are in the design phase, and are being designed by CVWD.
- MW & Lysimeters at Victoria & San Sevaine Basins:** The project is in the final design stage.
- MWWD Recycled Water Laterals** - This project includes numerous laterals from the San Antonio Channel Pipeline, Segment B to serve customers in the Cities of Ontario, Montclair and Monte Vista Water District area. Construction is completed.
- RP-4 1158 Reservoirs, Pump Stations, and Pipeline** - The project provides for storage in the 1158 pressure zone, pump stations for the 1158 and 1299 pressure zones, and pipeline from RP-4 to the 1158 Reservoirs. The project is in the construction phase, and is 95 percent complete. Construction of the reservoirs and the pump station is expected to be completed by October 2008. The 1158 Pipeline segment B is completed, and the restoration of the wetlands has begun. You can see the wetlands restoration and base road along with fencing have been completed in the picture below.



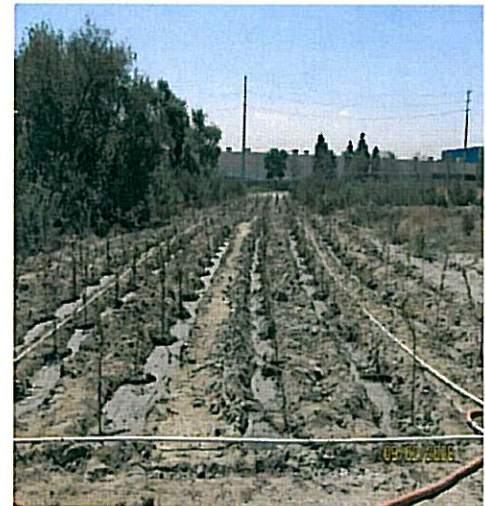
WRO4446 San Antonio Channel Pipeline, Segment B



WRO4448 Reservoir Modification

San Antonio Channel Pipeline, Segment B - The regional pipeline will serve the city of Ontario, Montclair and Monte Vista Water District and Brooks Street Basin. The construction of the project is 100% complete. The start up phase for recycle water customer connections has begun.

North Etiwanda Pipeline- The project includes the construction of 42-inch pipeline on Etiwanda Avenue from Whittram Avenue to Arrow Route. The project is in the construction phase, and is approximately 80 percent complete. Construction is expected to be completed by October 2008.



WRO4447 Pipeline segment B

CONSTRUCTION PROGRESS

ID	Task Name	2008				
		Sept	Oct	Nov	Dec	Jan
1	1158 Reservoirs	[Progress bar]				
2	North Etiwanda Pipeline	[Progress bar]				
3	RP-4 Pump Stations	[Progress bar]				

CUSTOMER CONNECTIONS

New Customers for July 2008 (93 AFY):

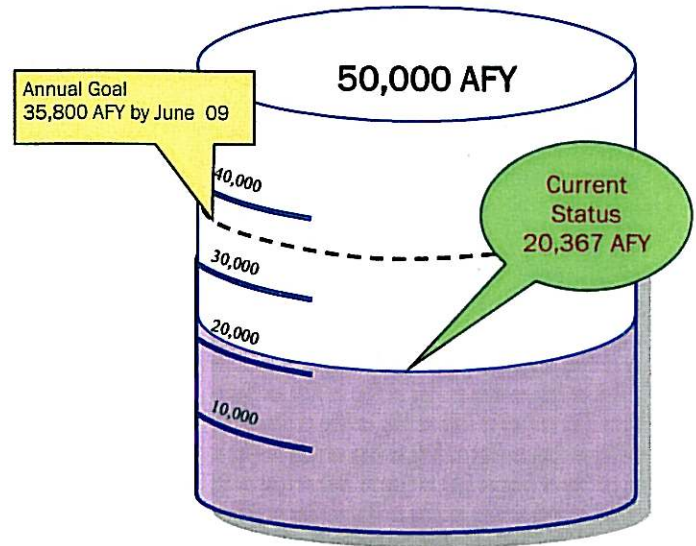
- Chino: Preserve Maintenance Corp. = 12 AFY
- Chino: Preserve Maintenance Corp. = 6 AFY
- Chino: Preserve Maintenance Corp. = 4 AFY
- Chino: Preserve Maintenance Corp. = 4 AFY
- Chino: Preserve Maintenance Corp. = 12 AFY
- Chino: Preserve Maintenance Corp. = 6 AFY
- Chino: Preserve Maintenance Corp. = 8 AFY
- Chino: Preserve Maintenance Corp. = 6 AFY
- CVWD : Aloft Hotel = 15 AFY
- MVWD: Wilderness Park = 20 AFY

Recent Connections to date: (2,092 AFY)

- Wickman Elementary, Chino Hills (10 AFY)
- CVWD Reservoir 1B (12 AFY)
- Brooks Recharge Basin, Montclair (870 AFY)
- Chad Farm (Suncal Property), Chino (1200 AFY)

Near Term Connections: (936 AFY)

- Ontario Montclair School District – 7 school sites (155 AFY)
- City of Montclair – six parks (151 AFY)
- City of Rancho Cucamonga – 11 medians (92 AFY)
- San Bernardino County Guasti Park, Ontario (200 AFY)
- Chaffey Joint Unified High School District – two schools (165 AFY)
- Bellevue Cemetery, Ontario (200 AFY)



**Total Connected
During July:
93 AFY**

CUSTOMER CONNECTIONS—Projected Direct Use for 2008

	Projected Direct Use Connections (AFY)				
	Sep-08	Oct-08	Nov-08	Dec-08	Total
Chino					-
Chino Hills	10			56	66
Ontario	742	417	280	1,447	2,886
MVWD	78	99			177
CVWD	11	43		29	83
Total (AFY)	841	559	280	1,532	3,212

Financial Status Summary

FUNDING DEVELOPMENTS

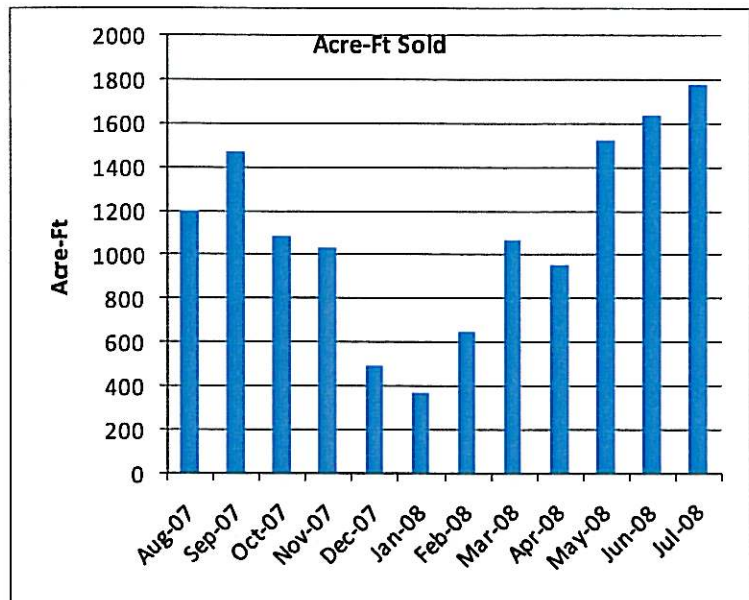
Monthly Recycled Water Sales

3 Year Business Plan Funding:

- Congress authorized \$30 million to IEUA and CVWD in December 2007. A grant agreement and Work Plan is complete, and the first payment of \$950,000 has been received. It is anticipated that IEUA will receive up to \$9 million for FY 08/09. Of this, IEUA expects to receive \$14 million over the next 3 years.
- The application for the SRF loan of \$38,000,000 for the Northeast Project Area Projects has been submitted and is under review by the SWRCB. The second application for Monitoring Wells and Lysimeters was submitted in late May.
- Continued working with SAWPA to invoice SWRCB information for the \$4.9 million Proposition 50 grant that SAWPA and IEUA has been awarded.
- The LRP was adopted by MWD Board in August 2008.
- Completed Retrofit Financing Agreement with Chaffey High School and Ontario Montclair School District.
- IEUA was awarded \$1,000,000 DWR drought relief grant to complete on-site retrofits.
- Submitted \$200,000 retrofit reimbursement requests to MWD. Reimbursement will occur when recycled water usage begins.
- Submitted justification for accelerating USBR payments for economic stimulation. Up to an additional 4.1 million is possible.

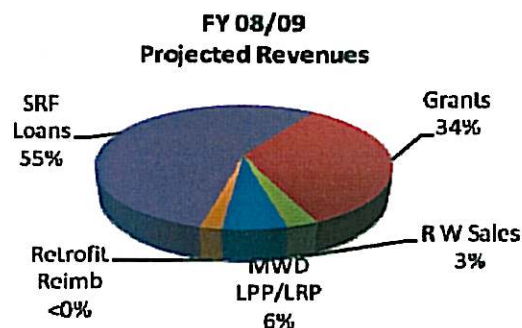
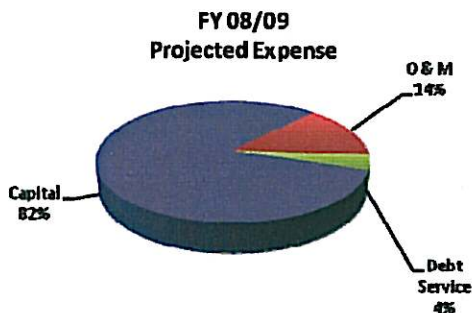
Direct & Recharge:

- For the month of July, Recycled Water Sales totaled 1,780 AFY for direct use and ground water recharge combined. The total direct use sales was 1,449 AFY.



RECYCLED WATER PROGRAM BUDGET FY 08/09

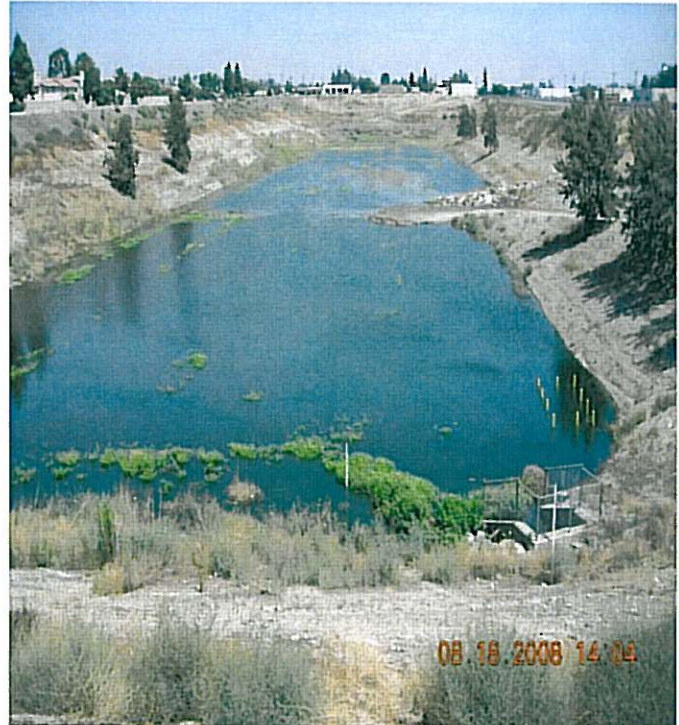
The projected recycled water program cost for FY 2008/09 is \$41 to \$46 Million. Federal Funding (USBR) has been secured in the amount of \$950,000 for the first phase of the project; The Agency is pursuing \$9,000,000 in grants for the project. The Agency has been placed on the list for the DWR Drought Assistance Grant for recycled water retrofits in the amount of \$1 Million. The Agency is also pursuing other grants from SWRCB in conjunction with the SRF Loans for the capital projects. The total revenue and sources of funds for the RW program is \$38 - \$47 M, which is consistent with the Business Plan to be a self funding program.



OPERATIONS AND PLANNING UPDATES



- Construction activities throughout the Agency service area have utilized over 1 million gallons of recycled water during the month of July.
- Brooks Street Basin start-up testing began in August and will provide approximately 300 AF per month of recharge over the next 6 months. This start-up includes a tracer test to demonstrate travel time in the subsurface to the nearest potable use well.
- 8th Street Basin start-up period has ended the recycled water recharge stage and has entered a stage to monitor the impacts of local street runoff on the test data. At the conclusion of the second stage, these data will be evaluated to determine the monthly volume and frequency of recycled water recharged.
- RP3 Basin will be able to receive recycled water for recharge once the San Bernardino County Flood Control District completes its improvements to the San Sevaine Channel between Valley and Slover. Depending on completion of this work and the intensity of the coming storm season, initiation of the RP3 Basins will occur by spring 2009.



MEMBER AGENCY UPDATE

City of Ontario

Ontario just hit another impressive milestone on the recycled water program. Attached is the list of all 61 customers from Ontario's Recycled Water database.

Recycled Water Connections

- Prior to 2004 - 6 Connections
- Jan. to Dec. 2006 - 23 Connections
- Jan. to Dec. 2007 - 12 Connections
- Jan. to mid Aug. 2008 - 21 Connections

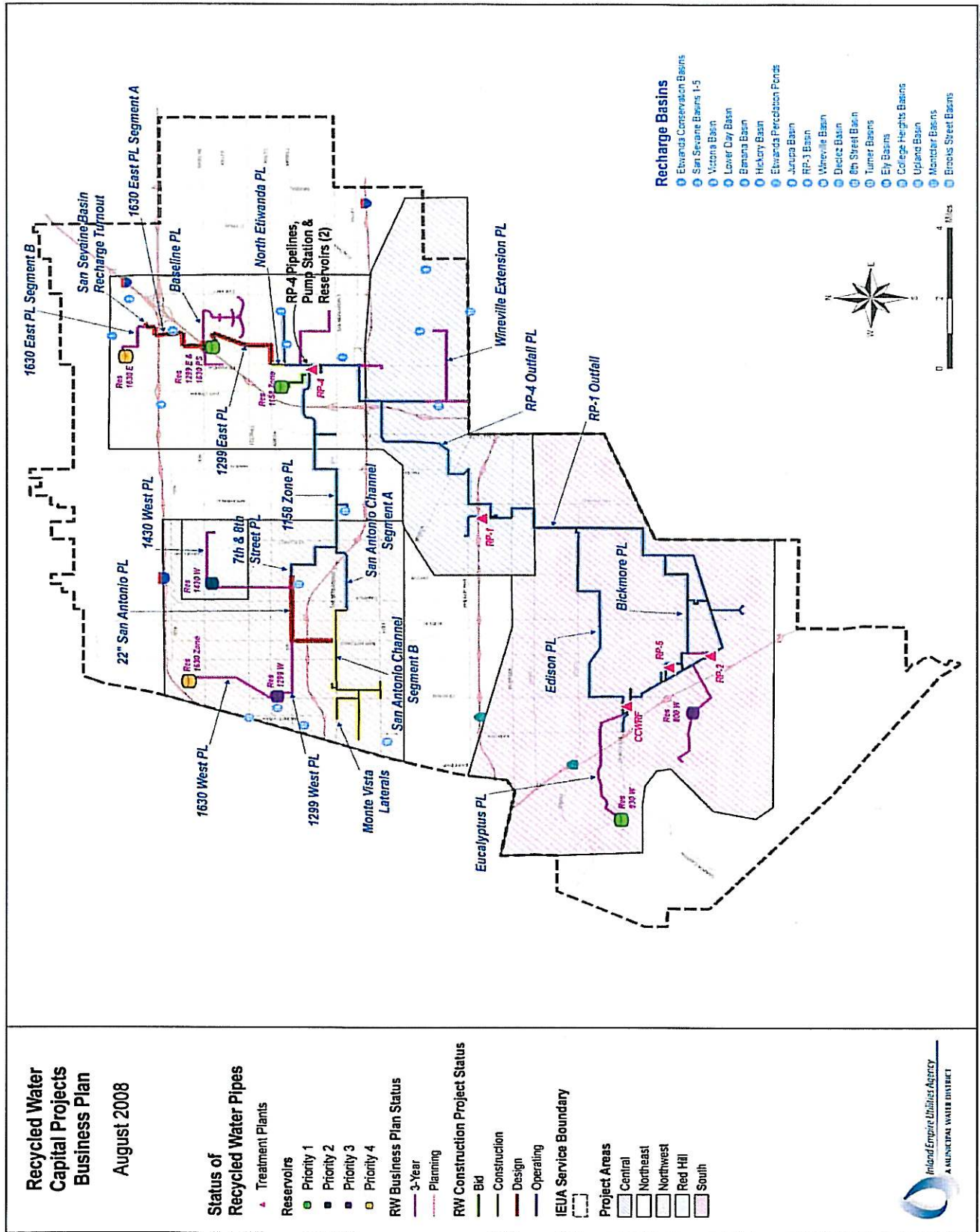
Total Connections = 61
Total Annual Demand (AF) = 4,700



UPCOMING EVENTS

- Recycled Water Site Supervisor Training8:30am-11:00am, September 11th 2008 at IEUA
- Carbon Canyon Facilities Tour.....11:00am, September 11th 2008 meet at IEUA
- Red Team Meeting (IEUA and Member Agency Implementation).....4:15pm, October 2nd 2008 at CWWD

RECYCLED WATER PROJECT STATUS MAP



DRAFT - Appendix B
Chino Basins Recharge Capacity & Recharge Sources: Recycled Water, Storm Water, Imported Water

Basin	Recharge Capacity cfs	Recharge Capacity AF per day	Total Capacity (80% Usage)	Recycled Water (20%) Title 22 Report	Recycled Water (20%) (AF)	Recycled Water (30%) (AF)	Recycled Water (50%) (AF)	Storm Water (30%) (AF)	Imported Water (50%) For basins with no RW then (70%) (AF)	Imported Water (40%) For basins with no RW then (70%) (AF)	Imported Water (20%) For basins with no RW then (70%) (AF)
Banana Basin	5	9.9	2,900	1,000	580	870	1,450	870	1,450	1,160	580
Declez Basins	6	11.9	3,500	500	690	1,040	1,730	1,040	1,730	1,390	690
Etiwanda Cons. Ponds	Not Developed			1,600							
Hickory Basin	5	9.9	2,900	1,300	580	870	1,450	870	1,450	1,160	580
Junupa Basin	0	0.0	0	0	0	0	0	0	0	0	0
RP-3 Basins	7	13.9	4,000	2,400	810	1,210	2,020	1,210	2,020	1,620	810
Turner Basins	6	11.9	3,500	1,900	690	1,040	1,730	1,040	1,730	1,390	690
7th & 8th Street Basins	5	9.9	2,900	1,100	580	870	1,450	870	1,450	1,160	580
Etiwanda Debits Basin	7	13.9	4,000	2,400	810	1,210	2,020	1,210	2,020	1,620	810
Lower Day Basin	9	17.8	5,200	1,000	1,040	1,560	2,600	1,560	2,600	2,080	1,040
Brooks Street Basins	5	9.9	2,900	1,400	580	870	1,450	870	1,450	1,160	580
College Heights Basins	15	29.7	8,700	0	0	0	0	2,600	6,070	6,070	6,070
Montclair Basins	40	79.2	23,100	0	0	0	0	6,940	16,190	16,190	16,190
Upland Basin	20	39.6	11,600	0	0	0	0	3,470	8,090	8,090	8,090
San Sevaine Basins	50	99.0	28,900	4,100	5,780	8,670	14,450	8,670	14,450	11,560	5,780
Victoria Basin	6	11.9	3,500	1,400	690	1,040	1,730	1,040	1,730	1,390	690
Ely Basins	5	9.9	2,900	660	580	870	1,450	870	1,450	1,160	580
Subtotal			110,500	20,760	13,410	20,120	33,530	33,130	63,880	57,200	43,760

NOTES:

1. Recycled Water Recharge Capacity By Basin using Operations Data from FY2005/06 (assumes diluent water is available from stormwater or imported water)
2. In previous years, MWD replenishment water was thought to be available 7 out of 10 years. Under current conditions it is thought to be available only 3 out of 10 years. This is the assumption that is going into Wildermuth Environmental Inc. modeling efforts.

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Date: April 16, 2008
Prepared By: IEUA - Ryan Shaw, Kathy Tiegs, Martha Davis and Richard Atwater
Subject: Recharge Master Plan – Technical Memo (UWMP Scenarios)

Net Groundwater Replenishment Obligations through 2015 Based Upon Projected Water Demands and Available Supplies to the Chino Basin

Background

Chino Basin Watermaster and Inland Empire Utilities Agency (IEUA) are working together to update the 2002 Recharge Master Plan. The purpose of this memo is to analyze the current water use trends, water demands, replenishment, available supplies and in particular Chino groundwater pumping scenarios to eliminate the need for replenishment capacity.

In July 2007, Wildermuth Environmental Inc. (WEI) published the Optimum Basin Management Plan (OBMP) that described the “state” of the Chino Basin. (“State of the Basin – 2006,” July 2007) As part of the OBMP, Watermaster conducted hydrogeologic investigations and collected new hydrogeologic data and is currently updating their hydrogeologic conceptual model of the Chino Basin.

The safe yield for Chino Basin is based primarily on accurate estimations of groundwater production, artificial recharge, and basin storage changes over time. Watermaster has been expanding its monitoring program extensively in order to get a better understanding for the current and future trends in groundwater production. The following are general trends in groundwater production:

- There was a basin wide increase in the number of wells producing over 1,000 AFY between 1978 and 2006. This is consistent with (1) the land use transition from agricultural to urban, (2) the trend of increasing imported water costs, and (3) the use of desalters.
- Since the implementation of the OBMP in 2000, the number of active production wells has decreased. This is consistent with the conversion of land use from agriculture to urban.
- Since the implementation of the OBMP in 2000, desalter pumping has commenced and has progressively increased to 16,542 AF in 2005/06.
- Since the implementation of the OBMP in 2000, groundwater production has decreased west of Euclid Avenue. This is consistent with (1) the MZ-1 Interim Management Plan, and (2) reduced the pumping in the City of Pomona, Monte Vista Water District and the City of Chino Hill, as these agencies have been participating in the Dry Year Yield Program.

- In accordance with the hypothesis that urbanization is the cause of decreased agricultural production, Appropriative Pool production tends to increase at approximately the same rate that Agricultural Pool production decreases.

In November 2007, Wildermuth Environmental Inc. (WEI) published a report for Chino Basin Watermaster, modeling and evaluating outcomes of the Peace II agreements. In March 2008, the Peace II agreements were approved. These agreements recognize that Hydraulic Control is an essential goal of the Watermaster and critical to the implementation of the Basin Plan for the Chino Basin. To accomplish this, Watermaster parties must pump 400,000 AF of water from the southern end of the basin creating a capture zone that prevents any measurable amount of low quality water from escaping into Prado Reservoir and eventually making its way into the Orange County aquifer. This controlled overdraft is a cornerstone to the plan approved by the court. By creating Hydraulic Control, the region will be allowed the continued use of recycled water for direct use on parks, golf courses and other non-potable demands, and also will be allowed the regulated use of recycled water for recharge into the Chino Ground Water Basin. The important question that came out of the Peace II agreements and WEI's report was whether there a need for additional groundwater recharge facilities in order to meet future replenishment obligations.

The Peace Agreement and the OBMP Implementation Plan both require Watermaster to develop a Recharge Master Plan. Program Element 2 of the OBMP set forth specific expectations and requirements for the development and implementation of specific recharge improvements.

With the adoption of the Peace II Measures, the parties to the Judgment assumed additional responsibilities to elevate the extent of their collective recharge efforts to address conditions arising from Basin Re-Operation and the effort to secure Hydraulic Control. (See e.g. Peace Agreement II Section 8.2.)

Watermaster committed to submitting an updated Recharge Master Plan to the Court for approval by July 10, 2010. In approving the Peace II Measures, the Court also added several procedural deadlines to ensure that the parties continued to make progress towards that end. Specifically, Watermaster must submit a detailed outline of the scope and content of the Recharge Master Plan to the Court for approval by July 1, 2008, and then make further progress reports on January 1, 2009 and July 1, 2009.

These commitments were restated to some degree and amplified in the Report of the Special Referee. These commitments that are inclusions for the Report are summarized as follows:

- A representation of baseline conditions that are clearly defined and supported by technical analysis. The "baseline condition" includes pumping demand, recharge capacity, total Basin water demand, and availability of replenishment water.
- An annual estimate of Safe Yield. The approach must be technically defensible.
- An evaluation of measures that can be taken to lessen or stop the projected Safe Yield decline. If a measure is practicable it should be evaluated in terms of potential benefits and feasibility.
- Annual evaluations and reporting on impacts on groundwater storage and water levels.

- Demand and imported water forecasts, supported by technical analysis for 2015, 2020, 2025 and 2030.

To address the finite character of the Basin resource, the Plan must include a detailed technical comparison of current and projected groundwater recharge capability and current and projected demand for groundwater.

This technical memorandum will review the baseline, future water demand and water supply projections, over the next five years and evaluate replenishment obligation in the Chino Basin.

Future Water Demand Projections

This section will discuss IEUA's Urban Water Management Plan, the retail agencies Urban Water Management Plan and Black & Veatch's future water demand projections, offer other future water demand projections that take into account recent events that are impacting water demands and supplies within the Chino Basin.

The adopted plan for future water demand and supply is the 2005 Urban Water Management Plan (UWMP). The UWMP is a public statement of the goals, objectives and strategies needed to maintain a reliable water supply for the IEUA service area. It is intended to be consistent with and to support the implementation of the Chino Basin Watermaster's OBMP.

Current Water Demand Projection Scenarios

IEUA completed its UWMP in November 2005, after receiving population, water supply and water demand projections from each of its retail agencies. The projections were based on an expected growth rate through 2025 that continued slightly lower through 2030. The UWMP forecasts water demands to increase from 255,280 AF to 316,825 AF by 2015, approximately a 25% increase *without considering conservation efforts*. The UWMP forecasts water demand to increase from 255,280 AF to 373,374 AF by 2030, approximately a 45% increase *without considering conservation efforts*. (See Appendix A) IEUA estimates that the regional conservation programs will reduce the above demands by at least 10%. (2005 UWMP, Appendix Z) (Note: Jurupa Community Service District, Chino Desalter Authority's UWMP and the City of Pomona projections are not included in the IEUA UWMP, and they do include San Antonio Water Company as it is part of the IEUA service area.)

Over the past 4 months, Black and Veatch gathered projections for future water supplies in the Chino Basin for the Metropolitan Water District's Dry Year Yield expansion feasibility study. It is assumed that this data was developed based off of Fiscal Year 2006/07 actual water production. These forecasts show an increase from 266,298 AF to 342,484 AF by 2015, approximately a 30% increase. These forecasts show an increase from 266,298 AF to 383,339 AF by 2030, approximately a 45% increase. (See Appendix A) (Note: In order to compare these projections to IEUA's UWMP, Jurupa Community Services District and the City of Pomona data was not included. However these projections do include San Antonio Water Company as it is a part of the IEUA service area.)

The UWMP and Black & Veatch's water demand projections do not take into account recent events that are expected to reduce water demands in the near future. These events include the following:

Conservation efforts over the past two years have exceeded expectations. Southern California experienced a record dry year, last year, which has led to more intensive regional investments in indoor and outdoor conservation. These programs will continue to grow over the next five years in response to recent legal decisions that have reduced imported water supplies available to Southern California by 35%. In addition, on February 28, 2008 Governor Schwarzenegger called on a 20% reduction of daily water use by 2020.

The current recession facing California has already had significant economic impacts on the Inland Empire region. The housing market has dropped significantly and last year foreclosures were at the highest ever, in the San Bernardino and Riverside counties. These directly affect the projected growth in the Chino Basin, and therefore reduce the water demands.

Effectiveness in recent conservation efforts are can be seen on regional wastewater flow trends. In the Chino Basin, IEUA has experienced no growth in overall wastewater flows, effectively “flat-lining” the average daily flow. (Figure 1)

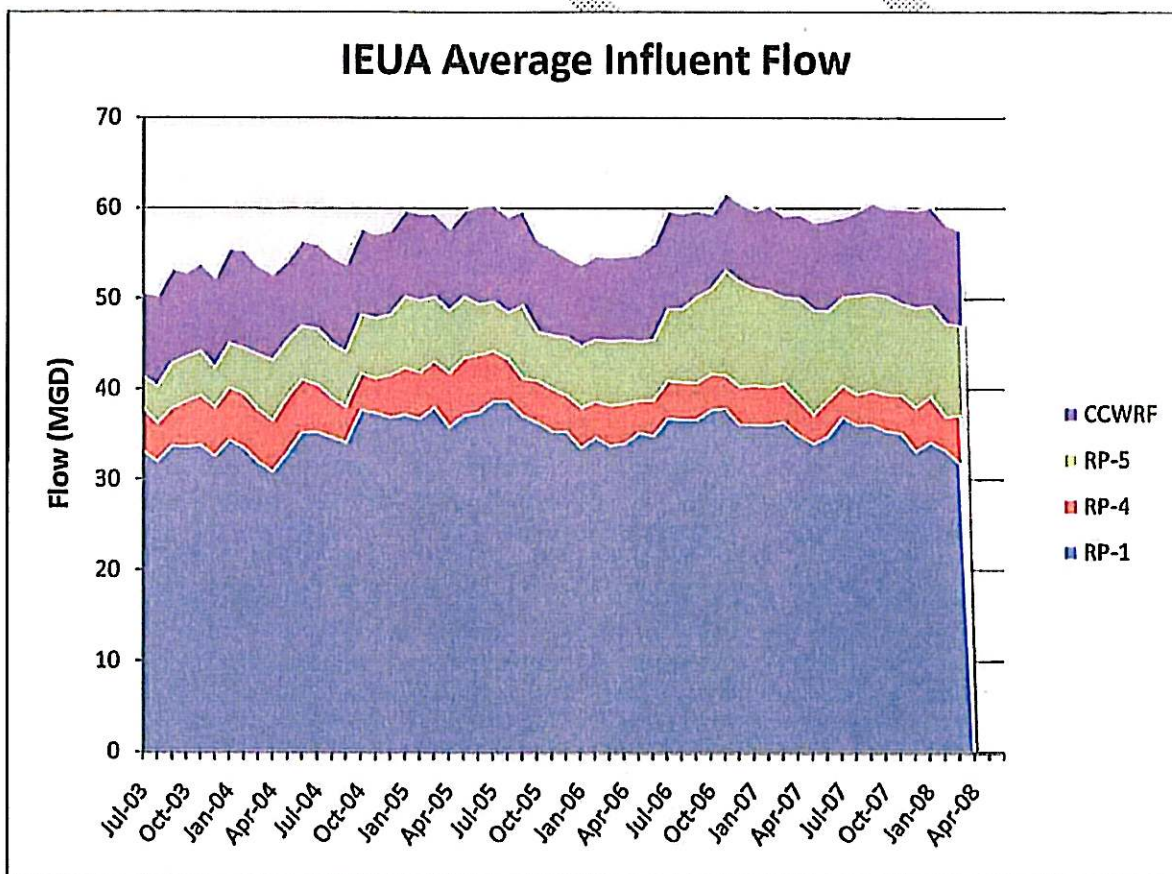


Figure 1 – Shows IEUA's average wastewater influent flow from 2003 to 2008.

Other Southern California agencies have observed similar trends in wastewater treatment. Los Angeles County and Orange County, which are built-out areas, are actually experiencing declines in wastewater flows. (See Exhibits 1 thru 3.)

Alternative Water Demand Projection Scenarios

Given the impacts of recent events on water demand, the following scenarios incorporate these factors below.

The first scenario comes from MWD's January 2008 "Drought Allocation Plan," in which IEUA's growth rate is set at 2.5%. (MWD's Drought Allocation Plan, 2008) Using MWD's growth rate, water demand projections are expected to increase from 255,280 AF to 268,204 AF by 2015, approximately a 5% increase. Using MWD's growth rate, water demand projections are expected to increase from 255,280 AF to 288,826 AF by 2030, approximately a 13% increase. (See attachment A)

The second scenario is IEUA's "adjusted water demand projection." Water demand projections are expected to decrease from 255,280 AF to 219,200 AF by 2015, approximately a 14% decrease. This scenario takes into account aggressive conservation, minimal growth, and historical trends in water demand. The Chino Basin can expect to see a similar response to a strong conservation message, as it did when Southern California reduced its demand dramatically after the 1988-1993 drought.

Figure 2 shows the comparison of all four water demand projections.

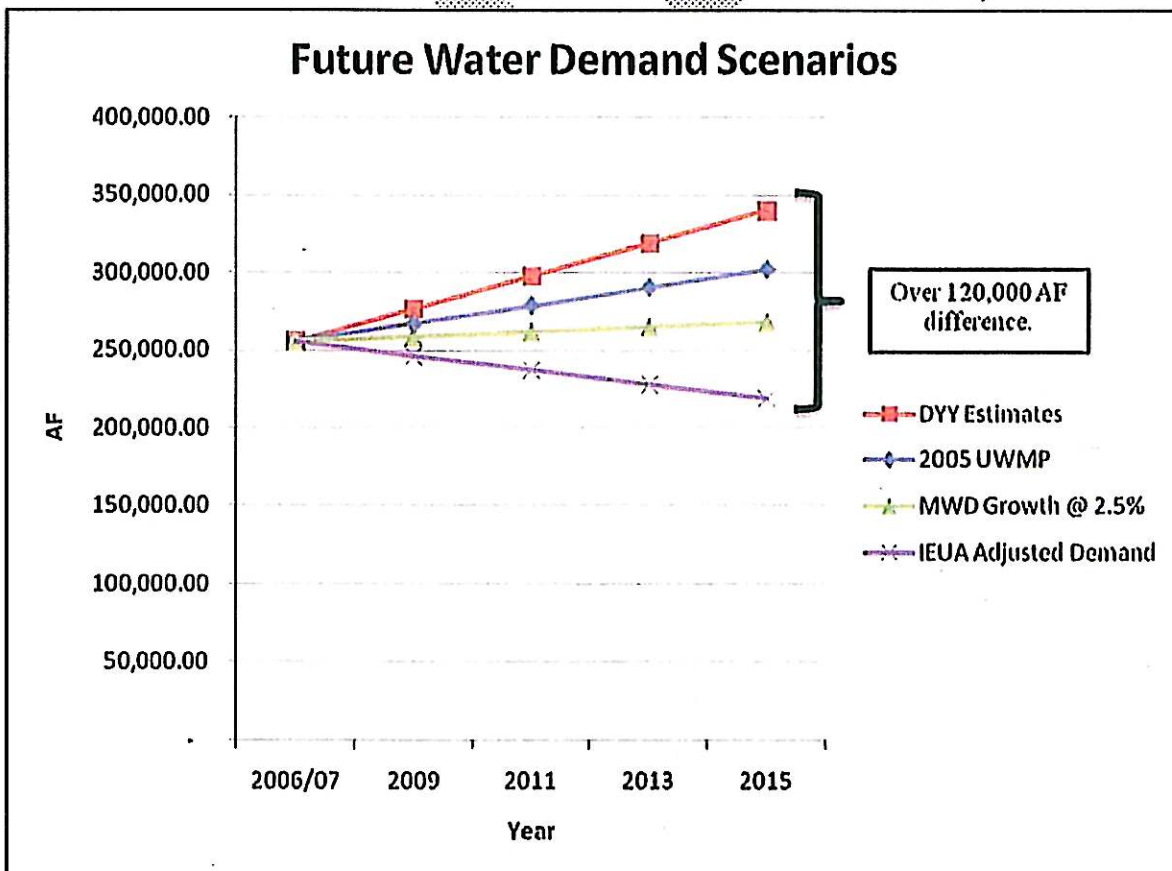


Figure 2 – Future water demand projections, comparing Black & Veatch, the UWMP, a MWD scenario and an IEUA adjusted demand scenario.

Overall, the projections produced by Black and Veatch appear to be significantly high when considering all the realities facing the Chino Basin. In FY 2006/07, California experienced the driest year on record, which also means California produced one of the highest water demand years on record. This suggests that using FY 2006/07 production data from the Chino Basin as a starting point for future projections, will extrapolate extremely high water demand projections. Taking all of the above factors into account, IEUA believes that the future water demand will be much lower than the projections mentioned above.

Future Water Supply Projections

The goal of the IEUA UWMP is to maximize local water sources and minimize the need for imported water, especially during dry years and other emergency shortages from MWD. The integrated plan strives to achieve multiple objectives of increased water supply, enhanced water quality, improved quality of life and energy savings. The UWMP projects that the expected increase of local supplies and the increase in conservation efforts will allow the Chino Basin to be self-reliant in future years, even during droughts.

The IEUA recently developed a 3-Year Recycled Water Business Plan that will increase the use of recycled water, which replaces the potable demand. For example, if recycled water is used in place of groundwater pumping, it will reduce the amount of water needed for groundwater replenishment. Not to mention recycled water is the only water resource that the Chino Basin can still increase, at a minimal cost, and it is virtually drought proof.

The Chino Desalter Authority is another reliable local water resource. The CDA is planning on continuing expanding its production over the next few years. This will reduce other groundwater pumping and will reduce imported water demand, which will be very beneficial in times of drought or emergency.

Overall, the increase of local supplies and conservation efforts will create a growing "cushion" between demand and available supply, with over 80,000 AF net supplies available over projected demand. (Figure 3) These available supplies can be expected to reduce the need for additional groundwater pumping and future replenishment requirements. Water supplies in the Chino Basin easily exceed the future demand, but suggest the need to continue increasing local supplies to allow the Chino Basin to be self-sufficient during a time emergency when no imported water supplies may be available. The increase in local supplies will reduce the groundwater pumping needed for past demands, which will reverse the need for replenishment/recharge that will no longer be required.

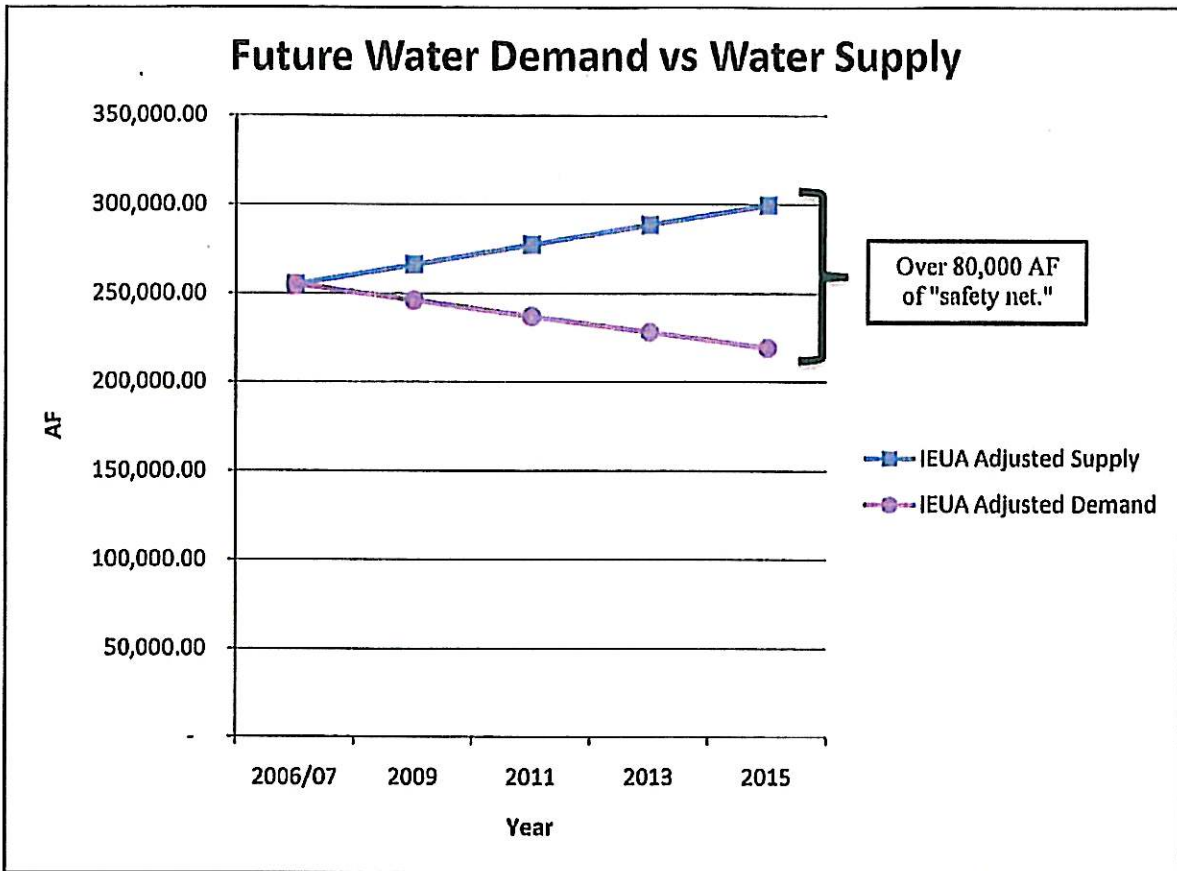


Figure 3 – Shows the comparison between water demand vs supply. There is a large “cushion” between demand and supply.

Net Replenishment Evaluation

Currently the recharge components in the Chino Basin include: the safe yield; the controlled overdraft; replenishment with wet water and by exchange; recharge for cyclic storage and other conjunctive use programs with wet water and by exchange; five-year, 6,500 AFY MZ1 recharge program; new yield from new storm water recharge; and desalter replenishment from new Santa Ana River recharge.

Under the assumptions of a decreasing or “flat-lining” future water demand and increasing development of local supplies, mentioned above, there is no need for additional recharge facilities within the next five years.

- Continued conversion of water rights, as mentioned in the 2006 State of the Basin Report, from the Non-Agricultural and Agricultural Pools to the Appropriative Pool will reduce the groundwater pumping and increase recycled water use. The Non-Ag Pool will shift 5,000 AF to the Appropriative Pool by converting large industries like California Steel Inc. and Sunkist to recycled water. There is no additional recharge required. The Ag Pool will shift 10,000 – 20,000 AF to the Appropriative Pool by converting Chino’s Institute for Men (CIM) and others to recycled water.

- The implementation of the 3-Year Recycled Water Business Plan will increase direct reuse as well as recharge. On top of the increase in recycled water use is the decrease in groundwater pumping that would have taken place without the recycled water.
- The Dry Year Yield Program requires an increase in groundwater pumping; however there are not any additional recharge requirements, as a result of the In-Lieu Program.
- The Dry Year Yield Expansion Program will increase from 100,000 AF to 150,000 AF with the development of ASR wells, providing recharge capacity.
- The CDA expansion will be increasing production; however there will not be any additional recharge requirements.

Conclusion

The current conditions suggest that retail urban water demands will probably decrease over the next several years in the Chino Basin. Fiscal Year 2006/07 was the driest year on record, thus the highest water demand recorded in the Chino Basin. The continued conservation efforts and programs combined with the reduction in State Water Project water and the Governor's call for a 20% reduction, will keep the demand lower than what was projected in the UWMP and Black & Veatch's projections.

Continued development of the recycled water program, CDA expansion and conservation efforts will increase local supplies. These supplies are projected to be much higher than the retail urban demand, creating a 80,000 AF "cushion" between supply and demand. These expanding programs may reduce the projected increase in groundwater pumping. Thus, the projected replenishment obligation is not expected to exceed 20,000 AF per year prior to 2015.

Therefore, based on these water demand and water supply scenarios, IEUA staff suggests that with the current recharge facilities (about 90,000 to 100,000 AF) there is no need for additional recharge capacity. The budgeted improvements are adequate for the next 5-10 years. In-lieu replenishment and additional ASR wells can augment the recharge spreading capacity by an additional 25,000 to 40,000 AFY.

IEUA Retail Agencies
Water Demand & Supply Plans

APPENDIX A

	2006/2007 Actuals		IEUA Projected Supply	Black & Veatch Supply Projections	
	IEUA	Black & Veatch	Next 5 Years	2010	2015
City of Chino					
Chino Basin GW	8,908.93	8,861.00	8,000.00	9,288.00	12,514.00
CDA Supply (Chino Basin GW)	4,689.57	4,690.00	5,000.00	5,000.00	5,000.00
Other Basin GW	-	-	-	-	-
Imported Water	4,278.59	4,309.00	5,000.00	5,353.00	5,353.00
Recycled Water	2,303.92	3,612.00	5,500.00	4,936.00	7,250.00
Local Surface Water	-	-	-	-	-
Total	20,181.01	21,472.00	23,500.00	26,587.00	32,132.00
IEUA's Range of Demand			17,300 to 20,500		

	2006/2007 Actuals		IEUA Projected Supply	Black & Veatch Supply Projections	
	IEUA	Black & Veatch	Next 5 Years	2010	2015
City of Chino Hills					
Chino Basin GW	5,190.34	4,154.00	See MVWD	See MVWD	See MVWD
CDA Supply (Chino Basin GW)	3,253.07	5,532.00			
Other Basin GW	-	-			
Imported Water	10,459.49	1,395.00			
Recycled Water	1,630.57	2,942.00			
Local Surface Water	-	-			
Total	20,533.48	14,023.00			
IEUA's Range of Demand			See MVWD		

	2006/2007 Actuals		IEUA Projected Supply	Black & Veatch Supply Projections	
	IEUA	Black & Veatch	Next 5 Years	2010	2015
CVWD					
Chino Basin GW	18,786.47	18,787.00	20,000.00	33,500.00	38,300.00
CDA Supply (Chino Basin GW)	-	-	-	-	-
Other Basin GW	6,308.04	6,308.00	6,500.00	5,400.00	5,400.00
Imported Water	32,825.07	32,825.00	32,000.00	29,000.00	29,000.00
Recycled Water	253.28	147.00	4,000.00	3,700.00	7,500.00
Local Surface Water	4,368.77	4,369.00	5,000.00	2,500.00	2,500.00
Total	62,541.63	62,436.00	67,500.00	74,100.00	82,700.00
IEUA's Range of Demand			55,000 to 64,000		

	2006/2007 Actuals		IEUA Projected Supply	Black & Veatch Supply Projections	
	IEUA	Black & Veatch	Next 5 Years	2010	2015
FWC					
Chino Basin GW	16,218.42	16,218.00	20,000.00	25,000.00	25,000.00
CDA Supply (Chino Basin GW)	-	-	-	-	-
Other Basin GW	24,351.20	25,051.00	25,000.00	22,600.00	22,600.00
Imported Water	-	-	5,000.00	23,000.00	23,000.00
Recycled Water	-	-	6,000.00	2,600.00	5,000.00
Local Surface Water	9,971.32	10,263.00	12,000.00	11,000.00	11,000.00
Total	50,540.94	51,532.00	68,000.00	84,200.00	86,600.00
IEUA's Range of Demand			43,000 to 55,000		

MVWD*	IEUA	Black & Veatch	Next 5 Years	2010	2015
Chino Basin GW	8,529.52	11,279.00	14,000.00	15,372.00	18,567.00
CDA Supply (Chino Basin GW)	-	-	5,000.00	4,200.00	4,200.00
Other Basin GW	-	-	-	9,617.00	10,052.00
Imported Water	3,845.66	11,484.00	16,000.00	13,351.00	11,856.00
Recycled Water	-	-	3,500.00	3,300.00	4,500.00
Local Surface Water	-	-	-	-	-
Total	12,375.18	22,763.00	38,500.00	45,840.00	49,175.00
			IEUA's Range of Demand	30,300 to 34,500	

City of Ontario	IEUA	Black & Veatch	Next 5 Years	2010	2015
Chino Basin GW	28,014.11	28,014.00	30,000.00	28,000.00	32,400.00
CDA Supply (Chino Basin GW)	4,961.95	5,070.00	7,500.00	8,921.00	8,921.00
Other Basin GW	-	-	-	-	-
Imported Water	13,219.30	13,314.00	12,000.00	16,500.00	16,500.00
Recycled Water	3,672.65	-	8,600.00	7,900.00	8,800.00
Local Surface Water	-	-	-	-	-
Total	49,868.01	46,398.00	58,100.00	61,321.00	66,621.00
			IEUA's Range of Demand	43,600 to 51,000	

City of Upland	IEUA	Black & Veatch	Next 5 Years	2010	2015
Chino Basin GW	1,270.71	2,237.00	2,000.00	4,000.00	4,000.00
CDA Supply (Chino Basin GW)	-	-	-	-	-
Other Basin GW	15,494.55	14,074.00	15,000.00	13,632.00	15,383.00
Imported Water	4,825.00	4,725.00	7,000.00	6,300.00	5,588.00
Recycled Water	16.74	-	800.00	400.00	1,000.00
Local Surface Water	2,199.11	2,342.00	2,000.00	1,300.00	1,300.00
Total	23,806.11	23,378.00	26,800.00	25,632.00	27,271.00
			IEUA's Range of Demand	19,500 to 24,200	

San Antonio	IEUA	Black & Veatch	Next 5 Years	2010	2015
Chino Basin GW	3,113.08	3,113.08	5,000.00	-	-
CDA Supply (Chino Basin GW)	-	-	-	-	-
Other Basin GW	7,676.13	7,676.13	7,000.00	-	-
Imported Water	-	-	-	-	-
Recycled Water	-	-	-	-	-
Local Surface Water	4,644.44	4,644.44	5,000.00	-	-
Total	15,433.65	15,433.65	17,000.00	-	-
			IEUA's Range of Demand	10,500 to 14,000	

Total for Appropriators	IEUA	Black & Veatch	Next 5 Years	2010	2015
Chino Basin GW	90,031.58	92,663.08	99,000.00	115,160.00	130,781.00
CDA Supply (Chino Basin GW)	12,904.59	15,292.00	17,500.00	18,121.00	18,121.00
Other Basin GW	53,829.92	53,109.13	53,500.00	51,249.00	53,435.00
Imported Water	69,453.11	68,052.00	77,000.00	93,504.00	91,297.00
Recycled Water	7,877.15	6,701.00	28,400.00	22,836.00	34,050.00
Local Surface Water	21,183.64	21,618.44	24,000.00	14,800.00	14,800.00
Total	255,279.99	257,435.65	299,400.00	315,670.00	342,484.00
			IEUA's Range of Demand	219,200 to 263,200	

* Probable Retail Demands & Total Supply Available Include MVWD and Chino Hills projections.

APPENDIX B

FY 2006/07 Total Comparison**	IEUA	Black & Veatch	Difference
Chino Basin GW	90,031.58	92,663.08	2,631.50
CDA Supply (Chino Basin GW)	12,904.59	15,292.00	2,387.41
Other Basin GW	53,829.92	53,109.13	(720.79)
Imported Water	69,453.11	68,052.00	(1,401.11)
Recycled Water	7,877.15	6,701.00	(1,176.15)
Local Surface Water	21,183.64	21,618.44	434.80
Total	255,279.99	257,435.65	2,155.66

**Comparison doesn't include JSCD or Pomona

APPENDIX C

2015 Total Supply Comparison**	IEUA	Black & Veatch	Difference
Chino Basin GW	99,000.00	130,781.00	31,781.00
CDA Supply (Chino Basin GW)	17,500.00	18,121.00	621.00
Other Basin GW	53,500.00	53,435.00	(65.00)
Imported Water	77,000.00	91,297.00	14,297.00
Recycled Water	28,400.00	34,050.00	5,650.00
Local Surface Water	24,000.00	14,800.00	(9,200.00)
Total	299,400.00	342,484.00	43,084.00

**Comparison doesn't include JSCD or Pomona

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Chino Basin Watermaster Advisory Committee

Updated Water Demand & Supply Forecasts and
Dry Year Yield Status

September 25, 2008

Updated Demand & Supply Forecasts

- There are two main uses for the updated forecasts:
 - The DYY Expansion Program CEQA
 - The Groundwater Recharge Master Plan Update
- Wildermuth Environmental Inc. model is largely driven by demand & supply forecasts and production data.
- 2005 UWMP demand & supply forecasts do not reflect current conditions.
- IEUA retail agencies have reviewed the forecasts
 - CVWD, MVWD, Upland, Ontario, Chino, Chino Hills, Fontana
 - (Initial forecast data for Pomona & JCSD will be included)

Updated Demand & Supply Forecasts

IEUA DYY Participants	2009	2015	2035
Chino Basin GW	103,016	103,824	145,490
Other Basin GW	28,710	22,820	25,820
Imported Water	75,961	86,299	86,449
Surface Water	15,895	14,490	15,990
Recycled Water	7,128	28,443	37,062
Desalter Water	14,270	17,733	17,733
TOTAL	244,980	273,609	328,544

All DYY Participants	2009	2015	2035
Chino Basin GW	139,016	146,535	188,499
Other Basin GW	36,210	30,320	33,320
Imported Water	81,961	92,299	92,449
Surface Water	17,895	16,490	17,990
Recycled Water	10,128	31,443	40,062
Desalter Water	22,970	26,433	26,433
TOTAL	308,180	343,520	398,753

Updated Demand & Supply Forecast Trends

- Even with all DYY Participants, Chino Basin GW pumping will be “flat-lined” through 2015.
- Even with Fontana’s new MWD connection (10,000 – 18,000 AFY), imported water will be “flat-lined” through build-out, 2035.
- Recycled Water (direct use not replenishment) will increase to 35,000 AFY by 2015 (if not sooner).
- The forecasts show an increase in overall demand through 2015, increasing from 308,000 AFY to 343,000 AFY.
 - IEUA DYY Participants – from 244,000 AFY to 273,000 AFY
 - Pomona & JCSD – from 63,000 AFY to 70,000 AFY
- Demands through 2015 still appear to be high given current statewide emphasis on water conservation.

Implications for Groundwater Replenishment Options

- Reduced demand & increased local supply means that Chino Basin groundwater pumping (140,000 AFY) will not be as high as previously thought (180,000 AFY).
- Alternative options to constructing new recharge facilities:
 - Basins
 - In-Lieu
 - ASR Wells

Current & Additional Chino Basin Recharge Capacities	
Basins	110,000 AFY
In-Lieu (thru expanded DYY)	30,000 – 40,000 AFY
ASR Wells	10,000 – 15,000 AFY
TOTAL	150,000 – 165,000 AFY

Summary of Initial and Expanded DYY Program "Puts" and "Takes"

**Table 3-1
Summary of Initial and Expanded DYY Program Participants and Proposed Put/Take Capacities**

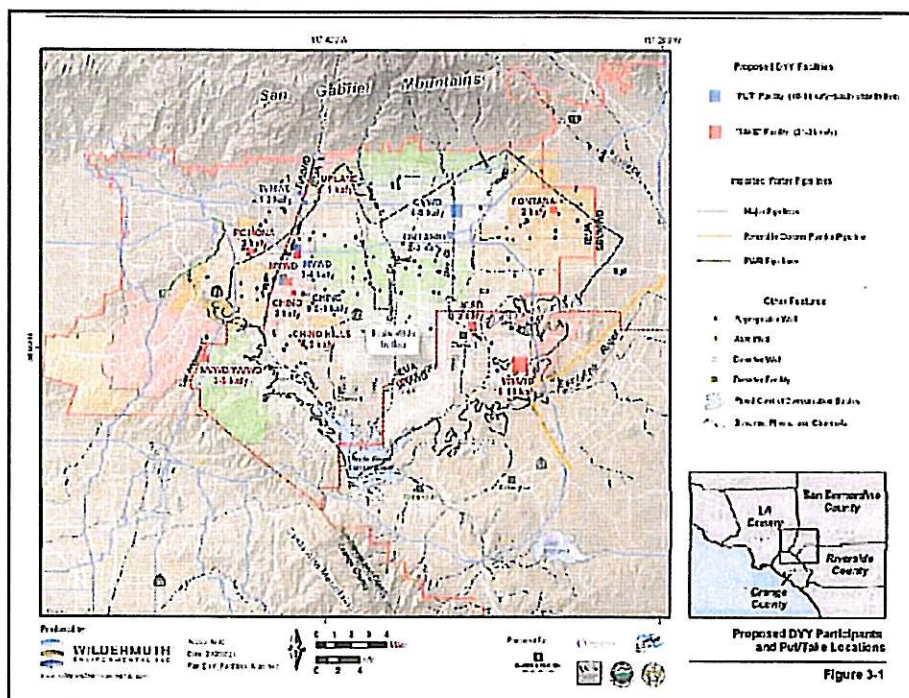
Agency	Initial DYY Program (1)		DYY Program Expansion (2)	
	Put Capacity (afy)	Take Capacity (afy)	Put Capacity (afy) (4)	Take Capacity (afy)
City of Chino		1,159	500-1,000	2,000
City of Chino Hills		1,448	–	1,000
Cucamonga Valley Water District		11,353	4,000-5,000	None
Fontana Water Company		0	–	2,000
Junipa Community Services District		2,000	–	2,000
Lionie Vista Water District	(3)	3,983	3,000-4,000	3,000-5,000
City of Ontario		8,078	2,000-3,000	None
City of Pomona		2,000	–	2,000
City of Upland		3,001	–	1,000
Three Valleys Municipal Water District		0	1,000-2,000	None
Western Municipal Water District		0	–	8,000-10,000
Total	25,000	33,000	10,500-15,000	21,000-25,000

Notes:
 (1) Initial 100,000 AF DYY Program includes maximum 25,000 afy "put" over a four-year period of surplus and a maximum 33,000 afy "take" over a three-year dry period.
 (2) DYY Program Expansion includes increases in total storage, "put" capacity, and "take" capacity.
 (3) "Puts" for the initial DYY Program are accomplished by a combination of direct recharge and in-lieu deliveries.
 (4) Does not include basin-made in-lieu deliveries and direct recharge.

Summary of Program Participants and Facility Requirements

Table 5-1
Summary of Program Participants and Facility Requirements

Agency	Facility Requirements
City of Chino	<ul style="list-style-type: none"> Regenerable IX treatment at existing well nos. 3 and 12 ASR Site at Well No. 14: Regenerable IX treatment at existing well no 14 and rehabilitation of existing Chino agriculture well for injection
City of Chino Hills	<ul style="list-style-type: none"> Convert existing well no. 19 to ASR
Cucamonga Valley Water District	<ul style="list-style-type: none"> Four new ASR wells
Fontana Water Company	<ul style="list-style-type: none"> Non-regenerable IX treatment at existing well no. F19A Non-regenerable IX treatment at existing well no. F25A Non-regenerable IX treatment at existing well no. F35A
Jurupa Community Services District	<ul style="list-style-type: none"> New well no. 27 ("Galleano Well") New well no. 28 ("Oda Well") New well no. 29 ("JDI Well")
Monte Vista Water District	<ul style="list-style-type: none"> New ASR well and regenerable IX treatment Rehabilitate existing well no. 2 and regenerable IX treatment Regenerable IX treatment at existing ASR well no. 4 and well no. 27 Conveyance facilities to deliver water from MVWD via Chino Hills to Walnut Valley Water District service area
City of Ontario	<ul style="list-style-type: none"> Conveyance facilities to establish interconnection with CVWD
City of Pomona	<ul style="list-style-type: none"> Regenerable IX treatment at existing Reservoir No. 5 site
City of Upland	<ul style="list-style-type: none"> New well in Six Basins
Three Valleys Municipal Water District	<ul style="list-style-type: none"> Treated water pipeline from WFA WTP to Murranar WTP Raw water pipeline from Azusa-Devil Cyn Pipeline to WFA WTP Turnout along Azusa-Devil Cyn Pipeline
Western Municipal Water District	<ul style="list-style-type: none"> Conveyance facilities to establish interconnection between planned RC Feeder and JCSD service area



"Condensed" Project Work Plan and Schedule

PROJECT TASK	MILESTONE (completion date)
CEQA*	
Develop Final Project Description	September 19, 2008
Prepare Draft IS/MND and Submit to CH**	October 24, 2008
Close of Public Comment Period	December 12, 2008
Conduct Public Hearing at IEUA and Adopt	December 17, 2008
TECHNICAL WORK	
Complete Groundwater Modeling Report	December 12, 2008
Develop Conceptual Designs for Facilities	December 12, 2008
Prepare and Submit Draft Project Report	December 12, 2008
Prepare and Submit Final Project Report	December 31, 2008
OTHER	
Negotiate Facilities, Shift and Funding	Jan. — Sept. 2009

* Assumes preparation of MND. If EIR is triggered from Initial Study, CEQA process will likely continue into 2009.

** Abbreviated hydrogeology/modeling section prepared for CEQA document based on preliminary modeling results.

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**Regional Conservation Programs
Monthly Report – August 2008**

MWD Activities

- **Drought Alert Status** – The State Water Project and MWD are drawing down storage supplies at a rapid rate and as of July, MWD water demands for 2009 were still trending at 2.4 million acre-feet for the calendar year. Without a wet winter, it is likely that MWD will implement its Water Supply Allocation Plan.
 - **Precipitation Conditions:**
 - The four month period of March through June 2008 was the driest on record in the Northern Sierra Nevada Mountains (3.4” of rainfall was received or 25% of average).
 - Statewide, April, May and June of 2008 precipitation was 30% of average; the sixth driest of 114 years on record.
 - **Reservoir Conditions:**
 - Lake Mead is down to 46%; Lake Powell is down to 62%; and Diamond Valley Reservoir is projected to be about half full by December (about 400,000 af)
 - Statewide average reservoir levels as of date are 75% of average for this date. They are projected to fall to 70% of average on Oct. 1, 2008.
 - By the end of this water year on Sept. 20, 2008, Lake Oroville will reach its lowest carryover storage since the drought of 1977.

Current Reservoir Levels		Lake Oroville
Shasta	45%	
Oroville	38%	
Folsom	38%	
Trinity	59%	
New Melones	51%	
Don Pedro	66%	
Exchequer	40%	
San Luis	25%	
Millerton	48%	
Pine Flat	25%	
Pyramid	97%	
Castaic	92%	

- **Runoff Conditions:**
 - Statewide runoff for the end of this water year is forecast to be 58% of average.
 - The Sacramento and San Joaquin River systems, which represent the bulk of the state's reservoir inflow, will have two-year stream flow in the lowest 10% of historical range by the end of this water year.
- **IEUA Regional Drought Response** - In response to these conditions, IEUA in cooperation with its retail agencies and MWD are continuing to improve water conservation and develop local programs to increase Chino Basin water supplies.
 - **Dry Year Yield Program (DYY)** – This program requires a reduction of imported water use by 33,000 (31,000 acre-feet within IEUA's service area) in a 12-month period, starting in May 2008 and ending in April 2009. The DYY performance to date (May, June and July) has achieved 9,250 acre-feet (30%) of the target reduction for the year. This puts the DYY participants well ahead of schedule.
 - **DYY Program Expansion** – This program is planned to expand the DYY Program from 100,000 AF to 150,000 AF of groundwater storage capacity and annual performance from 33,000 acre-feet/year to 50,000 acre-feet/year). Planned capital improvement projects have been determined and the environmental review process is scheduled to conclude in December.
 - **Recycled Water Program** – IEUA is currently implementing a 3-Year Recycled Water Business Plan that will increase recycled water connected capacity to 50,000 acre-feet by 2010. IEUA sells its recycled water to its retail agencies for \$66 an acre-foot. (For comparison, an acre-foot of imported water costs \$361.) For FY 07/08 approximately 11,000 acre-feet was sold for direct reuse (irrigation, landscaping, commercial, and industrial) and put into spreading basins to recharge the groundwater supplies.
 - **Chino Desalter Authority (CDA)** – The CDA currently operates and maintains two desalter facilities with a production capacity of 24,600 acre-feet. A 10,000 acre-foot expansion of these facilities is currently being negotiated and should be completed by 2010. For the month of July the CDA produced 2,297.7 acre-feet.

Additional MWD Activities

- **LRP Agreement for Regional Recycled Water Expansion Project** On August 19, 2008 the MWD Board approved a new Local Resources Program (LRP) Agreement with Agency for the Regional Recycled Water Expansion Project to be implemented in two phases:
 - **Phase 1**, with 14,400 AFY of capacity would include construction of about 30 miles of distribution pipelines, four pump stations, five storage tanks, recharge basin improvements and blending facilities.

- **Phase 2**, with 18,600 AFY of capacity, would include construction of an additional 12 miles of distribution pipelines, two pump stations, two storage tanks and one satellite water recycling plant to complete Inland Empire's backbone distribution system. Project yield would be used for irrigation and commercial uses, and indirect potable purposes through groundwater recharge.
- o **Media Campaign & Public Outreach** - MWD kicked-off its new media campaign on July 14, 2008 with a much stronger campaign message. This campaign focuses on drought and incorporates caution/warning signs about current water supplies in the southern California region. This campaign is scheduled to run through August 29, 2008 and public outreach will mainly be focused in running radio PSA's. MWD is in the process of hiring a new PR firm who will begin work in September 2008.
- o **MWD Region-Wide Public Sector Rebate Program to Promote Water Efficiency** - On August 21, 2007, MWD authorized \$15,000,000 for the Region-Wide Public Sector Program. To date, MWD has expended \$1.2 million on audits (with 21 customer applications). The enhanced incentives program (providing rebates for a variety of water savings devices) has generated over \$8.6 million in rebate requests (\$3 million paid to date) for 181 customers and 2,575 sites. This program is expected to generate 25,220 AF of water savings over the next twenty years based upon the current rebate applications. The recycled Water Hook-up program has received applications earmarking \$884,000 and MWD has master agreements with nine member agencies (including IEUA to participate in this program). If all applications are fully implemented, these projects will generate 35,360 AF over the next twenty years. MWD has received no applications for the Pay-for-Performance program.
- o **MWD Region-Wide Residential Program (SoCal Water Smart Program)** - The Residential Rebate Program being processed in-house by IEUA staff was successfully transitioned over to MWD's SoCal Water Smart Program and the MWD vendor during the first week in July. IEUA staff is continuing to monitor the IEUA hotline and rebate calls are now averaging approximately five a day. Staff is wrapping up the final processing for rebate applications received through June 30th and will continue to process the WaterWise Landscape Rebate in-house. The MWD website and call center has been in operation since July 1, 2008 and inquiries have been averaging about 225 calls per day. Point-of-Sale materials are in the process of being produced and distributed to retail stores carrying products that are eligible for incentives. Approximately 90% of rebate calls are related to indoor devices and of these 50% have requested applications. 325 applications are ready to be processed on new device purchases.
- o **Imported Water Deliveries** - For the month of July 2008, full service water sales totaled 6,209.0 AF. This is about 3,016.3 AF (33%) less than full service deliveries in July 2007. Calendar Year 2008 Tier 1 deliveries through 7/31/08 total 31,828.9 AF (23% lower than 2007 Tier 1, including in-lieu water.) The annual limit for Tier 1 purchases is 59,752.2 AF.

Landscape Conservation Programs

- **Inland Empire Landscape Alliance** – In compliance with AB 1881, the Technical Committee under the guidance of the Landscape Alliance, is working to complete a draft Water Efficient Landscape Model Ordinance by November, 2008. On July 24th the Technical Committee met to select the framework for the regional model ordinance and develop language for the Purpose, Scope, Intent and Applicability. The Technical Committee agreed to use the Riverside County Water Conserving Landscape Ordinance No. 859 as the framework and agreed to meet once a month to discuss and develop the language as a group. It was also agreed upon at this meeting that supplemental educational workshops and experts will be brought in as necessary to facilitate the process. The next Technical Committee meeting will be held on August 28th at IEUA from 1:00-3:30 pm and will focus on plant, irrigation, soil and grading design criteria. The Landscape Alliance Board meeting was held on August 14th. The Board endorsed the provision of Best Management Practices Planning Commissioner Tours in Chino and Rancho Cucamonga/Fontana, the continuation of the “Breakfast in the Garden” Educational workshops, and the development of a Water Wise Landscape Recognition Program.
- **Phase III Landscape Audit Program** – The Phase III Landscape Audit Program began in January 2008 and to date, CBWCD has completed 29 landscape audits with 5 sites currently scheduled for auditing. Juan Zamora recently joined the CBWCD staff as the new Landscape Evaluation and Audit Program (LEAP) Manager and looks forward to continuing the successful work already completed as the program continues to gain momentum throughout the IEUA service area. In addition, CBWCD is hosting multiple two professional series of California Friendly Landscape Training classes being sponsored by Metropolitan Water District in both English and Spanish during the month of August.
- **Ontario Cares** - The scope of this program has been downsized from the inspection of 35 homes to 25 homes in order to enable the program consultant, Dudek, to better assist the City of Ontario staff with other program activities such as plant selection, site designs, contractor training, development of a standardized plant list and preparation of marketing materials. A revised scope of work between MWD and Dudek & Associates was approved and their contract is in the process of being amended. This change to the scope will provide the resources to City staff for sustainability of the program, long-term. A tour of the completed sites was scheduled for August 26, 2008, however, due to City staffing changes, the tour will be rescheduled to sometime in September or October.
- **California-Friendly[®] Landscape Classes (formerly PDA)** — The California-Friendly[®] Landscape Classes for FY 08-09 are currently being scheduled for the year. This program is extremely popular with our retail agencies and although there were discussions at MWD of downsizing the program somewhat due to budget constraints, MWD has continued to honor all submitted requests by IEUA retail agencies.

- **U.S. Bureau of Reclamation Cal-Fed Water Efficiency Grant Application** – IEUA submitted an application for grant funds to support the Water Wise Residential Landscape Retrofit Program. The grant application was not successful.
- **DWR 2008 Fast Track Urban Drought Assistance Grant Program**. - In response to the Governor's Executive Order, DWR issued an expedited call for grant applications. This was a two-week process (from the time of notice to final application submittal deadline.) Below is a summary of the amounts applied for each project.

Project Title	Total Cost	IEUA Match	DWR Grant	% of Match	Author
Water Wise Landscapes	\$ 1,182,324	\$ 792,324	\$ 335,000	67%	Elizabeth Hurst
Region-Wide Water Budget Development	\$ 733,580	\$ 429,080	\$ 304,500	58%	Lisa Perales
Recycled Water On-Site Irrigation System Retrofits	\$ 3,616,000	\$ 2,616,000	\$ 1,000,000	72%	Rocky Wellborn

DWR has announced grant award recommendations and IEUA's Recycled Water On-Site Irrigation System Retrofits project is recommended for \$1,000,000 of DWR funding. Statewide, the total amount of DWR grant funding is \$17,000,000. The primary criterion for funding under this program is the percentage of local match.

Commercial/Industrial/Institutional Program

(CII SAVE-A-BUCK) – For fiscal year 07/08, there were 2,711 devices rebated. For fiscal year 08/09, to date there have been 121 devices rebated. From program inception (FY 00/01) to date, a total of 8,335 devices have been rebated, representing a lifetime savings of almost 21,222 AF. The following is a list of the most recent rebate activity within the IEUA service area and provided through MWD's Save-A-Buck Program, only:

- **High Efficiency Clothes Washers** – During the month of July 2008, no rebates were issued. To date, 457 commercial high efficiency clothes washers have been installed since FY 00/01.
- **Multi-Family High Efficiency Clothes Washers** – During the month of July 2008, no rebates were issued. To date, one multi-family high efficiency clothes washer has been installed since FY 00/01.
- **Cooling Tower Conductivity & pH Controllers** – During the month of July 2008, no rebates were issued. To date, 24 cooling tower conductivity controllers have been installed since FY 00/01.
- **Ultra-Low-Flush Toilets** – During the month of July 2008, no rebates were issued. To date, 1,894 ULFTs have been installed since FY 00/01.
- **ULFT Flushometers** – During the month of July 2008, no rebates were issued. To date, 4 ULFT flush meters have been installed since FY 00/01.

- **High-Efficiency Toilets** – During the month of July 2008, 1 rebate was issued for 80 high efficiency toilets (HET). To date, 1,983 HET's have been installed within IEUA's service area since FY 00/01.
- **Zero Water Urinals** – During the month of July 2008, there were 6 rebates issued for 41 waterless urinals. To date, 909 waterless urinals have been installed since FY 00/01.
- **High-Efficiency Urinals** – During the month of July 2008, no rebates were issued. To date, 8 HE urinals have been installed since FY 00/01.
- **Weather-Based Irrigation Controllers** – During the month of July 2008, there were no rebates issued. To date, 9 controllers have been installed since FY 00/01.
- **Rotating Nozzles for Pop-up Spray Heads** – During the month of July 2008, no rebates were issued. To date, 97 rotating nozzles have been installed since FY 00/01.
- **Synthetic Turf for commercial applications (CII Only)** – During the month of July 2008, no rebates were issued. To date, 32,525 sq.ft. of synthetic turf have been installed since FY 00/01.
- **High Efficiency Nozzles for Large Rotary Sprinklers** – During the month of July 2008, no rebates were issued. To date, no high efficiency nozzle rebates have been issued since FY 00/01.
- **Dry Vacuum Pumps** – During the month of July 2008, no rebates were issued. To date, no dry vacuum pump rebates have been issued since FY 00/01.
- **Steam Sterilizer Retrofits** – During the month of July 2008, no rebates were issued. To date, no steam sterilizer rebates have been issued since FY 00/01.
- **Pre-Rinse Spray Head-(PRSH)** – During the month of July 2008, no rebates were issued. To date, 2 pre-rinse spray heads have been installed since FY 00/01.
- **Water Broom** – During the month of July 2008, no rebates were issued. To date, 696 water brooms have been purchased since FY 00/01.
- **X-Ray Recirculation Units** – During the month of July 2008, no rebates were issued. To date, 11 x-ray recirculation units have been installed since FY 00/01.

Residential Rebate Programs

For fiscal year 07/08, there were 1,822 rebates processed. For fiscal year 08/09, there have been 3 rebates processed to date. From program inception (FY 02/03) to date, a total of 20,261 devices have been distributed, representing a lifetime savings of almost 2,376 AF. The following is a list of the most recent residential rebate activity within the IEUA service area:

- **ULFT and HET Rebate Program** – During the month of July 2008, no HET rebates were issued. 195 rebates were processed during FY 06/07. Since the program's initiation in 2002, a total of 11,994 have been distributed. The ULFT portion of the rebate program ended March 31, 2008.
- **High Efficiency Clothes Washer Rebate** – During the month of July 2008, no washer rebates were issued. There were 1,320 washer rebates processed by IEUA in FY 06/07. A total of 9,462 rebates have been distributed since the program was initiated in 2002.
- **"SmarTimer of Inland Empire" Program** – During the month of July 2008, no SmarTimer Irrigation Controller rebates were issued. There were 121 rebates were

processed by IEUA in FY 06/07, with a total of 244 controllers installed. Since the introduction of the program in April 2006, 389 controllers have been installed to date.

- **Rotating Nozzles for Pop-up Spray Heads** – During the month of July 2008, no nozzle rebates were issued. Since the program's inception in 2006, a total of 1,092 nozzles have been distributed.
- **Synthetic Turf Retrofit Rebate Program** – During the month of July 2008, no synthetic turf rebates were processed. Since the introduction of the program in July 2007, 68 rebates have been distributed.
- **Water-Wise Residential Landscape Retrofit Program** – The Water-Wise Residential Landscape Program application was posted on the IEUA website on December 10, 2007. To date, IEUA has received 84 applications and 23 completed retrofits for a total of 29,604 square feet of irrigated turf converted to low water using landscapes conserving an estimated 4.1 acre feet of water per year. A preliminary customer survey shows a high level of customer satisfaction, with customers spending on average 3 times the rebate amount on the landscape conversions.

Other Conservation Retrofit Programs

- **Multi-Family ULFT Program** – The Multi-Family Direct Installation Program began ULFT retrofits in October, 2006. To date, 14,337 toilets have been installed consisting of 14,275 ULFTs and 62 HET's. During the month of June, 500 ULFT and 62 HET retrofits were completed. Effective June 1, 2008, only High Efficiency Toilets are being installed under this program.

School Education Programs

- **Garden in Every School** – Garden sites have been selected at each of the six schools participating in the 2008-09 Program. Program staff is meeting with school district personnel to develop 1) landscape designs; 2) irrigation plans; 3) plant and parts lists; and 4) installation timelines with maintenance district staff. Staff has been contacted by and is assisting several non-profit organizations and schools interested in spearheading their own garden programs. A comprehensive review of the 26 gardens created under the program is underway.
- **National Theatre for Children** – The FY 08-09 NTC program agreement has been executed and NTC staff has commenced scheduling performances for the 2008-2009 school year in the service areas of the Cities of Chino, Chino Hills, Ontario, and Upland, and Cucamonga Valley Water District, Fontana Water Company, and Monte Vista Water District.
- **New Native Garden Pilot Fundraising Program** California State University Water Resources Institute sponsored a pilot school fundraising program that is based upon sale of native plant gardens. An evaluation of the spring program was completed in July. Enrollment for fall fundraising program will begin in August 2008.

Emerging Issues:

- **CUWCC BMP Revision Process** - Earlier this year the California Urban Water Conservation Council (CUWCC) Steering Committee set out to revise CUWCC Memorandum of Understand (MOU) Best Management Practices (BMPs). The revisions are intended to update BMPs in light of advances in technologies and methodologies, better grouping the BMPs (foundational and performance), make reporting and tracking requirements more efficient, and make certain the BMPs will provide California the best roadmap for water conservation over the next decade.

A total of five revision committees were established to review the current BMPs, explore options for improvements, and recommend revised draft BMPs for consideration at a special Steering Committee Workshop scheduled for August 6 and 7, 2008. After refinement by the Steering Committee, the recommendations will be presented at the Plenary meeting in September 2008. Final action is expected at a December 2008 Plenary meeting.

Each IEUA member agency is signatory to the MOU. In light of the pending BMP revisions, IEUA Conservation Workgroup members have expressed that BMP compliance is their number one priority and that planning of new programs should focus on BMP compliance, including collaboration to develop regional programs that best achieve BMP compliance for member agencies.

Following presentation of draft BMP revisions at the Plenary meeting in September, IEUA staff will conduct workshops and request input from member agencies and prepare recommendations for IEUA Board of Directors consideration this November. In turn, these recommendations will be forwarded to the CUWCC for the Council's consideration prior to their final action in December.

- **AB 2175 (Laird/Feuer): Water Conservation-** As Board Members are aware, this bill, if adopted, would establish a statewide requirement for each urban water supplier to reduce total per capita water use by 20% by the year 2020, except as provided. It is anticipated that this bill or a semblance of this bill will be enacted in the foreseeable and that we should plan accordingly for the best management of water resources. Current developments are as follows:
 - In March 2008, the 20x2020 Agency Team was convened to develop a plan to achieve a 20 percent reduction in per capita urban water use statewide by 2020. The plan is anticipated by the end of 2008.
 - As of August 13, 2008, AB 2175 is still working its way through the legislative process and was amended for the fifth time by members of both the State Assembly and Senate. There is a possibility the bill could be heard in Senate Natural Resources and Water Committee as early as August 19, 2008.

IEUA staff has been and will continue to seek input from member agencies. Should AB2175 proceed to a final AB 2175 draft, IEUA staff will recommend a formal position for the Board of Directors consideration.

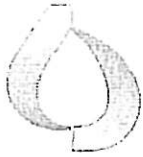
Outreach

- o **Water Education Water Awareness Committee (WEWAC)** – The WEWAC Committee is in the process of developing a theme and clean-up of the Pomona Fairplex site in the Garden Center for the Los Angeles Fair. A date is scheduled for Tuesday, August 19th, 2008, at 7:30 am to work at the garden site. A check from the Fairplex in the amount of \$1,000 for purchasing plants and décor for the site was received. CBWCD will be providing the planting and/or upgrading of the irrigation system at the site as needed. WEWAC Committee will provide the decorating of the site theme. A Project WET workshop will be held at IEUA on Thursday, October 2, 2008. The WEWAC website has been updated with this information, and Shelley Cirrito, CVWD, will have the California Regional Environmental Education Community (CREEC) Network website updated. This is the last year that Shelley will be the coordinator for Project WET and will be creating an SOP for the next coordinator.

CALENDAR

August 18, 2008	SAWPA SARI Marketing Workshop, held at SAWPA, 2:00 pm – 3:00 pm
September 4, 2008	1 st Thursday Meeting/Prado Basin Planning Meeting, HQA Anza Conf., 10:00 am
September 10, 2009	CUWCC Plenary Meeting, Santa Rosa, 9:30 am – 3:00 pm
September 15, 2008	Water Softener Rebate Campaign Kickoff (Information & Details Forthcoming)
September 18, 2008	MWD WUE Conservation Coordinator Meeting, at MWD, 9:00 am – 2:00 pm
September 23, 2008	CUWCC BMP Reporting Workshop and BMP Revisions, Headquarters Bldg. A – 9:00 a.m. – 4:00p.m
September 25, 2008	Landscape Alliance Technical Meeting, Anza Conference Room 1:00 pm - 3:00 pm
October 2, 2008	Project WET Workshop, Events Center, 8:00 a.m. – 3:00 p.m.
October 2, 2008	1 st Thursday Meeting/Prado Basin Planning Meeting, HQA Anza Conf., 10:00 am
October 8-10, 2008	WaterSmart Innovations Conference & Expo, Las Vegas, NV
October 9, 2008	Landscape Alliance Board Meeting, IEUA Board Room 3:00 pm - 4:00 pm
October 14, 2008	IEUA Monthly Workgroup Meeting & BMP Compliance Clinic, Anza Room, 9:00 a.m. – 4:00 p.m.
October 15, 2008	Breakfast In The Garden, 7:30 am – 9:30 am, Rancho Santa Ana Botanic Gardens
October 16, 2008	MWD WUE Conservation Coordinator Meeting, at MWD, 9:00 am – 2:00 pm
October 23, 2008	Landscape Alliance Technical Meeting, Anza Conference Room 1:00 pm - 3:00 pm
October 25, 2008	Landscape Water Conservation Festival, held at CBWCD, 9:00 am – 2:30 pm
November 6, 2008	1 st Thursday Meeting, HQA Anza Conf., 10:00 am – Landscape Alliance Briefing
November 20, 2008	MWD WUE Conservation Coordinator Meeting, at MWD, 9:00 am – 2:00 pm
December 8-12, 2008	Governor's 20x2020 Team Meeting, 4 th Workshop, Location/Time TBD
December 18, 2008	MWD WUE Conservation Coordinantor Meeting, at MWD, 9:00 am – 2:00 pm

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Inland Empire
UTILITIES AGENCY

Date: September 17, 2008
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: August 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

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Agricultural Resources

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

August 29, 2008

Legislative Report

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

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

SU: Legislative Report, August 2008

Highlights:

- *Congress in Recess – Party Conventions Extend Break*
- *Congress to Reconvene on September 8 – September Schedule To Include Annual Funding CR*
- *September Scenario – Energy Legislation*
- *Stimulus/Infrastructure – Status*
- *Drought Conditions/Water Supply*
- *News and Notes*
- *IEUA Working Partners*

Congress is Recess – Party Conventions Extend August Break. Congress went on its traditional August break. Being a national election year, the national party conventions extended it. As a result, it was a relatively quiet month.

Congress to Reconvene on September 8 – Schedule to Include Annual Funding Continuing Resolution (CR). Congress will reconvene on September 8 following the

Republican Convention. The Agenda for September, House and Senate, remains pending. The major bill will be the annual funding bill. It will likely include the funding for the entire Federal Government. One or more annual funding bills, perhaps the Defense bill, will be the primary vehicle. A Continuing Resolution (CR) will be then attached to it. The disposition of the Energy and Water Appropriations bill, which funds the Bureau of Reclamation, Corps of Engineers and funding for DOE, is unclear. Might be a stand-alone bill. More likely, it will be part of a CR. The obvious question – what will happen to Title XVI funding. We will know more when Congress reconvenes and the Appropriators set forth the parameters for the CR – and the Energy and Water bill.

Energy Legislation – To Be Considered In September. House Republicans continued to press for drilling legislation and the Speaker announced that the House would consider energy legislation. No details were available at month's end, but it is assumed that any legislation will contain numerous provisions, perhaps including some kind of excess profits tax, as well as renewable energy tax extenders. Whether this is a provision on the CR or a stand-alone bill is unknown.

Stimulus/Infrastructure. As previously reported, House and Senate leadership both made public statements on the need for a "Stimulus" bill (may be in the form of a "Supplemental" OR an "Infrastructure" bill). IEUA has been working with a coalition of water agencies, associations and groups in California and throughout the West urging that funding for Title XVI be part of that package. Those discussions remain underway.

Drought Conditions and Water Supplies. According to the USDA and NOAA's formal web-published Drought Monitor, drought conditions persist throughout California though the intensity is diminished. The Colorado River region finally received significant precipitation. However, the preexisting deficit conditions remain. In California, drought remains more severe in Northern California and the Sacramento-Joaquin Valley than Southern California. All 17 Western States are experiencing some level of drought – though the level of drought is presently at the lower end of the drought scale.

News and Notes. Letter to Speaker from Coalition of Western Water Interests. In early August, WaterReuse, ACWA, Texas Water Conservation Association, WESTCAS, and Western Urban Water Coalition sent a letter to the Speaker urging that any stimulus bill include funding for water recycling, Title XVI and recommended \$75 million for water recycling projects in nine states. *September.* Expect a busy month.

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

- a. Metropolitan Water District of Southern California (MWD)
- b. Milk Producer's Council (MPC)
- c. Santa Ana Watershed Project Authority (SAWPA)
- d. Water Environment Federation (WEF)

- e. Association of California Water Agencies (ACWA)
- f. WaterReuse Association
- g. CALStart
- h. Orange County Water District (OCWD)
- i. Cucamonga Valley Water District (CVWD)
- j. Western Municipal Water District
- k. Chino Basin Watermaster

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Inland Empire
UTILITIES AGENCY

Date: September 17, 2008
To: The Honorable Board of Directors
Through: Public, Legislative Affairs, and Water Resources Committee (09/17/08)
From: Richard W. Atwater
Chief Executive Officer/General Manager
Submitted by: Martha Davis
Executive Manager of Policy Development
Subject: August 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

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MEMORANDUM

TO: Rich Atwater and Martha Davis

FROM: Jennifer West

DATE: August 26, 2008

RE: Legislative Report

Budget Impasse Continues

The Legislature has a constitutional deadline to adjourn on August 31. Yet a budget deal appears no where in sight. The Governor has been promoting a budget deal that would temporarily raise certain taxes, but this has been rejected by the Republican members in both houses. To put additional pressure on legislators, the Governor has threatened to veto all measures that reach his desk until a budget is passed. Water bond negotiations continue to be linked to the budget discussions, although recently, Democratic leadership has tried to separate the two discussions.

While major legislative deals can come together very quickly, it seems unlikely that the state will have a budget or a water bond deal by August 31. There are rumors that the Governor will have to call a special session if a budget is not enacted by August 31. The water special session will continue until is it specifically closed by the Legislature.

Water Bond Proposals

There are now three water bond proposals under consideration in the Water Special Session. They are SB 6XX (Machado), AB 8XX (Huffman) and AB 9XX (Plescia). Disagreement between the Republicans and Democrats has centered on the issue of whether the funding for surface storage facilities will be appropriated by the Legislature or "continuously appropriated" without an additional action required by the Legislature. Republicans believe that without the "continuous appropriation" language, Democrats will stop surface storage facility projects, which is one of their primary objectives for a water bond. Both AB 8XX and AB 9XX, authored by Republican George Plescia, include \$500 million for water recycling projects. I have included an overview of the Democrats response to the Governor's water bond proposal.

August 26, 2008

Water Special Session Measures

AB 7XX (Wolk) Water and Climate Change – SUPPORT/SPONSOR

This measure is identical to AB 224, which was cosponsored by IEUA. AB 224 was held in Senate Appropriations again early this month. Immediately after this happened, AB 7XX was introduced in the water special session. It continues to enjoy broad support in the water and environmental community.

STATUS – Water Special Committee 8/26

AB 8XX (Huffman et. al.) Water Bond

Total Amount: \$9.085 billion. Highlights Include:

- **\$1.5 Billion for IRWMP funding** based on the following formula:
 - (1) North Coast \$70,000,000
 - (2) San Francisco Bay \$150,000,000
 - (3) Central Coast \$82,000,000
 - (4) Los Angeles subregion \$210,000,000
 - (5) Santa Ana subregion \$146,000,000
 - (6) San Diego subregion \$108,000,000
 - (7) Sacramento River \$103,000,000
 - (8) San Joaquin River \$91,000,000
 - (9) Tulare/Kern \$93,000,000
 - (10) North/South Lahontan \$75,000,000
 - (11) Colorado River Basin \$72,000,000
 - (12) Interregional \$300,000,000

- **\$500 million** to "reduce the impacts of drought conditions, including, but not limited to, the impacts of reductions in Delta diversions."
Projects should be consistent with IRWP's and funds can be used for a variety of things such as water recycling and related infrastructure, storm water capture, groundwater cleanup, local and regional conveyance projects that improve connectivity and water management.

Chapter 10. Groundwater Protection and Water Quality

- **\$360 million** the State Department of Public Health for projects necessary to protect public health by preventing or reducing the contamination of groundwater that serves as a major source of drinking water for a community.
 1. \$100 million to disadvantaged communities
 2. \$100 for toxic site contamination

- **\$90 million** to the State Department of Public Health for finance emergency and urgent actions on behalf of disadvantaged communities to ensure that safe drinking water supplies are available to all Californians.

- **\$200 million** for the SWRCB for grants for small community wastewater treatment projects
- **\$300 million** for the SWRCB for competitive grants and loans for storm water management and water quality projects.
- **\$100 million** to the California Ocean Protection Trust Fund

Chapter 11. Water Recycling and Advanced Treatment Technologies

- **\$500 million** for water and advanced treatment technology projects that include the following:
 1. Water recycling projects.
 2. Contaminant and salt removal projects.
 3. Dedicated distribution infrastructure for recycled water.
 4. Pilot projects for new salt and contaminant removal technology.
 5. Groundwater recharge infrastructure related to recycled water.
 6. Technical assistance and grant writing assistance for disadvantaged communities.

Chapter 11.5. State of California Water Use Efficiency Program

- **\$20 million** for direct expenditures to state agencies and departments to fund water savings projects
Status: Water Special Committee 8/26

AB 9XX (Plescia) Water Bond

Similar to AB 8XX, except that it includes continuously appropriated funding that can be used for surface storage facilities.

SB 1XX (Perata) Prop. 84 Funding -- SUPPORT

Appropriates \$807 million of unspent funds from Propositions 84 and Proposition 1E. This includes approximately \$100 million for IRWMP implementation statewide. It also includes IRWMP governance language that was included in AB 1489 (Huffman) and subsequently AB 1654 (Huffman). IEUA supported both measures.

Status: Water Special Committee 8/26

SB 6XX (Machado) Water Bond – SUPPORT and seek amendment

Vehicle for possible November water bond measure. The measure also contains \$250 million for recycled water, but \$100 million of those funds are set aside for areas where there is groundwater contamination.

Status: Senate Natural Resources Committee)

Regular Session Measures That Are Still Alive

SB 1391 (Padilla) Recycled Water – SUPPORT

The bill now reads:

The state board shall adopt a statewide recycled water policy by January 31, 2009, and make recommendations for any statutory changes necessary to implement that policy. If the statewide recycled water policy to be adopted pursuant to subdivision (a) requires the state board to prepare any additional documentation required under the California Environmental Quality Act, the deadline to adopt the statewide recycled water policy specified in subdivision (a) does not apply.

Status: Senate Floor

AB 885 (Calderon) MWD Board – Watch

Would authorize a member public agency to appoint one alternate representative for each additional representative that is appointed or selected pursuant to existing law. The alternate representative would be authorized to participate and vote in meetings in the absence of the representative for whom he or she is an alternate. The bill would provide that conflict of interest provisions apply to the alternate representative, as specified.

Status: Enrolled

AB 2175 (Laird) Water Conservation- Support (Amended August 22)

Sets a statewide water conservation goal of 20%. Sets up a process by which DWR can adjust the local district's conservation targets if there are significant changes to the districts CII customer base, such as new or expanded businesses and to avoid unreasonable impacts to the operations of a CII customer.

Allows water districts, when calculating their water conservation targets pursuant to AB 2175, to choose to either to "lump" CII water use with residential water use or can choose to "disaggregate" the numbers and treat them separately.

Allows water districts to get credit for use of recycled water in CII facilities.

Specific water reduction targets have been removed for agriculture. Agriculture water suppliers are now directed to implement BMP for water use efficiency.

The measure was recently reheard in the Senate Water Committee, where it was heavily opposed by the agricultural water interests and commercial and industrial interests, including oil companies. During the chaotic hearing, additional amendments were taken, which are intended to specify that the bill does not change requirements for the QSA. These amendments are not yet in print.

Status: Senate Floor

AB 2046 (Jones) Groundwater -- Oppose to Watch (Amended, July 1, 2008)

The author has worked with ACWA and all parties on amendments. The bill, as amended, requires UWMPs, where applicable, to identify "the amount of

contaminated groundwater for which treatment capacity, remediation, or other water management options may need to be developed or expanded for the groundwater to be part of the planned water supply, as well as the amount to meet regulatory standards, and the difference between the two groundwater amounts." UWMPs can include contaminated groundwater that does not meet regulatory standards, but it can only be part of the planned supply if the plan includes secure treatment, remediation, or implementation of other water options. It also must include a "financial plan" for clean up of the contamination.

Status: Enrolled

AB 2270 (Laird/Feuer) Water Softeners/Water Recycling – IEUA Sponsor

Allows local public agencies to more easily limit the use of self-regenerating water softeners in areas where a RWQCB has declared there is a salt loading problem within the sanitation system. The bill is strongly opposed by the water softening industry. The measure passed the Senate and Assembly on a bipartisan vote.

Status: Enrolled

AB 2882 (Wolk) Allocation-based water pricing -- SUPPORT

Sponsored by IRWD and SAWPA, creates a voluntary allocation-based conservation water pricing program. It is intended to encourage public water providers to voluntarily implement allocation-based water rate structures improving conservation among water users.

Status: Enrolled

AB 2986(Leno) Waste Discharge Requirements- Oppose to Neutral

This bill requires the State Water Resources Control Board to review, grade and monitor specified sewage collection systems and treatment plants, to make information regarding the systems and plants available to the public. CASA negotiated amendments to the measure and have now gone neutral on the bill.

Status: Senate Floor

Assembly Democrats Water Working Group

Overview of Proposed Response to Governor's Water Bond

GOVERNOR'S BOND	ASSEMBLY DEMOCRATS RESPONSE
<p>CHAPTER 6 Water Supply Reliability (Integrated Regional Water Management)</p> <p>\$1.5B for competitive grants, appropriated by the Legislature to DWR, for IRWMP, allocated to 11 hydrologic regions, including \$300M for interregional projects</p> <p>\$500M for grants and expenditures, appropriated by the Legislature to DWR, for regional and interregional connectivity and water management</p>	<ul style="list-style-type: none"> • Increase allocation for specific watersheds by \$500M from regional and interregional connectivity and water management provisions (see below); from \$1.2B to \$1.7B. <ul style="list-style-type: none"> ◦ UNRESOLVED: determine whether additional \$500M goes to base allocation of each region or population-based allocation • Priority for urban and agricultural applicants that have implemented BMPs <ul style="list-style-type: none"> ◦ UNRESOLVED: general interest in complementing/reinforcing AB 2175 urban and ag conservation provisions • Delete \$50M for recreation and fish and wildlife enhancements (Davis-Dolwig issue) and redirect to Delta ecosystem (Ch. 7) • Include funding for outreach, technical assistance (grant writing), and capacity building for disadvantaged communities • Delete \$500M interregional conveyance carve-out and redirect funds to IRWMP (see above)

<p>CHAPTER 7 Delta Sustainability</p> <p>\$700M for grants and direct expenditures, upon appropriation by the Legislature, that provide public benefit and support Delta sustainability options, as specified</p> <p>\$1.2B for grants and direct expenditures, upon appropriation by the Legislature, to protect and enhance the sustainability of the Delta ecosystem, as specified</p> <p>DWR to develop a comprehensive Delta Sustainability Plan</p> <p>Plan can be amended or repealed by 2/3rds vote of Legislature</p>	<ul style="list-style-type: none"> • Remove DWR from plan development • Placeholder for new governing entity/structure – to develop plan and to spend funds (Legislature will determine in '09 after receiving Blue Ribbon Task Force Report) • Criteria for delta sustainability plan need significant revisions • Include co-equal management goals for Delta – water supply and ecosystem restoration • Funding from bond should be focused on Delta ecosystem – some available now for urgent ecosystem priorities; the rest to implement plan • Delete provision requiring 2/3rs vote of legislature to change plan • Revise delta language to include “environmentally sustainable level of exports” • Expressly preclude funds from use on planning or construction of an alternative conveyance facility (peripheral canal) without prejudicing future decisions relating to such a facility
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CHAPTER 8 Water Storage

§3B is continuously appropriated to the CA Water Commission (CWC) to fund "public benefits" associated with water storage projects that improve operation of the state water system, are cost effective, and provide net improvement in ecosystem and water quality conditions

All 5 CALFED projects are eligible for funding (Shasta, Sites, Los Vaqueros, Temperance Flat, Delta Wetlands)

CWC selects and ranks projects based on relative "public benefits" – includes ecosystem, water quality, and flood control improvements, but does not include state or federal environmental mitigation/compliance requirements established "prior to enactment" of this bond

CWC develops methods of quantification and management of "public benefits" through regulatory rulemaking process, exempted from APA

At least 50% cost share required, except for conjunctive use and reservoir reoperation, which may receive 100% public funding

- Delete continuous appropriation
- CWC Advisory role – makes annual funding recommendations
- Reconstitute CWC to ensure geographical and political representation as well as expertise as appropriate for new funding and rulemaking roles (include legislative appointments)
- Criteria should be less weighted for surface storage and more neutral between groundwater and surface water
- Delete eligibility for Shasta (consistent with existing state law); enumerate the remaining four CALFED surface storage projects
- APA rulemaking safeguards shall apply for CWC "public benefit" regulations (must amend Ch. 4 provision exempting bond implementation from APA)
- UNRESOLVED: Language for cost share needs tightening to address potential for 100% public funding that includes water supply benefits
- NOTE: continuous appropriation issue is especially contentious with Republicans – there are several permutations of legislative and continuous appropriation models that could be considered

<p>CHAPTER 9 Conservation and Watershed Protection</p>	<ul style="list-style-type: none"> • <i>Intent language explaining why the watersheds in the bond are specifically cited – e.g., to address ecosystem and water supply conflicts and avoid future water crises</i> • <i>Tie to IRWMP and/or another existing plan; develop outcomes</i>
<p>\$1B for expenditures and grants, upon appropriation by the Legislature, for ecosystem and watershed protection and restoration projects</p>	

<p>CHAPTER 10 Groundwater Protection and Water Quality</p> <ul style="list-style-type: none"> • Priority for projects that implement or are consistent with groundwater management plans • Include funding for outreach, technical assistance (grant writing), and capacity building for disadvantaged communities • Additional \$250M for disadvantaged communities, including - <ul style="list-style-type: none"> ○ Immediate relief for public health threats from poor drinking water quality ○ Incentives for comprehensive planning and sustainable communities (drinking water quality, wastewater treatment, other services) 	<p>\$300M for expenditures, grants and loans, upon appropriation by the Legislature, for projects to prevent or reduce the contamination of groundwater that serves as a source] of drinking water</p> <p>\$100M for grants, upon appropriation by the Legislature, for small community wastewater treatment projects to protect water quality</p> <p>\$300M for competitive grants and loans, upon appropriation by the Legislature, for stormwater management and water quality projects</p> <p>\$100M for projects, upon appropriation by the Legislature, for ocean protection</p>
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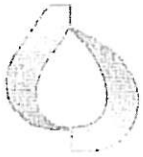
CHAPTER 11 Water Recycling

\$250M for grants and loans, upon appropriation by the Legislature, for water recycling projects

- *Increase total allocation from \$250M to \$500M*
- *Broaden to include advanced water treatment technology and salinity management, including groundwater and seawater desalination*
- *Include funding for outreach, technical assistance (grant writing), and capacity building for disadvantaged communities*
- *Note: There is broad support for this chapter, but consensus that it must be better defined.*

OTHER ISSUES:

- General fund impact of future debt service – group had differing views on whether bond agreement should include, either as part of the ballot measure or via separate legislation, a specific revenue stream to pay for the estimated \$603+M in annual debt service from the bond.
- Overly broad definition of “economically distressed area” allows preference for entities who may not actually have hardship – need to improve language to prevent abuse
- General interest in adding provisions to:
 - Prioritize funding for those who have implemented BMPs
 - Wherever possible include cost effectiveness as a funding criteria
 - Ensure consistency with AB 32 goals by prioritizing funding for projects that reduce net energy use or, where net energy use is increased, projects that incorporate best available energy efficiency technology and renewable energy sources



Inland Empire
WATER AGENCY

Date: September 17, 2008
To: The Honorable Board of Directors
Through: Public, Legislative Affairs, and Water Resources Committee (09/17/08)
From: Richard W. Atwater
Chief Executive Officer/General Manager
Submitted by: Martha Davis
Executive Manager of Policy Development
Subject: August 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

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Innovative Federal Strategies LLC

Comprehensive Government Relations

MEMORANDUM

To: Martha Davis and Rich Atwater
IEUA

From: Letitia White, Alex Shockey and Amanda King

Date: August 26, 2008

Re: August Monthly Legislative Update

It was great to be out in California earlier this month. As always, we enjoyed talking to you both and seeing the digester. It is always good to have the opportunity to catch up and hear what is happening on the West Coast.

As you know, the House of Representatives and the Senate are in their August recess. The month of August on Capitol Hill has been incredibly quiet. Congress is out of session and legislators are back in their home districts meeting with constituents. Many staffers have also taken the opportunity during the August recess to go on vacation or go to their Member's district to work.

The political hum in Washington has been centered on the Presidential election. With the Conventions approaching, much of the buzz has been about potential running mates for the presumed presidential candidates and the upcoming conventions.

The House Energy and Commerce Committee is currently drafting a global warming bill which it hopes to move forward in September. With other committees increasing interest in climate change legislation, staffers hope to move the legislation quickly. We do not know at this time whether the committee will produce a draft bill or simply release legislative principles. The bill would lay the groundwork for a debate in 2009, even if not enacted in this session of Congress.

The House and Senate will return on September 8th. Both chambers hope to be full steam ahead during the short period of time Congress will be in session. The targeted adjournment date is September 26th which gives Congress little time to pass many appropriation bills. We expect only one, if any, of the appropriations bills will pass before the end of the fiscal year, forcing Congress to pass a Continuing Resolution (CR) that will last until after a new Administration is in office. Since the current fiscal year ends on September 30th, Congress will be motivated to enact a CR that keeps the government functioning without interruption. We will continue to keep you informed on all activities here in Washington. Please let us know if you have any questions.

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Inland Empire
UTILITIES AGENCY

Date: September 17, 2008
To: The Honorable Board of Directors
Through: Public, Legislative Affairs, and Water Resources Committee (09/10/08)
From: Richard W. Atwater
Chief Executive Officer/General Manager
Submitted by: Martha Davis
Executive Manager of Policy Development
Subject: August 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

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August 28, 2008

To: Chino Basin/OBMP Coalition
From: Michael Boccadoro
President
RE: August Status Report

Please find attached the status report from The Dolphin Group for the month of August 2008.

Eight weeks into the new fiscal year, the State of California remains without a budget, and with little optimism it will be soon resolved. The \$15-16 billion shortfall in the budget remains, and publicly there has been little room for compromise between the Republicans and Democrats in the Assembly. As the legislative session comes to a close on August 31st, all expectations are that the budget stalemate will likely continue well into September.

On other legislative matters, August is always the busiest month for California lawmakers. Legislators must finalize and approve all measures by the end of the month for consideration by the Governor. Included in the late push was a last-minute deal between residential customer groups and the utilities on electricity rates, however the measure has been met with strong opposition from the business community. Efforts to finalize an important renewable energy measure also met with an untimely demise as critical amendments were not adopted in time to be considered in the final days.

Governor Schwarzenegger has until September 30th to veto or sign legislation reaching his desk.

Chino Basin / OBMP Coalition

Status Report –August 2008

ENERGY/REGULATORY

CPUC Issues Final Decision on RECs

The California Public Utilities Commission made a small step towards clarifying rules related to renewable energy credits (RECs) in a decision that was issued on August 21.

In previous rules handed down by the CPUC, they have narrowly defined biogas projects as only pertaining to “landfill gas” projects. The draft decision clarifies that all biogas projects are eligible, consistent with state statute. This clarification has long been sought by IEUA and other parties.

Unfortunately, the draft decision fails to broaden the definition of RECs, and keeps the value of all the various environmental benefits “bundled” together. IEUA and other parties have advocated for “unbundling” the environmental benefits for the purposes of marketing or retiring specific components. The proceeding at the CPUC remains open and will continue to address REC issues in future decisions.

Edison Electricity Rates to Rise – I-6 rate eliminated

Citing rising natural gas prices, Southern California Edison is expected to file a request to increase electricity rates for all its customers. Although final numbers have not yet been released, the increase is expected to approach nearly 20%, on average, for all customers. The increase would take effect on January 1, 2009.

In addition, Edison has also filed for 12.1% increase for their cost of business, mainly distribution and transmission services. This increase would be in addition to the aforementioned commodity increase of 20%. The Commission is expected to rule on this issue by November, with new rates to take effect in January 2009.

Also, in December Edison will complete the three-year phase out of the I-6 interruptible rate. As of that date, all accounts will be transferred to the BIP (Base Interruptible Rate). This rate compensates interruptible customers in a different fashion than the I-6, and could increase the rates paid by historical I-6 customers, depending on their load profile.

2008-2009 STATE BUDGET

With the new fiscal year almost two months old, the state still remains without a budget. The \$15.2 billion shortfall has polarized the Capitol, with Democrats and Governor Schwarzenegger pushing for tax increases and the Republicans holding out for more spending cuts. Current information places the difference between the two sides at about \$6 billion.

Specifically, the Governor has recently endorsed a 1 cent sales tax increase, which would raise about \$5 billion. Democrats would prefer an income tax increase for those in the upper-income brackets, while the Republicans have conceded to consider closing some tax loopholes, but have largely insisted on greater, but unspecified, cuts in the budget.

At least to this point, any discussions of borrowing from Proposition 1A property taxes have been nixed by leadership.

Senate President Pro Tem Don Perata (D-Oakland) ordered the Senate to remain in Sacramento throughout August, which meant that most of the Democratic Senators will miss the Democratic Convention in Denver. While the Assembly Speaker Karen Bass (D-Los Angeles) did not issue the same edict, it is expected that very few Assemblymembers will be able to attend the Convention as well. How long the stalemate will continue is anyone's guess, but few high level discussions are occurring and progress is not being made.

Despite Governor Schwarzenegger's executive order to lower many government salaries to the federal minimum wage level in order to preserve cash reserves, State Controller John Chiang has refused to process the order, stating that it would take up to six months to augment the state's antiquated payment system to accommodate the pay scale change. The issue is currently before a state court for resolution. While estimates vary, most experts expect the state to run out of cash by late September, requiring the state to borrow at higher rates in order to continue to pay bills.

Further complicating matters is the fact that the deadline for submitting an initiative for the November ballot has most likely passed. Republicans leaders and the Governor have been insisting on a spending cap or "rainy day" fund, which likely will require a constitutional amendment approved by voters, as part of any budget deal. While it remains possible that the Secretary of State, Debra Bowen, could still approve a ballot measure despite the deadline, the prospect dims with every passing day.

The latest the state has ever approved a budget was in 2002, when Governor Davis signed the budget on September 5th. Most expectations are that the 2008-09 budget will break this record.

LEGISLATIVE UPDATE

The deadline for the Legislature to submit bills to the Governor for approval is on August 31, 2008. As a result, both houses have been working feverishly to complete their business by this date. On energy matters, the majority of discussions swirled around two pieces of legislation:

The first bill of note was SB 1714, which would expand the feed-in tariffs established by AB 1969 (Yee-2006), as well as free up funds from the California Solar Initiative (CSI) and Self-Generation Incentive Program (SGIP) for customers who participate in feed-in tariffs. Currently, co-participation has been prohibited by the Commission.

Unfortunately, the compromise forged at the end of the legislative session was unable to maneuver through the process, and it was placed on the inactive file. The legislation can be re-introduced again next year, and the possibility exists to pursue this goal at the CPUC in conjunction with the utilities in lieu of legislative fiat.

CA SB 1714	AUTHOR:	Negrete McLeod [D]
	TITLE:	Renewable Electric Generation Facilities
	LAST AMEND:	08/21/2008
	DISPOSITION:	Pending
	LOCATION:	Senate Unfinished Business
	SUMMARY:	Requires electrical corporations to file a standard tariff for electricity purchased from an electric generation facility. Requires a local publicly owned electric utility that sells electricity at retail, to adopt a tariff, meeting certain size, deliverability and interconnection requirements. Requires the utility to make the tariff available to customers that own and operate an electric generation facility. Relates to the self-generation incentive program and the State Solar Initiative.

The second bill emerged very late in session, and was inserted into a bill as a “gut and amend” on the very last day amendments could be considered. It was a result of negotiations between The Utility Reform Network (TURN) and the utilities regarding direct access availability as well as the 7-year old freeze on certain residential electricity rates that both stem from the energy crisis of 2000-01. A proverbial “Christmas-tree” piece of legislation, it was decorated with numerous other provisions affecting a variety of energy issues, including natural gas surcharges. A number of groups, including industrial, commercial and agricultural customers immediately opposed the measure as it had not yet been vetted by the policy committees and contained numerous far-reaching changes to current energy law. Nevertheless, as of August 28th it remains in placy, and is co-authored by both chairs of the Senate and Assembly energy policy committees.

CA SB 1536	AUTHOR:	Kehoe [D]
	TITLE:	Energy Rates
	LAST AMEND:	08/22/2008
	DISPOSITION:	Pending
	LOCATION:	Assembly Third Reading File
	SUMMARY:	



CHINO BASIN WATERMASTER

IV. INFORMATION

1. Chino Basin Recycled Water Groundwater Recharge Program Quarterly Monitoring Report for April through June 2008



Relates to the regulation of electrical corporation dynamic pricing for residential customers by the Public Utilities Commission. Relates to customer options with regard to dynamic pricing. Requires the commission to establish a CARE program to assistance to low-income electric and gas customers. Requires certain targeting by electrical corporations for energy efficiency and weatherization programs. Relates to electricity charges for baseline quantities for residential customers.

Other Legislation:

- CA SB 380 **AUTHOR:** Kehoe [D]
 TITLE: Renewable Energy Resources
 LAST AMEND: 08/12/2008
 DISPOSITION: To Governor
 LOCATION: To enrollment
 SUMMARY:
 Requires every electrical corporation to file with the Public Utilities Commission a standard tariff for electricity generated by an electric generation facility with a specified capacity that is located on property owned or under the control of a customer that meets specified requirements. Requires the electrical corporation to make this tariff available to those customers, until a statewide cumulative rated generating capacity from those facilities equals a specified amount of megawatts. **This bill essentially codifies the two programs created under AB 1969, and the only material effect is expanding the non-water and wastewater part of the feed-in tariffs to San Diego Gas & Electric.**
- CA SB 411 **AUTHOR:** Simitian [D]
 TITLE: Energy: Renewable Energy Resources
 LAST AMEND: 07/17/2007
 DISPOSITION: Pending
 LOCATION: Assembly Appropriations Committee
 SUMMARY:
 Requires a retail seller of electricity to increase its total procurement of eligible energy renewable resources so that at least 33% of its retail sales are procured from eligible renewable energy resources no later than specified date.
- CA AB 2180 **AUTHOR:** Lieu [D]
 TITLE: Solar Energy
 LAST AMEND: 07/10/2008
 DISPOSITION: To Governor
 LOCATION: Enrolled
 SUMMARY:
 Requires that an approval or denial of an application for installation of solar energy equipment on real property be in writing. Provides that an application shall be deemed approved unless it has been denied in writing within 60 days from the date of receipt of the application, unless the delay is the result of a reasonable request of additional information. Provides these provisions apply only to an approving entity that is a homeowners' association and that is not a public entity.

CA AB 2404 **AUTHOR:** Salas [D]
 TITLE: Energy Efficiency: Water Efficiency Programs
 LAST AMEND: 05/23/2008
 DISPOSITION: Enacted
 LOCATION: Chaptered
 SUMMARY:
 Provides a date by which the Public Utilities Commission must report to the Legislature on the results of pilot programs wherein electrical and gas corporations develop partnerships with water agencies to undertake water conservation programs for the purpose of understanding the relationship between water savings and energy use reduction.

CA AB 2466 **AUTHOR:** Laird [D]
 TITLE: Local Government Renewable Energy Self Generation
 LAST AMEND: 08/12/2008
 DISPOSITION: To Governor
 LOCATION: Enrolled
 SUMMARY:
 Authorizes a local government to receive a bill credit to a designated benefiting account for electricity exported to the electrical grid by an eligible renewable generating facility. Requires the Public Utilities Commission to adopt a rate tariff for the benefiting account.



Date: September 17, 2008

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (09/10/08)

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.

Calendar of Events

September 2008

- **September 06**, Fontana & Rancho Cucamonga Day at the LA Fair
- **September 10**, Chino, Montclair, Ontario & Upland at the LA Fair
- **September 15**, Water Softener Rebate campaign kick-off.
- **September 19**, Chino Hills Day at the LA Fair
- **September 20**, Upland Family Fun Day, Memorial Park from noon to 4:00 p.m.

October 2008

- **October 1**, South Coast Air Quality Management District 20th Annual Clean Air Awards Luncheon, Millennium Biltmore Hotel, 11:30 a.m.
- **October 18**, Chino Creek Clean-up (sponsored by IEUA and Inland Empire Resource Conservation District) 8:00 a.m. to noon.
- **October 22**, Leadership Breakfast, Event Room, 7:30 a.m.
- **October 25**, Regional Water Fair at Chino Basin Water Conservation District, 9:30 a.m. to 2:00 p.m.

January 2009

- **January 23 – 25**, MWD/IEUA State Water Project Trip

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

The 5 tips on ways to help conserve water ad will appear in the Daily Bulletin on the first Sunday of each month. The Recycled Water Safety Section appeared in the Daily Bulletin on Thursday, August 28. The LA Fair ad on recycled water will appear in the paper on Friday, September 5.

WATER CONSERVATION OUTREACH

None.

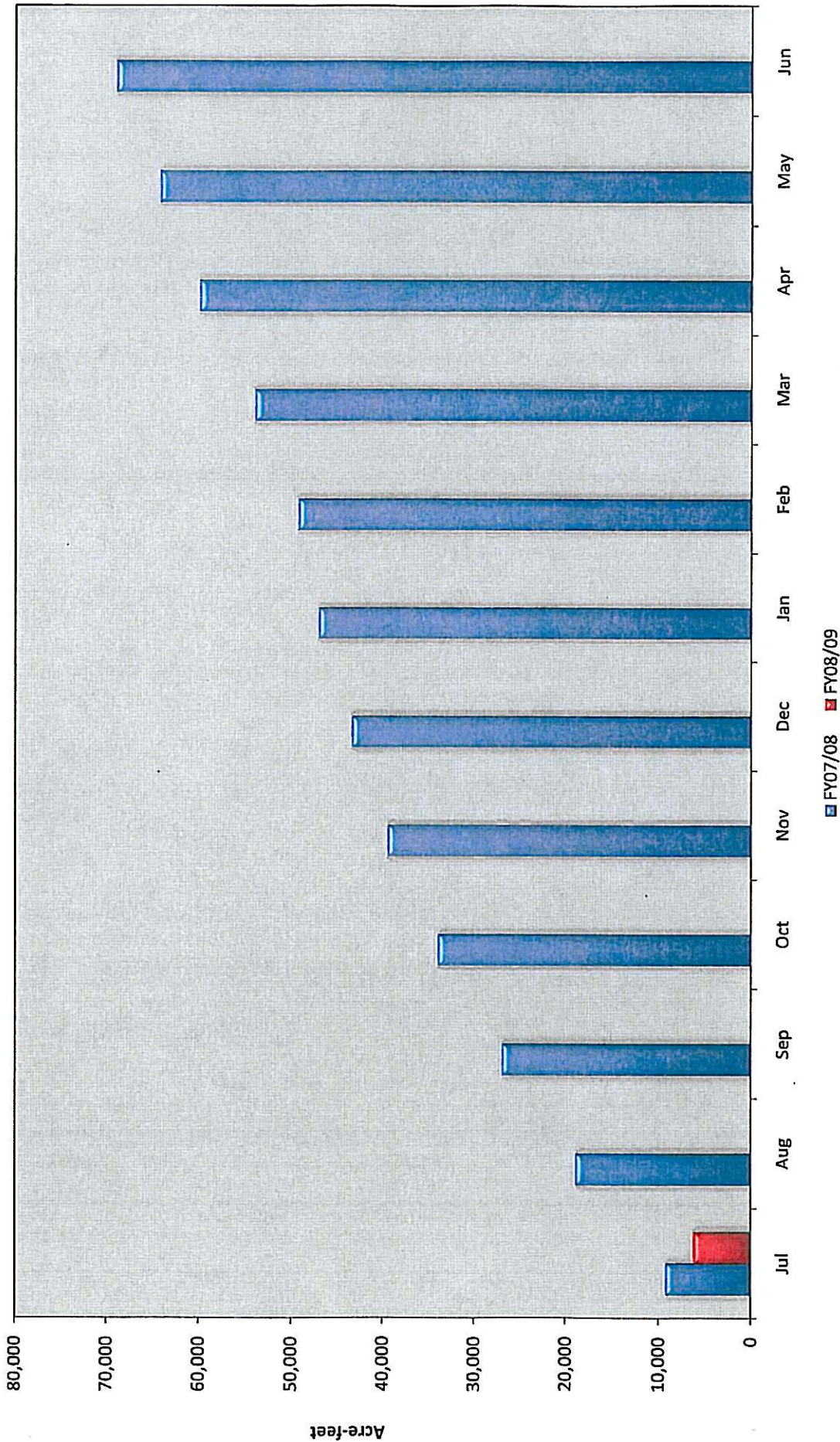
PRIOR BOARD ACTION

None.

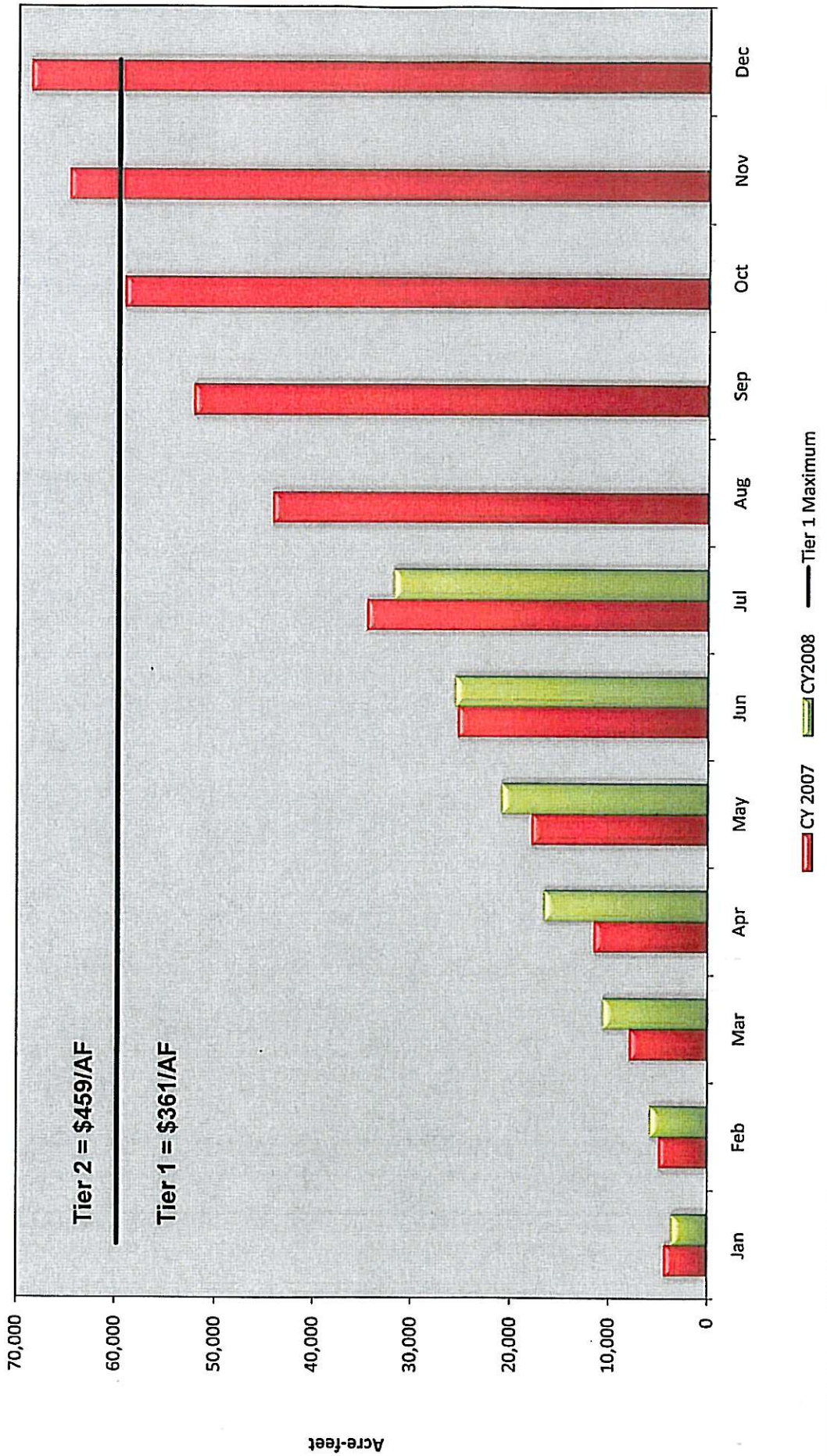
IMPACT ON BUDGET

None.

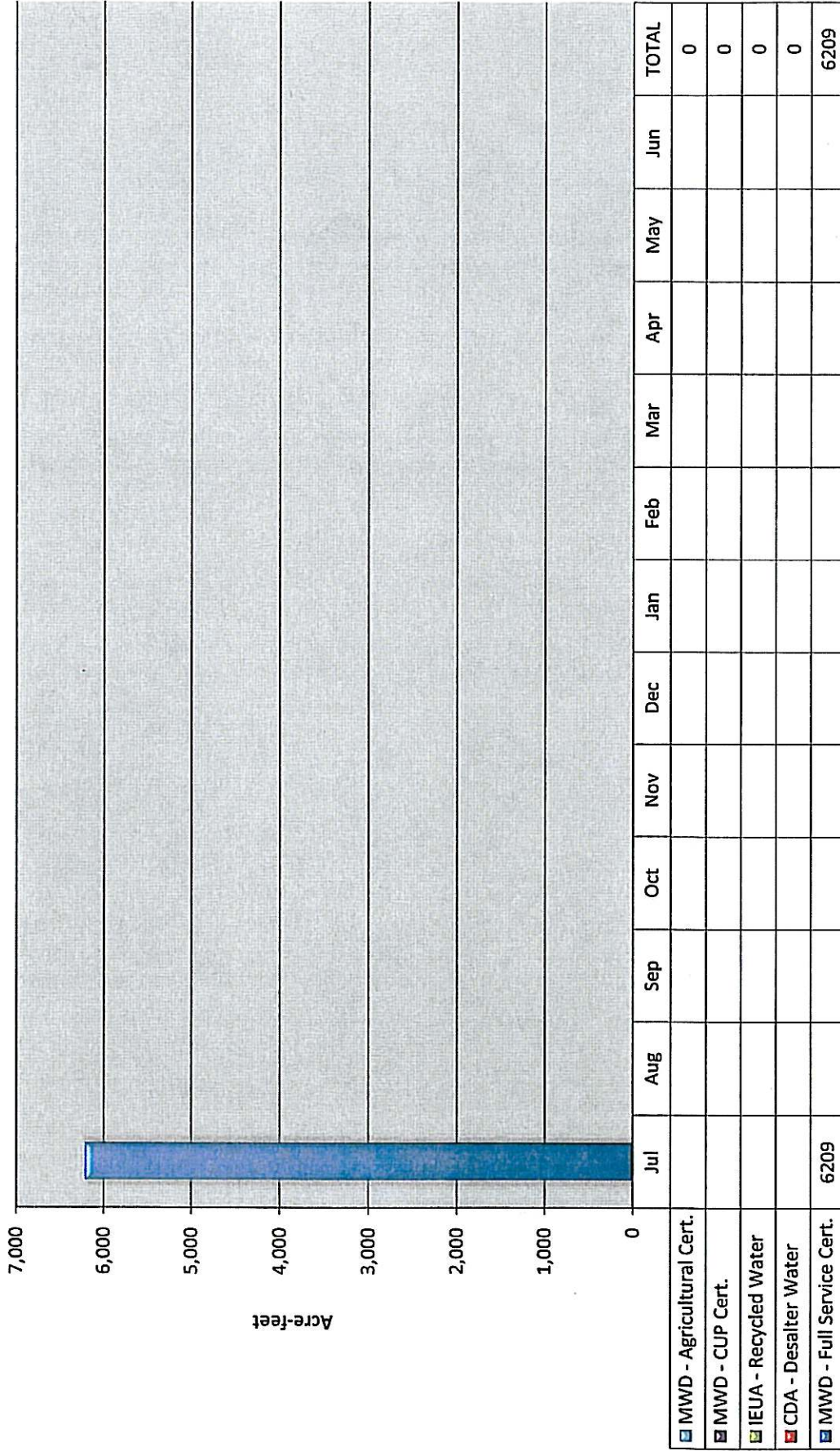
**Cumulative Monthly Full Service Imported Water Deliveries
 Within IEUA's Service Area
 FY 07-08 and FY 08-09**



IEUA
Cumulative Monthly Full Service Imported Water Deliveries
Calendar Year 2007 and Calendar Year 2008

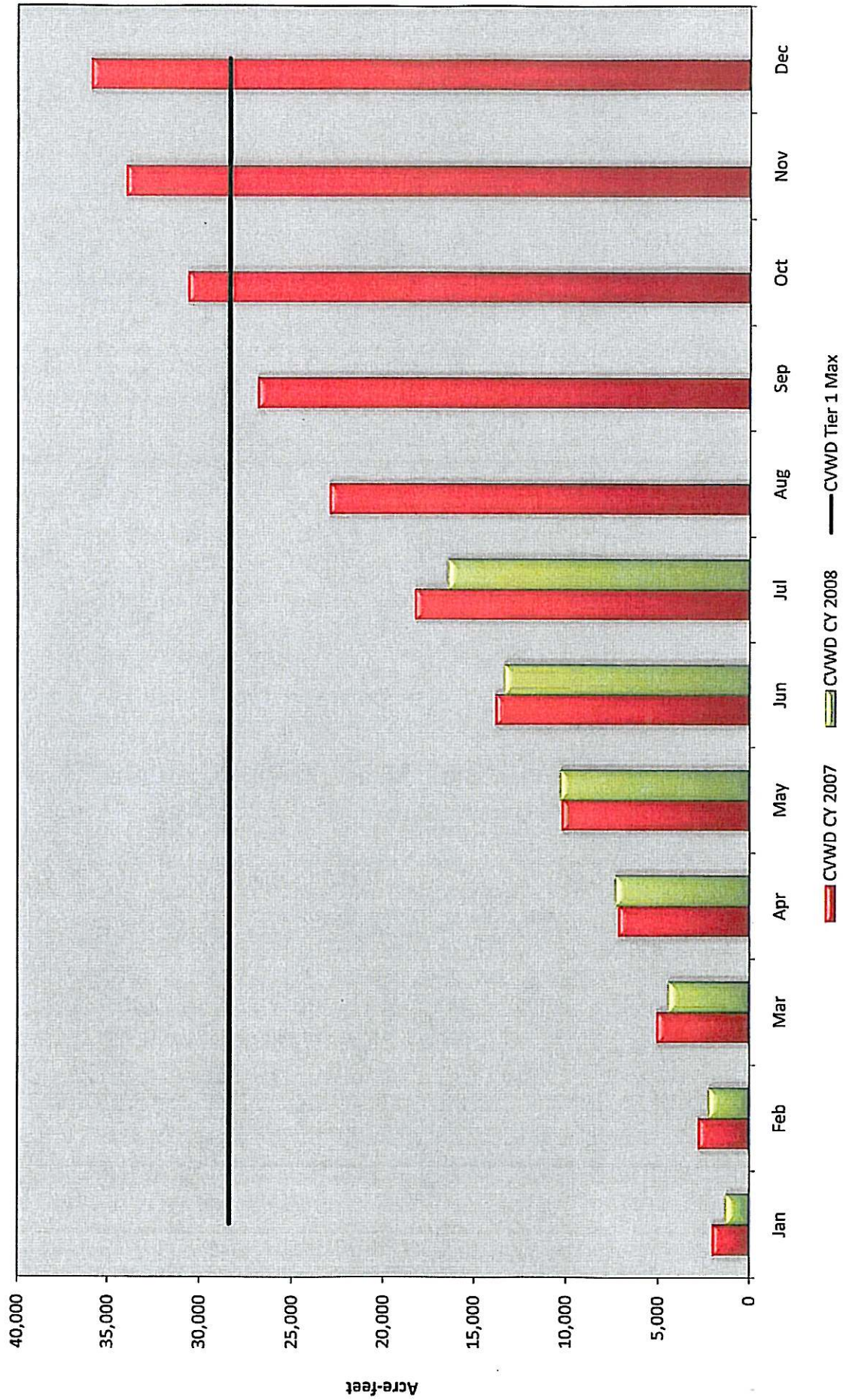


FY 08/09 Monthly Water Production From Within IEUA's Service Area Imported, Desalter, and Recycled Sources



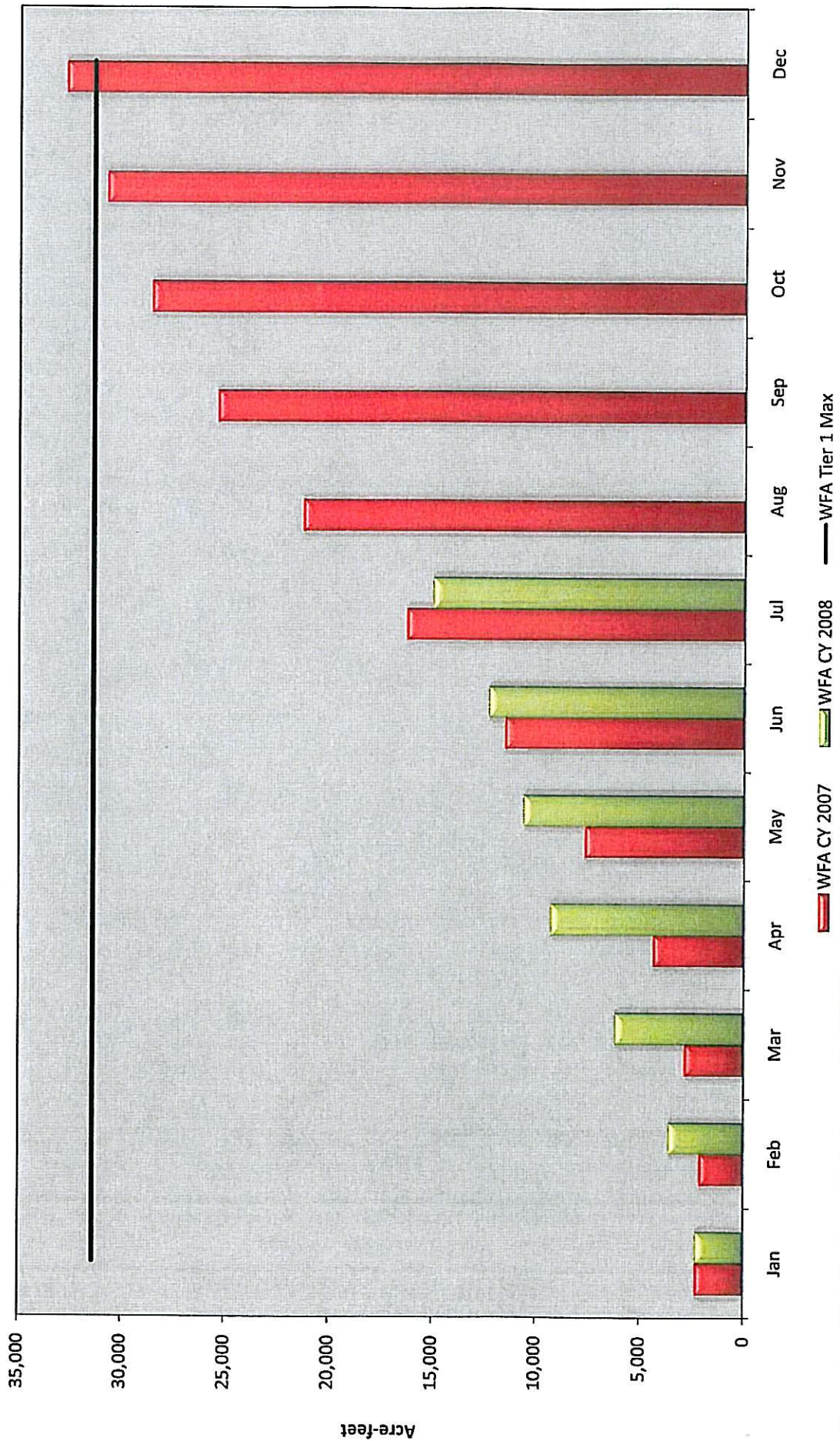
CUCAMONGA VALLEY WATER DISTRICT

Cumulative Monthly Full Service Imported Water Deliveries Calendar Year 2008



WATER FACILITIES AUTHORITY

Cumulative Monthly Full Service Imported Water Deliveries Calendar Year 2008



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Patrick O. Sheilds
Executive Manager of Operations

Kenneth R. Manning
CEO

August 13, 2008

Regional Water Quality Control Board, Santa Ana Region
Attention: Mr. Gerard Thibeault
3737 Main Street, Suite 500
Riverside, California 92501-3348

**Subject: Chino Basin Recycled Water Groundwater Recharge Program
Quarterly Monitoring Report for April through June 2008**

Dear Mr. Thibeault,

The Inland Empire Utilities Agency (IEUA) and the Chino Basin Watermaster (Watermaster) hereby submit the *Quarterly Monitoring Report* for the second quarter of 2008 (2Q08), April 1 through June 30, 2008, for the *Recycled Water Groundwater Recharge Program*. This document is submitted pursuant to requirements in Order No. R8-2007-0039. All required monitoring and reporting for the quarter are presented in the attached report.

During 2Q08, the Groundwater Recharge Program was in compliance with all monitoring and reporting requirements as specified in the Order, with the exception of Odor. Odor does not have a primary maximum contaminant level (MCL); instead it has a secondary MCL, which is a non-enforceable guideline regulating constituents that may cause cosmetic or aesthetic effects in drinking water. Odor is discussed in further detail in the report text.

Furthermore, the Chino Basin Watermaster hereby certifies that, during the period of April 1 through June 30, 2008, there was no reported pumping for drinking water purposes in the buffer zones extending 500 feet laterally and 6 months underground travel time of the recharge sites using recycled water, namely Banana, Hickory, Turner, 7th & 8th Street, and Ely Basins. In point of fact, there are no production wells in the buffer zones of the aforementioned recharge sites.

DECLARATION

I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments thereto; and that, based on my inquiry of the individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

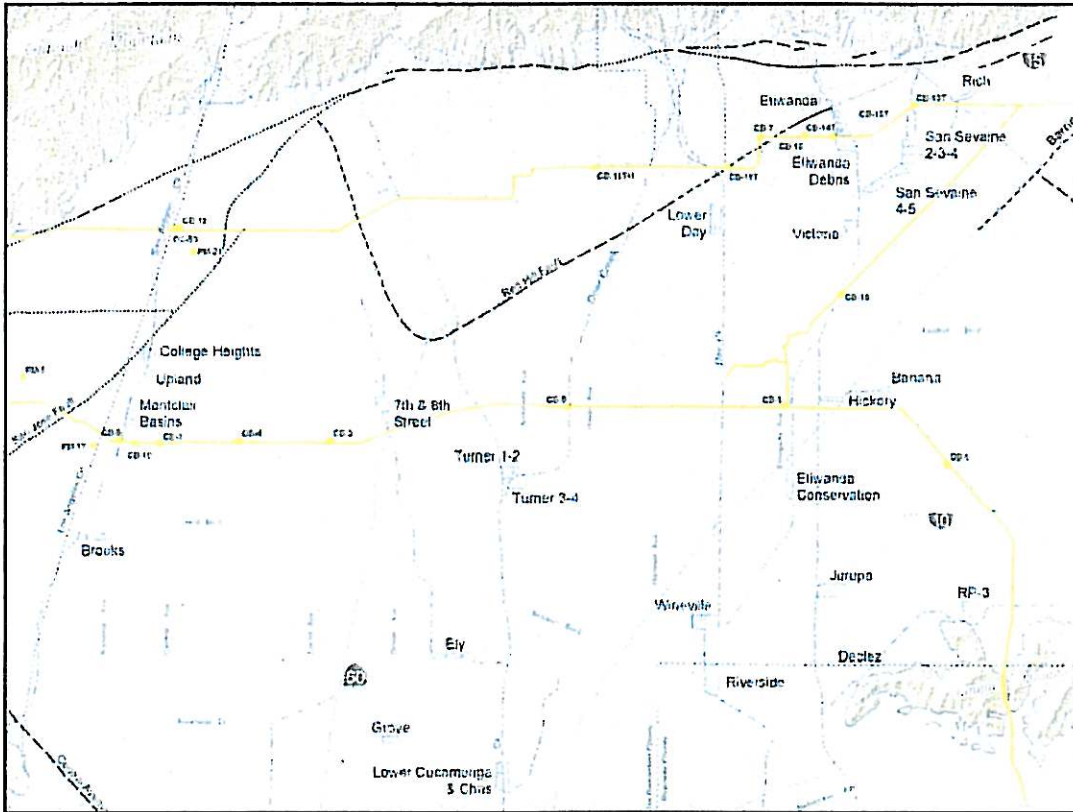
Executed on the 13th day of August 2008 in the Cities of Chino and Rancho Cucamonga.

Patrick O. Sheilds
Executive Manager of Operations

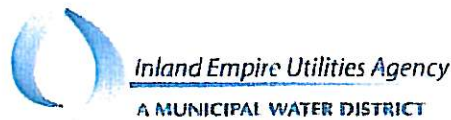
Kenneth R. Manning
Chief Executive Officer

Chino Basin Recycled Water Groundwater Recharge Program

Quarterly Monitoring Report April 1 through June 30, 2008



Prepared by:



August 15, 2008

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1. Introduction

Inland Empire Utilities Agency (IEUA), Chino Basin Watermaster (Watermaster), Chino Basin Water Conservation District, and San Bernardino County Flood Control District are partners in the implementation of the Chino Basin Recycled Water Groundwater Recharge Program. This is a comprehensive water supply program to enhance water supply reliability and improve the groundwater quality in local drinking water wells throughout the Chino Groundwater Basin by increasing the recharge of stormwater, imported water and recycled water. This program is an integral part of Watermaster's Optimum Basin Management Plan (OBMP).

A. Order No. R8-2007-0039

On June 29, 2007, the Santa Ana Regional Water Quality Control Board (Regional Board) adopted Order No. R8-2007-0039 which prescribes the requirements for recycled water use for groundwater recharge in six Phase I recharge sites and seven Phase II recharge sites within the Chino North Management Zone. Ely Basin is incorporated into the new Order as one of the seven Phase II recharge sites although recycled water groundwater recharge activities began at this site in 1997. As a provision of this Order, IEUA and Watermaster must also comply with Monitoring and Reporting Program No. R8-2007-0039 (M&RP).

The M&RP includes the water quality monitoring requirements of the Chino Basin Recycled Water Groundwater Recharge Program and the requirement for the submittal of quarterly and annual reports. This document is the quarterly report for the Second Quarter of 2008 (2Q08), which is due to the Regional Board by August 15, 2008.

The quarterly report includes the following elements as prescribed in the M&RP:

- Monitoring results for recycled water (including lysimeter monitoring), diluent water, and groundwater.
- Recycled water and diluent water volumes recharged at each basin.
- Reporting of any non-compliance events due to water quality, including records of any operational problems, plant upset and equipment breakdowns or malfunctions, and any diversion(s) of off-specification recycled water and the location(s) of final disposal. All corrective or preventive action(s) taken.
- Certification that no groundwater has been pumped from the zone that extends 500 feet and 6-months underground travel time from the recharge basin(s) where recycled water is applied for domestic water supply use.

As approved by the Regional Board in April 2007, the Monte Vista Water District (MVWD) entered into an agreement with Watermaster and IEUA to begin reporting its Aquifer Storage & Recovery (ASR) Project injection/recovery volumes and TIN/TDS data under the then existing Phase I Groundwater Recharge Order No. R8-2005-0033 and future permit updates, such as the current Order No. R8-2007-0039.

B. Outline of the Quarterly Report

Section 2 of this quarterly report discusses the water quality monitoring results for recycled water (water recycling plant effluent, basin surface water, and lysimeter data), diluent water, and groundwater. Section 3 provides an overview of recharge operations including the volume of diluent water and recycled water recharged. Section 4 describes any operational problems and preventive and/or corrective actions taken. Section 5 contains the certification of non-pumping in the 500-foot

buffer zones around each basin. Section 6 is an overview of the Monte Vista Water District (MVWD) Aquifer Storage and Recovery (ASR) project, including injection volumes and TIN/TDS mass balance. Finally, Section 7 includes WateReuse Foundation (WRF) research study sampling results for San Antonio Water Company Well No. 12 and 8th Street Basin monitoring wells.

2. Monitoring Results

A. Recycled Water: RP-1 and RP-4

The requirements for recycled water monitoring are presented in the M&RP. Tables 2-1 through 2-4 include all of the requisite 2Q08 data.

Recycled Water Specifications A.5 through A.9 are narrative limits in the permit and corresponding monitoring data are presented in Tables 2-1 through 2-2. None of these limits were exceeded in 2Q08.

In the Order, compliance for constituents with maximum contaminant levels (MCLs) and secondary MCLs are based on 4-quarter running averages. These constituents are listed in Recycled Water Specifications A.1 through A.3 (Tables I, II, and III in the Order). The 4-quarter running average concentration data for 3Q07 through 2Q08 are summarized in Table 2-3 of this report. The table includes the 4-quarter running average for each parameter and the corresponding limits for compliance. Of the Recycled Water Quality Specifications with limitations, only Oil & Grease does not require the 4-quarter running averages for compliance determination. Maximum contaminant levels for inorganic chemicals, organic chemicals, radionuclides, and disinfection byproducts; and action levels for lead and copper; and secondary MCLs were not exceeded during 2Q08, with the exception of threshold odor.

Due to the volume of sample required for analyses, IEUA has selected a recycled water sampling point along the distribution pipeline. IEUA selected the turnout to Reliant Energy (an IEUA recycled water customer) to be representative of the system blend of recycled water used for recharge. Although this sampling location is suitable for most constituents, it is not appropriate for disinfection byproducts (DBP), more specifically, Trihalomethanes (TTHMs) and Total Haloacetic Acids (HAA5). For TTHMs and HAA5, samples collected at the basin are more consistent and representative of the recycled water prior to reaching the groundwater table. Compliance is selected at a point prior to the groundwater table and has in previous quarters been selected at a lysimeter actively receiving recycled water recharge during the defined sampling time. For the 2Q08 sampling for DBPs, IEUA chose the 25-foot below ground surface lysimeter at Hickory Basin East Cell as the compliance point, in accordance with Recycled Water Quality Specification A.2. This basin did receive recycled water during 2Q08.

During 2Q08, the threshold odor secondary MCL of 3 Units was exceeded by a 4-quarter running average value of 6 Units. As a comparison for odor values, diluent water sampling for 2Q08 indicated that all three diluent waters resulted in threshold odor values ranging from 3 to 67 Units.

Oil & Grease has a narrative limit in Recycled Water Specification A.15 of 1 mg/L. The method detection limit for Oil & Grease is 2 mg/L; the resultant value for the 2Q08 sample was "non-detect" or less than 2 mg/L. In this case only, the method detection limit is greater than the narrative limit, therefore it is not possible to verify that the narrative limit was not exceeded. Oil & Grease does not have a promulgated primary or secondary MCL. In 3Q08, the IEUA laboratory will run an MDL study to determine if the lab can attain a method detection limit of 1 mg/L. If the IEUA lab is unable to lower the MDL successfully, the sample will be sent to an outside laboratory for analysis during 3Q08.

For constituents with no specified limits, quarterly monitoring data are summarized in Table 2-4.

B. Recycled Water: Basin and Lysimeter Samples

Total organic carbon (TOC) and nitrogen species sampling and analysis are performed weekly during periods when recycled water is delivered to recharge sites. Electrical conductivity is also measured and reported to assist in identifying the presence of recycled water at various depths in the vadose zone. The basin and lysimeter water quality results are summarized in Table 2-5. The table includes lysimeter data for 7th & 8th Street, Ely, Banana and Hickory Basins.

Compliance monitoring points have not yet been established for the 7th & 8th Street Basins; therefore all lysimeter sampling data collected during 2Q08 are presented in this report for this recharge site. In the quarterly reports following the completion of these sites' Start-Up Period Reports, quarterly monitoring and reporting will be limited to compliance monitoring sampling points selected based on the Start-Up Period data evaluation.

After a basin start-up period is complete, TOC compliance is determined from the maximum average RWC indicated by the 20-sample running average TOC. ($TOC_{avg} = 0.5 \text{ mg/L} \div RWC_{avg}$). The total nitrogen compliance limit is 5 mg/L.

C. Diluent Water

For 2Q08, diluent water sampling was conducted at the Turner and 8th Street Basins. State Water Project water was not delivered to any basins during the monitoring period. Table 2-6 lists the results of diluent water sampling and analyses. Details on the methods used to measure daily diluent water flow can be found in the CDPH-approved "Diluent Water Monitoring Plan."

D. Groundwater Monitoring Wells

During 2Q08, groundwater quality within the vicinity of Banana and Hickory Basins was monitored by sampling a network of six wells. The groundwater quality within the vicinity of the Turner Basins is monitored by sampling a network of five wells. The groundwater quality within the vicinity of the 7th & 8th Street Basins are monitored by sampling a network of five wells. The groundwater quality within the vicinity of the Ely Basin is monitored by sampling a network of three wells. The wells in the monitoring well networks for Hickory and Banana Basins, Turner Basin, 7th & 8th Street Basins, and Ely Basins are summarized in Table 2-7, and presented on Figures 2-1 through 2-4, respectively.

The groundwater constituents analyzed from the monitoring wells during 2Q08 are presented in Table 2-8.

3. Recharge Operations

IEUA's Groundwater Recharge Coordinator recorded the daily volumes of water routed to all basins. The 7th & 8th Street, Ely, Hickory and Banana Basins were the only recharge basins to receive recycled water this quarter. No imported water was delivered to any of the aforementioned recharge basins during 2Q08. Table 3-1 lists the volumes of diluent water, recycled water, and/or local runoff captured during 2Q08 at the basins that have initiated recharge using recycled water.

4. Operational Problems & Preventive or Corrective Actions

No operational problems were encountered this quarter, therefore no corrective actions were necessary for the following: Regional Plants RP-1 & RP-4, recharge operations, and monitoring well sampling.

During lysimeter sampling at Ely basin, the compliance lysimeter (15-foot depth) would not hold a negative pressure and could not be sampled. Rather than not collecting a sample, IEUA sampled the

10-and 25-foot depth lysimeters. These data are reported in Table 2-5. IEUA will continue to sample these two depths during recycled water recharge until an alternative monitoring plan is developed.

5. Certification of Non-Pumping in the Buffer Zones

Watermaster has certified that there was no reported pumping of groundwater in 2Q08 for domestic or municipal use from the zones that extend 500 feet and 6 months underground travel time from the Hickory, Banana, Turner 7th & 8th Street, and Ely Basins. In fact, there are no production wells within the buffer zones of these aforementioned recharge sites. In the cover letter of this report, Watermaster certifies non-pumping in the buffer zones.

IEUA continues to work with the San Bernardino County Department of Environmental Health Services (SBCDEHS) to prevent the drilling and construction of new drinking water wells within the buffer zones. SBCDEHS has initiated control over production well permitting within the buffer zones of all recharge sites through the use of buffer zone maps that utilize the same land coordinate system (Township/Range/Section/40-acre Parcel) that is used in the permitting process. SBCDEHS reviews new well permit applications in part by checking the proposed location of a new drinking water well against a list of 40-acre parcels that abut recharge basins and their 500-foot buffers. IEUA has provided SBCDEHS with a list of parcels abutting each recharge basin and a series of maps showing the recharge basins, buffers, and township/range/section parcels adjacent the basins and buffers.

If a well falls within an abutting parcel, SBCDEHS will review the proposed well location using maps of the basins and buffers. If the well falls too near the buffer boundary for SBCDEHS to determine the relationship of the proposed well location to the buffer boundary, SBCDEHS will defer to IEUA for a prompt field review of the proposed well location. The field review may include contacting and having the well applicant to identify the exact location of the proposed well casing. To conduct a detailed field review, SBCDEHS will contact and provide IEUA Groundwater Recharge Coordinator with a copy of the well permit application and a timeline for the completion of IEUA's review. Following the review, IEUA will notify SBCDEHS of its findings in writing. IEUA will also notify the California Department of Public Health and the Regional Board of well permit applications that it recommends be declined due to well locations that are determined to fall within a 500-foot buffer. SBCDEHS has initiated control over production well permitting within the buffer zones of all Phase I and Phase II basins through the use of buffer zone maps that utilize the same land coordinate system (Township/Range/Section) that is used in the permitting process.

6. MVWD ASR Project

The Regional Board has allowed the Monte Vista Water District (MVWD) Aquifer Storage and Recovery (ASR) project to be included under IEUA/CBWM Phase I Groundwater Recharge Order No. R8-2005-0033 and subsequent permit updates. In April 2007, MVWD, Watermaster, and IEUA entered into an agreement to report the MVWD ASR project groundwater injection/recovery volumes and TIN/TDS mass balance in the recharge program quarterly reports. The Regional Board has been apprised of this agreement and that IEUA will be reporting MVWD ASR project data on a quarterly basis. Initial injection began in June 2007. Table 6-1 summarizes the monthly volumes and TIN/TDS of injected and recovered water. The table also includes the mass balance of TIN/TDS from the injection-recovery cycles. During 2Q08, groundwater injection took place only during the month of April.

7. WaterReuse Study

IEUA is participating in WaterReuse Foundation research study WR-06-018, which includes periodic testing of San Antonio Water Company (SAWCO) Well No. 12, 8th Street Basin 1/1, and 8th Street

Basin 2/1. The purge water from the well sampling is delivered to the 8th Street Recharge Basin. The Regional Board has allowed the test discharges to be covered under IEUA's Groundwater Recharge permit (Order No. R8-2007-0039) rather than the General De Minimus Discharge permit (NPDES No. CAG998001, Order No. R8-2006-0004). Therefore, the well discharge will not be sampled for constituents beyond those identified in the WRF study, and the discharge quantities will be reported in the groundwater recharge quarterly reports.

During 2Q08, Well No. 12 was sampled on April 15, 2008 and June 18, 2008 discharging approximately 12,000 gallons and 10,000 gallons, respectively; 8th Street Basin 1/1 was micropurged and sampled on April 16, 2008 and discharged less than 10 gallons; and 8th Street Basin 2/1 was micropurged and sampled on April 17 & 23, 2008 and discharged less than 10 gallons. Laboratory results for the four sampling/discharge events are included in Table 7-1.

Figure 2-1a
Recycled Water Monitoring: RP-1 & RP-4 Effluent Water Quality for April 2008
(Recycled Water Quality Specifications A.5, A.7, A.8, & A.9)

Unit Limits	RP-1 Effluent													RP-4 Effluent												
	Turbidity NTU 2:5:10	TOC mg/L 16	NO ₃ -N mg/L	TN mg/L	TIN mg/L	pH unit 6<pH<9	EC µmho/cm	TDS mg/L	Hardness mg/L	Coliform mpcf/100mL 2,2:23:240	Turbidity NTU 2:5:10	TOC mg/L 16	NO ₃ -N mg/L	TN mg/L	TIN mg/L	pH unit 6<pH<9	EC µmho/cm	TDS mg/L	Hardness mg/L	Coliform mpcf/100mL 2,2:23:240						
04/01/08	0.8	6.2	5.9	6.5	5.9	7.0	805	490	149	2	0.5	4.7	3.3	3.7	3.3	6.9	790	458	146	<2						
04/02/08	0.8	5.9	6.7	6.7	7.0	7.0	865			2	0.5	4.5	4.4	4.4	4.4	6.9	800			<2						
04/03/08	0.8	5.9	6.7	6.7	7.0	7.0	860			2	0.4	4.2	5.4	5.5	5.5	6.7	790			<2						
04/04/08	0.8	5.8				7.0	870			<2	0.4	4.0	6.6	6.6	6.7	800				<2						
04/05/08	0.8	5.7				7.0	865			<2	0.4	4.1	6.3	6.3	6.7	820				<2						
04/06/08	0.8	5.9	6.0	6.0	6.0	7.0	865			<2	0.3	4.0	6.0	6.0	6.7	820				<2						
04/07/08	0.8	6.1				7.0	845			2	0.5	4.1	4.7	4.7	6.8	825				<2						
04/08/08	0.8	5.9	6.5	7.0	6.5	7.0	860	524		<2	0.7	4.2	5.2	5.4	5.2	6.8	840	482		<2						
04/09/08	0.7	5.8				6.9	825			<2	0.6	4.3	5.3	5.3	5.3	6.8	840			<2						
04/10/08	0.6	6.1	5.5	5.5	6.9	840				<2	0.5	4.2	5.6	5.6	6.7	840				<2						
04/11/08	0.6	5.8				7.0	855			<2	0.6	4.1	6.1	6.2	6.8	835				<2						
04/12/08	0.7	5.9				7.0	850			4	0.3	4.0	6.0	6.1	6.8	840				<2						
04/13/08	0.7	6.4	4.7	4.7	7.0	850				<2	0.3	3.9	5.9	6.0	6.8	820				<2						
04/14/08	0.7	6.4				7.0	845			<2	0.5	4.2	5.0	5.0	5.8	830				<2						
04/15/08	1.7	6.8	5.2	5.9	5.2	7.7	860			<2	0.5	4.2	3.5	3.9	3.5	7.3	840	478		<2						
04/16/08	0.8	6.1				7.1	860	534		<2	0.7	4.2	3.1	3.1	6.9	830				<2						
04/17/08	0.8	6.8	7.8	7.8	6.9	855				<2	0.5	4.3	3.2	3.2	6.9	825				<2						
04/18/08	0.7	6.4				7.0	880			<2	0.7	4.2	3.4	3.4	7.2	820				<2						
04/19/08	0.8	6.6				7.0	885			50	0.6	4.2	3.9	3.9	7.0	830				<2						
04/20/08	0.8	6.7	6.7	6.7	7.0	860				<2	0.5	4.4	4.2	4.2	6.9	830				<2						
04/21/08	0.7	6.7				7.0	875			4	0.4	4.4	3.1	3.1	7.0	845				<2						
04/22/08	0.7	6.6	6.7	7.5	6.7	7.0	875	516		<2	0.4	4.2	3.5	3.7	3.5	6.9	830	464		<2						
04/23/08	0.6	6.5				7.0	870			<2	0.4	4.2	3.8	3.8	7.0	820				<2						
04/24/08	0.7	7.0	6.4	6.6	6.6	7.0	870			<2	0.4	4.2	3.7	3.8	7.0	810				<2						
04/25/08	0.6	6.2				7.0	860			<2	0.4	4.4	3.9	4.0	7.0	800				<2						
04/26/08	0.6	6.0				7.0	855			2	0.4	4.5	3.6	3.6	7.0	795				<2						
04/27/08	0.6	6.2	7.1	7.1	7.0	850				<2	0.4	4.5	1.4	1.5	7.0	805				<2						
04/28/08	0.6	6.1				7.0	855			<2	0.4	4.6	3.0	3.0	7.0	810				<2						
04/29/08	0.6	6.3	7.9	8.5	7.9	6.9	860	526		<2	0.4	4.5	5.2	5.8	5.2	7.0	815	466		<2						
04/30/08	0.8	6.6				7.0	865			<2	0.5	4.4	5.6	5.6	6.8	825				<2						
Avg	0.7	6.2	6.4	7.1	6.4	7.0	858	518	149	<4	0.5	4.3	4.5	4.5	4.5	6.9	821	470	146	<2						
Min	0.6	5.7	4.7	5.9	4.7	6.9	805	490	149	<2	0.3	3.9	1.4	3.7	1.5	6.7	790	458	146	<2						
Max	1.7	7.0	7.9	8.5	7.9	7.7	885	534	149	50	0.7	4.7	6.6	5.8	6.6	7.3	845	482	146	<2						

Note: Turbidity and coliform must meet water quality standards for disinfected tertiary treated recycled water, as specified in NPDES No. CA0105279, Order No. R8-2006-0010.
 TDS and TIN limits are based on a 12-month running average values which are presented in Table 2.2.
Bolded characters signify an exceedance of a permit limitation
 Blank cells indicate that analysis was not run for a constituent on that particular date. The data presented meets/exceeds the frequency of analysis specified under the discharge permit for these facilities.
 *TN compliance can be met at a point prior to the regional groundwater, including lysimeters.

Figure 2-1b
 Recycled Water Monitoring: RP-1 & RP-4 Effluent Water Quality for May 2008
 (Recycled Water Quality Specifications A.5, A.7, A.8, & A.9)

Unit Limits	RP-1 Effluent											RP-4 Effluent										
	Turbidity NTU 2.5:10	TOC mg/L 16	NO ₃ -N mg/L	TN mg/L	TIN mg/L	pH unit 6<pH<9	EC µmho/cm	TDS mg/L	Hardness mg/L	Coliform mpm/100mL 2.2:23:240		Turbidity NTU 2.5:10	TOC mg/L 16	NO ₃ -N mg/L	TN mg/L	TIN mg/L	pH unit 6<pH<9	EC µmho/cm	TDS mg/L	Hardness mg/L	Coliform mpm/100mL 2.2:23:240	
05/01/08	0.8	6.6	8.5	8.5	7.0	885					0.5	4.5	6.1	6.1	6.1	7.0	830				<2	
05/02/08	0.8	6.2	6.9	800							0.5	4.3	6.5	6.5	6.5	6.9	820				<2	
05/03/08	1.2	6.1	6.9	795							0.4	4.4	6.2	6.2	6.2	7.0	815				<2	
05/04/08	1.1	6.4	5.8	785							0.4	4.7	4.7	4.7	4.7	7.1	815				<2	
05/05/08	1.2	6.4	7.0	790							0.4	4.9	4.8	4.8	4.8	7.1	820				<2	
05/06/08	1.2	6.4	7.1	7.9	7.1	7.0	780	480	155		0.4	4.9	5.5	6.1	5.5	7.1	825	474	140		<2	
05/07/08	1.1	6.0	7.0	780							0.5	4.9	4.7	4.7	4.7	7.1	850				<2	
05/08/08	1.2	6.3	7.1	7.0	7.0	780					0.4	4.8	4.7	4.7	4.7	7.0	840				<2	
05/09/08	1.3	6.5	7.0	790							0.4	4.7	6.2	6.2	6.2	7.0	830				<2	
05/10/08	1.2	6.6	7.0	795							0.4	4.6	6.5	6.5	6.5	7.0	825				<2	
05/11/08	1.2	7.1	7.0	775							0.4	4.8	5.7	5.7	5.7	7.0	825				<2	
05/12/08	1.3	8.5	7.0	795							0.4	4.9	5.1	5.1	5.1	7.0	825				<2	
05/13/08	1.2	8.4	9.0	7.0	785	498					0.5	4.8	5.8	6.6	5.8	7.0	835	486			<2	
05/14/08	1.2	8.3	7.2	765							0.6	4.8	6.1	6.1	6.1	7.0	830				<2	
05/15/08	1.1	8.0	7.7	800							0.7	4.8	6.2	6.2	6.2	7.0	830				<2	
05/16/08	1.2	7.8	7.0	770							0.7	4.9	6.4	6.4	6.4	7.0	830				<2	
05/17/08	1.2	7.7	7.0	780							0.8	5.0	5.7	5.7	5.7	7.0	825				<2	
05/18/08	1.2	8.0	7.6	755							0.8	5.2	5.5	5.5	5.5	7.0	830				<2	
05/19/08	1.2	8.4	7.0	770							0.8	5.4	5.0	5.0	5.0	7.0	930				<2	
05/20/08	1.2	6.1	7.7	8.9	7.7	7.0	785	502			0.8	5.2	5.4	5.7	5.4	7.0	850	490			<2	
05/21/08	1.2	7.8	7.0	780							0.4	5.1	6.2	6.2	6.2	7.0	850				<2	
05/22/08	1.2	8.0	8.0	7.0	760						0.7	5.1	7.0	7.0	7.0	7.0	835				<2	
05/23/08	1.0	7.7	7.0	750							0.7	5.2	7.1	7.1	7.1	7.0	840				<2	
05/24/08	1.1	8.0	7.0	755							0.6	5.1	7.0	7.0	7.0	7.0	850				<2	
05/25/08	1.0	7.6	7.0	785							0.6	5.2	6.7	6.7	6.7	7.0	845				<2	
05/26/08	1.1	7.8	7.0	760							0.7	5.4	7.0	7.0	7.0	7.0	850				<2	
05/27/08	1.1	7.7	6.5	6.7	6.5	7.0	765	484			0.7	5.5	6.0	6.2	6.0	7.0	825	494			<2	
05/28/08	1.0	7.3	7.0	750							0.7	5.3	5.4	5.4	5.4	7.0	815				<2	
05/29/08	1.0	6.9	7.2	7.0	7.0	760					0.7	5.1	5.1	5.1	5.1	7.0	805				<2	
05/30/08	1.0	6.9	7.0	740							0.6	4.8	6.6	6.6	6.6	7.0	810				<2	
05/31/08	1.1	7.4	7.0	755							0.6	4.6	7.2	7.2	7.2	7.0	825				<2	
Avg	1.1	7.3	7.4	8.3	7.4	7.0	778	491	155		0.6	4.9	6.0	6.1	6.0	7.0	833	486	140		<2	
Min	0.8	6.0	5.8	6.7	5.8	6.9	740	480	155		0.4	4.3	4.7	5.7	4.7	6.9	805	474	140		<2	
Max	1.3	8.5	9.0	9.8	9.0	7.2	885	502	155	4	0.8	5.5	7.2	6.6	7.2	7.1	930	494	140		<2	

Note: Turbidity and coliform must meet water quality standards for disinfected tertiary treated recycled water, as specified in NPDES No. CA0105279, Order No. R6-2006-0010.
 TDS and TIN limits are based on a 12-month running average values which are presented in Table 2-2
Bolded characters signify an exceedance of a permit limitation
 Blank cells indicate that analysis was not run for a constituent on that particular date. The data presented meets/exceeds the frequency of analysis specified under the discharge permit for these facilities.
 *TN compliance can be met at a point prior to the regional groundwater, including lysimeters.

Recycled Water Monitoring: RP-1 & RP-4 Effluent Water Quality for June 2008
(Recycled Water Quality Specifications A.5, A.7, A.8, & A.9)

Unit Limits	RP-1 Effluent													RP-4 Effluent												
	Turbidity NTU 2:5:10	TOC mg/L 16	NO ₃ -N mg/L	TN mg/L	TIN mg/L	pH unit 6<pH<9	EC µmho/cm	TDS mg/L	Hardness mg/L	Coliform mpn/100mL 2,2:23:240	Turbidity NTU 2:5:10	TOC mg/L 16	NO ₃ -N mg/L	TN mg/L	TIN mg/L	pH unit 6<pH<9	EC µmho/cm	TDS mg/L	Hardness mg/L	Coliform mpn/100mL 2,2:23:240						
06/01/08	1.2	7.6	6.1	6.1	6.1	7.0	770		2	0.6	4.8	6.6	6.6	6.6	7.0	840				<2						
06/02/08	1.2	7.9				7.0	770		2	0.7	4.9	5.6	5.6	5.6	7.0	845				<2						
06/03/08	1.1	7.4	6.5	7.9	6.5	7.0	765	474	154	0.7	4.8	6.0	6.4	6.0	7.0	850	486	143		<2						
06/04/08	1.0	7.4				7.0	765			0.7	4.7	6.7	6.7	6.7	7.0	860				<2						
06/05/08	0.9	7.7	8.1	8.1	8.1	7.0	700			0.8	4.7	6.4	6.4	6.4	7.0	780				<2						
06/06/08	0.9	6.6				7.0	700			0.7	4.7	6.1	6.1	6.1	7.1	780				<2						
06/07/08	1.0	6.6				7.0	720		2	0.7	4.7	5.8	5.8	5.8	7.1	785				<2						
06/08/08	1.0	6.8	7.8	7.8	7.8	7.1	690			0.7	4.8	5.4	5.4	5.4	7.1	775				<2						
06/09/08	1.0	7.1				7.0	685		2	0.7	4.9	4.9	4.9	4.9	7.1	785				<2						
06/10/08	1.1	6.5	6.6	8.1	6.6	7.1	815	466	2	0.8	5.1	5.6	5.8	5.6	7.1	905	488			<2						
06/11/08	1.2	7.0				7.0	835		<2	1.3	5.4	5.4	6.2	6.2	7.1	830				<2						
06/12/08	1.0	7.2	5.7	5.7	5.7	7.1	805		2	0.6	5.5	6.2	7.8	7.8	7.1	895				<2						
06/13/08	1.1	7.5				7.1	750		<2	0.4	5.2	7.1	7.6	7.6	7.1	860				<2						
06/14/08	1.1	7.2				7.1	755		2	0.3	4.9	8.1	8.1	8.1	7.1	850				<2						
06/15/08	1.1	6.9	5.1	5.1	5.1	7.0	830		2	0.3	5.0	8.7	8.7	8.7	7.2	960				<2						
06/16/08	1.1	6.6				7.0	820		<2	0.4	5.0	8.8	8.8	8.8	7.1	935				<2						
06/17/08	1.1	6.4	5.9	6.7	6.0	7.0	810	480	<2	0.4	5.3	9.6	9.9	9.6	7.2	965	518			<2						
06/18/08	1.1	10.0				7.0	800		2	0.4	4.8	9.7	9.7	9.7	7.2	900				<2						
06/19/08	1.0	5.6	5.9	5.9	5.9	7.0	780		<2	0.4	4.7	10.3	10.3	10.3	7.1	855				<2						
06/20/08	0.9	11.3				7.0	785		<2	0.3	4.7	11.2	11.2	11.2	7.1	845				<2						
06/21/08	1.0	10.3				7.0	790		<2	0.3	4.7	11.4	11.4	11.4	7.1	850				<2						
06/22/08	1.0	9.9	6.4	6.4	6.4	7.0	795		4	0.3	4.7	10.8	10.8	10.8	7.1	900	514			<2						
06/23/08	0.9	9.3				7.0	820		2	0.3	4.5	9.2	9.2	9.2	7.1	915				<2						
06/24/08	0.9	9.8	6.6	7.9	6.6	7.1	765	490	<2	0.3	4.7	8.6	8.7	8.6	7.2	825				<2						
06/25/08	0.9	9.0				7.1	750		<2	0.3	4.3	8.6	8.6	8.6	7.1	875				<2						
06/26/08	0.9	9.0	7.6	7.6	7.6	7.1	800		<2	0.3	4.1	9.2	9.2	9.2	7.1	870				<2						
06/27/08	0.9	8.5				7.0	760		<2	0.2	4.0	10.7	10.7	10.7	7.1	850				<2						
06/28/08	0.9	8.4				7.0	770		<2	0.3	3.9	12.4	12.4	12.4	7.0	855				<2						
06/29/08	1.0	8.9	6.0	6.0	6.0	7.0	810		2	0.2	3.9	12.7	12.7	12.7	7.0	890				<2						
06/30/08	0.9	9.5				7.0	820		<2	0.2	4.0	11.6	11.6	11.6	7.1	890				<2						
Avg	1.0	8.0	6.5	7.6	6.5	7.0	774	478	154	0.5	4.7	8.3	7.7	8.4	7.1	861	502	143		<2						
Min	0.9	5.6	5.1	6.7	5.1	7.0	685	466	154	0.2	3.9	4.9	5.8	4.9	7.0	775	486	143		<2						
Max	1.2	11.3	8.1	8.1	8.1	7.1	835	490	154	1.3	5.5	12.7	9.9	12.7	7.2	965	518	143		<2						

Note: Turbidity and coliform must meet water quality standards for disinfected tertiary treated recycled water, as specified in NPDES No. CA0105279, Order No. RB-2006-0010. TDS and TIN limits are based on a 12-month running average values which are presented in Table 2.2

Bolded characters signify an exceedance of a permit limitation

Blank cells indicate that analysis was not run for a constituent on that particular date. The data presented meets/exceeds the frequency of analysis specified under the discharge permit for these facilities. *TIN compliance can be met at a point prior to the regional groundwater, including lysimeters.

Table 2-2
 Recycled Water Monitoring: Agency-Wide Flow-Weighted TIN & TDS
 (Recycled Water Quality Specifications A.6)

Date	TIN		TDS	
	Monthly	12-Mo. Run Avg.	Monthly	12-Mo. Run Avg.
Jul-07	5.1	6.3	492	480
Aug-07	5.2	6.3	478	481
Sep-07	5.9	6.2	478	482
Oct-07	6.0	6.2	517	487
Nov-07	7.6	6.2	514	490
Dec-07	7.4	6.3	522	494
Jan-08	6.8	6.2	511	483
Feb-08	6.4	6.2	492	484
Mar-08	6.6	6.2	515	486
Apr-08	6.7	6.3	519	488
May-08	7.2	6.4	502	490
Jun-08	6.5	6.5	490	491
Limit		8.0		550

Table 2-3
 Recycled Water Monitoring: Recycled Water Quality Specifications A.1, A.2, A.3, & A.15

Constituent	3Q07	4Q07	1Q08	2Q08	4Q Run.	Limit	Unit	Method
					Avg. ¹			
Inorganic Chemicals								
Aluminum	<25	27	<25	57	<25	1000	µg/L	EPA 200.8
Antimony	0.5	<0.5	<1	<1	<1	6	µg/L	EPA 200.8
Arsenic	<2	<2	<2	<2	<2	10	µg/L	EPA 200.8
Asbestos	<0.6	<0.2	<1.8	<1.8	<1.8	7	MFL	EPA 100.2
Barium	14	6	9	7	9	1000	µg/L	EPA 200.8
Beryllium	<0.5	<0.5	<0.5	<0.5	<0.5	4	µg/L	EPA 200.8
Cadmium	<0.25	<0.25	<0.25	<0.25	<0.25	5	µg/L	EPA 200.8
Chromium	4.5	3.2	2.9	1.2	2.9	50	µg/L	EPA 200.8
Cyanide	<6	<6	<5	<6	<6	150	µg/L	SM 4500-CN E
Fluoride	0.3	0.2	0.2	0.2	0.2	2	mg/L	SM 4500-F C
Mercury	<0.2	<0.2	<0.2	<0.2	<0.2	2	µg/L	EPA 245.2
Nickel	3	2	3	3	3	100	µg/L	EPA 200.8
Perchlorate	<4	<4	<10	<4	<10	6	µg/L	EPA 314
Selenium	2	2	<2	<2	<2	50	µg/L	EPA 200.8
Thallium	<1	<1	<1	<1	<1	2	µg/L	EPA 200.8
Volatile Organic Chemicals (VOCs)								
Benzene	<0.5	<1	<0.5	<0.5	<1	1	µg/L	EPA 524.2
Carbon Tetrachloride	<0.5	<1	<0.5	<0.5	<1	0.5	µg/L	EPA 524.2
1,2-Dichlorobenzene	<0.5	<1	<0.5	<0.5	<1	600	µg/L	EPA 524.2
1,4-Dichlorobenzene	<0.5	<1	<0.5	<0.5	<1	5	µg/L	EPA 524.2
1,1-Dichloroethane	<0.5	<0.5	<0.5	<0.5	<0.5	5	µg/L	EPA 524.2
1,2-Dichloroethane	<0.5	<1	<0.5	<0.5	<1	0.5	µg/L	EPA 524.2
1,1-Dichloroethylene	<0.5	<1	<0.5	<1	<1	6	µg/L	EPA 524.2
cis-1,2-Dichloroethylene	<0.5	NA	<0.5	<0.5	<0.5	6	µg/L	EPA 524.2
trans-1,2-Dichloroethylene	<0.5	<0.5	<0.5	<0.5	<0.5	10	µg/L	EPA 524.2
Dichloromethane	<0.5	<1	<0.5	<0.5	<1	5	µg/L	EPA 524.2
1,2-Dichloropropane	<0.5	<0.5	<0.5	<0.5	<0.5	5	µg/L	EPA 524.2
1,3-Dichloropropene	<0.5	<1	<0.5	<0.5	<1	0.5	µg/L	EPA 524.2
Ethylbenzene	<0.5	<1	<0.5	<0.5	<1	300	µg/L	EPA 524.2
Monochlorobenzene	<0.5	<1	<0.5	<0.5	<1	70	µg/L	EPA 524.2
Methyl-tert-butyl ether	<0.5	NA	<0.5	<0.5	<0.5	13	µg/L	EPA 524.2
Styrene	<0.5	NA	<0.5	<0.5	<0.5	100	µg/L	EPA 524.2
1,1,1,2-Tetrachloroethane	<0.5	<0.5	<0.5	<0.5	<0.5	1	µg/L	EPA 524.2
Tetrachloroethylene	<0.5	<1	<0.5	<0.5	<1	5	µg/L	EPA 524.2
Toluene	<0.5	<1	0.5	<0.5	<1	150	µg/L	EPA 524.2
1,2,4-Trichlorobenzene	<0.5	NA	<0.5	<0.5	<0.5	5	µg/L	EPA 524.2
1,1,1-Trichloroethane	<0.5	<1	<0.5	<0.5	<1	200	µg/L	EPA 524.2
1,1,2-Trichloroethane	<0.5	<1	<0.5	<0.5	<1	5	µg/L	EPA 524.2
Trichloroethylene	<0.5	<1	<0.5	<0.5	<1	5	µg/L	EPA 524.2
Trichlorofluoromethane	<0.5	<2	<0.5	<0.5	<2	150	µg/L	EPA 524.2
1,1,2-Trichloro-1,2,2-Trifluoroethane	<0.5	NA	<0.5	<0.5	<0.5	1200	µg/L	EPA 524.2
Vinyl Chloride	<0.3	<1	<0.3	<0.5	<1	0.5	µg/L	EPA 524.2
m,p-Xylene	<1	NA	<1	<0.5	<1	1750 ²	µg/L	EPA 524.2
o-Xylene	<0.5	NA	<0.5	<0.5	<0.5		µg/L	EPA 524.2
Non-Volatile Synthetic Organic Chemicals (SOCs)								
Alachlor (Alanex)	<0.1	<0.1	<0.1	<0.1	<0.1	2	µg/L	EPA 505
Atrazine	<0.05	<0.05	<0.05	<0.05	<0.05	1	µg/L	EPA 525.2
Bentazon	<0.5	<0.5	<0.5	<0.5	<0.5	18	µg/L	EPA 515.4
Benzo(a)pyrene	<0.02	<0.02	<0.02	<0.02	<0.02	0.2	µg/L	EPA 525.2
Carbofuran	<0.5	<0.5	<0.5	<0.5	<0.5	18	µg/L	EPA 531.2
Chlordane	<0.1	<0.1	<0.1	<0.1	<0.1	0.1	µg/L	EPA 505
2,4-D	<0.1	<0.1	<0.1	<0.1	<0.1	70	µg/L	EPA 515.4
Dalapon	5	<1	<1	3	2	200	µg/L	EPA 515.4
Dibromochloropropane	<0.01	<0.01	<0.01	<0.01	<0.01	0.2	µg/L	EPA 504.1
Di(2-ethylhexyl)adipate	<0.6	<0.6	<0.6	<0.6	<0.6	400	µg/L	EPA 525.2
Di(2-ethylhexyl)phthalate	<0.6	<0.6	<0.6	<0.6	<0.6	4	µg/L	EPA 525.2
Dinoseb	<0.2	<0.2	<0.2	<0.2	<0.2	7	µg/L	EPA 515.4
Diquat	<0.4	<0.4	<0.4	<0.4	<0.4	20	µg/L	EPA 549.2
Endothall	<5	<20	<20	<5	<20	100	µg/L	EPA 548.1
Endrin	<0.01	<0.01	<0.01	<0.01	<0.01	2	µg/L	EPA 505

Table 2-3
Recycled Water Monitoring: Recycled Water Quality Specifications A.1, A.2, A.3, & A.15

Constituent	3Q07	4Q07	1Q08	2Q08	4Q Run.	Limit	Unit	Method
					Avg. ¹			
Ethylene Dibromide	<0.01	<0.01	<0.01	<0.01	<0.01	0.05	µg/L	EPA 504.1
Glyphosate	<6	<6	<6	<6	<6	700	µg/L	EPA 547
Heptachlor	<0.01	<0.01	<0.01	<0.01	<0.01	0.01	µg/L	EPA 505
Heptachlor Epoxide	<0.01	<0.01	<0.01	<0.01	<0.01	0.01	µg/L	EPA 505
Hexachlorobenzene	<0.05	<0.05	<0.05	<0.05	<0.05	1	µg/L	EPA 525.2
Hexachlorocyclopentadiene	<0.05	<0.05	<0.05	0.06	<0.05	50	µg/L	EPA 525.2
Lindane	<0.01	<0.01	<0.01	<0.01	<0.01	0.2	µg/L	EPA 505
Methoxychlor	<0.05	<0.05	<0.05	<0.05	<0.05	30	µg/L	EPA 505
Molinate	<0.1	<0.1	<0.1	<0.1	<0.1	20	µg/L	EPA 525.2
Oxamyl	<0.5	<0.5	<0.5	<0.5	<0.5	50	µg/L	EPA 531.2
Pentachlorophenol	<0.04	<0.04	<0.04	<0.04	<0.04	1	µg/L	EPA 515.4
Picloram	<0.1	<0.1	<0.1	<0.1	<0.1	500	µg/L	EPA 515.4
PCB 1016	<0.08	<0.08	<0.08	<0.08	<0.08	0.5	µg/L	EPA 505
PCB 1221	<0.1	<0.1	<0.1	<0.1	<0.1	0.5	µg/L	EPA 505
PCB 1232	<0.1	<0.1	<0.1	<0.1	<0.1	0.5	µg/L	EPA 505
PCB 1242	<0.1	<0.1	<0.1	<0.1	<0.1	0.5	µg/L	EPA 505
PCB 1248	<0.1	<0.1	<0.1	<0.1	<0.1	0.5	µg/L	EPA 505
PCB 1254	<0.1	<0.1	<0.1	<0.1	<0.1	0.5	µg/L	EPA 505
PCB 1260	<0.1	<0.1	<0.1	<0.1	<0.1	0.5	µg/L	EPA 505
Simazine	0.07	<0.05	<0.05	0.1	0.06	4	µg/L	EPA 525.2
Thiobencarb	<0.2	<0.2	<0.2	<0.2	<0.2	70	µg/L	EPA 525.2
Toxaphene	<0.5	<0.5	<0.5	<0.5	<0.5	3	µg/L	EPA 505
2,3,7,8-TCDD (Dioxin)	<5	<5	<5	<5	<5	30	pg/L	EPA 1613
2,4,5-TP (Silvex)	<0.2	<0.2	<0.2	<0.2	<0.2	50	µg/L	EPA 515.4
Action Level Chemicals								
Copper	5.1	3.9	13.6	3.6	6.5	1300	µg/L	EPA 200.8
Lead	<0.5	<0.5	<0.5	<0.5	<0.5	15	µg/L	EPA 200.8
Radionuclides								
Combined Radium-226 and Radium 228	<0.670	<0.710	<1.0	<0.76	<1.0	5	pCi/L	EPA 903.0
Gross Alpha Particle Activity	<3	<3	<3	<3	<3	15	pCi/L	EPA 900.0
Tritium	<190	<198	<196	<191	<198	20,000	pCi/L	EPA 906
Strontium-90	<0.640	<0.670	<0.700	<0.740	<0.740	8	pCi/L	EPA 905
Gross Beta Particle Activity	7	8	10	10	9	50	pCi/L	EPA 900.0
Uranium	<0.7	<0.7	<0.7	<0.7	<0.7	20	pCi/L	EPA 200.8
Secondary Maximum Contaminant Level Chemicals								
Aluminum	<25	27	<25	57	<25	200	µg/L	EPA 200.8
Copper	5.1	3.9	13.6	3.6	6.5	1000	µg/L	EPA 200.8
Corrosivity ³	-0.3	0.7	<0.1	NR	0.1	Non-Cor.	SI	SM 2330B
Foaming Agents (MBAS) ³	<0.05	0.12	<0.05	<0.05	<0.05	500	µg/L	S5540C/EPA 425.1
Iron ³	79	65	110	NR	85	300	µg/L	EPA 200.7
Manganese	7	1	9	19	9	50	µg/L	EPA 200.8
Methyl-tert-butyl ether (MTBE) ³	<0.5	<0.5	<0.5	<0.5	<0.5	5	µg/L	EPA 524.2
Odor--Threshold ³	8	4	8	2	6	3	TON	SM 2150B
Silver	<0.25	<0.25	<0.25	<0.25	<0.25	100	µg/L	EPA 200.8
Thiobencarb	<0.2	<0.2	<0.2	<0.2	<0.2	1	µg/L	EPA 525.2
Zinc	38	24	55	15	33	5000	µg/L	EPA 200.8
Miscellaneous Regulated Constituents								
Oil & Grease ⁴	2	1	3	<2		1	mg/L	EPA 1664
Disinfection Byproducts								
Bromate	<5	<5	<5	<5	<5	10	µg/L	EPA 300.1
Chlorite	<0.01	0.05	<0.01	<0.01	<0.02	1	mg/L	EPA 300.0
Lysimeter Compliance Point Data								
Total Trihalomethanes (TTHMs)	HE-25	8th-25	8th-15	HE-25				
Total Haloacetic Acids (HAA5)	129	16	7	48	50	80	µg/L	EPA 524.2/624
	3	3	<1	<1	2	60	µg/L	S6251B

NA: Not Analyzed this quarter

¹ 4-quarter running average is calculated based on ND values equal to half the detection limit. Final reported 4-quarter running average value, if less than DL, will be based on highest DL found in the data set.

² The sum of m,p-Xylene and o-Xylene is used to calculate compliance for the Total Xylenes limit

³ 4-quarter running average is calculated based on the four most recent results. Monitoring is required annually.

⁴ Oil & Grease compliance determination not based on 4-quarter running average

Bold signifies an exceedance of a limit in the Order. Explained in further detail in the report text.

Italic signifies that the 4-quarter running average highest DL is greater than the MCL; all values in data set are non-detect.

Table 2-4
Recycled Water Monitoring: Table II. Remaining Priority Pollutants, EDCs & Pharmaceuticals, and Unregulated Chemicals
(Monitoring & Reporting Program)

Constituent	2Q08	Unit	Method
Metals			
Chromium (III) ¹	1.2	µg/L	EPA 200.8
Volatile Organic Chemicals (VOCs)			
Acrolein	NR	µg/L	EPA 624
Acrylonitrile	NR	µg/L	EPA 624
Bromoform	<0.5	µg/L	EPA 524.2
Chlorodibromomethane	6.4	µg/L	EPA 524.2
Chloroethane	<0.5	µg/L	EPA 524.2
2-Chloroethylvinylether	NR	µg/L	EPA 624
Chloroform	88	mg/L	EPA 524.2
Dichlorobromomethane	29	µg/L	EPA 524.2
Methyl Bromide	<1	µg/L	EPA 524.2
Methyl Chloride	0.9	µg/L	EPA 524.2
Acid Extractibles			
2-Chlorophenol	NR	µg/L	EPA 625
2,4-Dichlorophenol	NR	µg/L	EPA 625
2,4-Dimethylphenol	NR	µg/L	EPA 625
2-Methyl-4,6-dinitrophenol	NR	µg/L	EPA 625
2,4-Dinitrophenol	NR	µg/L	EPA 625
2-Nitrophenol	NR	µg/L	EPA 625
4-Nitrophenol	NR	µg/L	EPA 625
4-Chloro-3-methylphenol	NR	µg/L	EPA 625
Phenol	NR	µg/L	EPA 625
2,4,6-Trichlorophenol	NR	µg/L	EPA 625
Base/Neutral Extractibles			
Acenaphthene	NR	µg/L	EPA 625
Acenaphthylene	NR	µg/L	EPA 625
Anthracene	NR	µg/L	EPA 625
Benzidine	NR	µg/L	EPA 625
Benzo(a)anthracene	NR	µg/L	EPA 625
Benzo(b)fluoranthene	NR	µg/L	EPA 625
Benzo(g,h,i)perylene	NR	µg/L	EPA 625
Benzo(k)fluoranthene	NR	µg/L	EPA 625
Bis(2-chloroethoxy)methane	NR	µg/L	EPA 625
Bis(2-chloroethyl)ether	NR	µg/L	EPA 625
Bis(2-chloroisopropyl)ether	NR	µg/L	EPA 625
Bromophenyl phenyl ether	NR	µg/L	EPA 625
Di-n-butyl phthalate	NR	µg/L	EPA 625
1,2-Dichloronaphthalene	NR	µg/L	EPA 625
4-Chlorophenyl phenyl ether	NR	µg/L	EPA 625
Chrysene	NR	µg/L	EPA 625
Dibenzo(a,h)anthracene	NR	µg/L	EPA 625
1,3-Dichlorobenzene	NR	µg/L	EPA 625
3,3'-Dichlorobenzidine	NR	µg/L	EPA 625
Diethyl phthalate	NR	µg/L	EPA 625
Dimethyl phthalate	NR	µg/L	EPA 625
Di-n-butyl phthalate	NR	µg/L	EPA 625
2,4-Dinitrotoluene	NR	µg/L	EPA 625
2,6-Dinitrotoluene	NR	µg/L	EPA 625
Di-n-octyl phthalate	NR	µg/L	EPA 625
Azobenzene	NR	µg/L	EPA 625
Fluoranthene	NR	µg/L	EPA 625
Fluorene	NR	µg/L	EPA 625
Hexachlorobutadiene	NR	µg/L	EPA 625
Hexachlorocyclopentadiene	NR	µg/L	EPA 625
Hexachloroethane	NR	µg/L	EPA 625
Indeno(1,2,3-cd)pyrene	NR	µg/L	EPA 625
Isophorone	NR	µg/L	EPA 625
Naphthalene	NR	µg/L	EPA 625
Nitrobenzene	NR	µg/L	EPA 625
N-Nitroso-di-n-propylamine	NR	µg/L	EPA 625
N-Nitrosodiphenylamine	NR	µg/L	EPA 625
Phenanthrene	NR	µg/L	EPA 625
Pyrene	NR	µg/L	EPA 625
Pesticides			
Aldrin	NR	µg/L	EPA 608
BHC, alpha isomer	NR	µg/L	EPA 608
BHC, beta isomer	NR	µg/L	EPA 608
BHC, delta isomer	NR	µg/L	EPA 608
4,4'-DDT	NR	µg/L	EPA 608
4,4'-DDE	NR	µg/L	EPA 608
4,4'-DDD	NR	µg/L	EPA 608
Dieldrin	NR	µg/L	EPA 608
Endosulfan I	NR	µg/L	EPA 608
Endosulfan II	NR	µg/L	EPA 608
Endosulfan Sulfate	NR	µg/L	EPA 608
Endrin Aldehyde	NR	µg/L	EPA 608

Constituent	2Q08	Unit	Method
Unregulated Chemicals			
Boron	0.4	mg/L	EPA 200.7
Chromium VI	0.1	µg/L	EPA 218.6
Dichlorodifluoromethane	<0.5	µg/L	EPA 524.2
Ethyl tertiary butyl ether	<0.5	µg/L	EPA 524.2
N-nitrosodimethylamine (NDMA)	<2	ng/L	1625MOD
Tertiary amyl methyl ether	<0.5	µg/L	EPA 524.2
Tertiary butyl alcohol	<2	µg/L	542.2 MOD
Vanadium	1.2	µg/L	EPA 200.8
1,4 - Dioxane	<2	µg/L	8270MOD
1,2,3-Trichloropropane	<0.5	µg/L	EPA 524.2
Chemicals w/ State Notification Levels ²			
n-butylbenzene	<0.5	µg/L	EPA 524.2
sec-butylbenzene	<0.5	µg/L	EPA 524.2
tert-butylbenzene	<0.5	µg/L	EPA 524.2
Carbon disulfide	<0.5	µg/L	EPA 524.2
Chlorate	204	µg/L	EPA 300.0
2-Chlorotoluene	<0.5	µg/L	EPA 524.2
Diazinon	NR	µg/L	EPA 525.2
Formaldehyde	NR	µg/L	SM 6252/EPA 8315
Isopropylbenzene	<0.5	µg/L	EPA 524.2
N-propylbenzene	<0.5	µg/L	EPA 524.2
1,2,4-trimethylbenzene	<0.5	µg/L	EPA 524.2
1,3,5-trimethylbenzene	<0.5	µg/L	EPA 524.2
N-Nitrosodiethylamine (NDEA)	NR	µg/L	EPA 525
N-Nitrosopyrrolidine	NR	µg/L	EPA 525
Endocrine Disrupting Chemicals, Pharmaceuticals and Other Chemicals ²			
Hormones			
Ethinyl estradiol	NR	ng/L	HPLC/MS-SEDC
17-B estradiol	NR	ng/L	HPLC/MS-SEDC
Estrone	NR	ng/L	HPLC/MS-SEDC
<u>"Industrial" Endocrine Disruptors</u>			
Bisphenol A	NR	ng/L	HPLC/MS-SEDC
Nonylphenol and nonylphenol polyethoxylate	NR	ng/L	HPLC/MS-SEDC
Octylphenol and octylphenol polyethoxylate	NR	ng/L	HPLC/MS-SEDC
PolybromiNA	NR	ng/L	8270C SIM
PBDE 28	NR	ng/L	8270C SIM
PBDE 71	NR	ng/L	8270C SIM
PBDE 47	NR	ng/L	8270C SIM
PBDE 66	NR	ng/L	8270C SIM
PBDE 100	NR	ng/L	8270C SIM
PBDE 99	NR	ng/L	8270C SIM
PBDE 85	NR	ng/L	8270C SIM
PBDE 154	NR	ng/L	8270C SIM
PBDE 153	NR	ng/L	8270C SIM
PBDE 138	NR	ng/L	8270C SIM
PBDE 128	NR	ng/L	8270C SIM
PBDE 183	NR	ng/L	8270C SIM
PBDE 190	NR	ng/L	8270C SIM
PBDE 203	NR	ng/L	8270C SIM
PBDE 206	NR	ng/L	8270C SIM
PBDE 209	NR	ng/L	8270C SIM
<u>Pharmaceuticals & Other Substances</u>			
Acetaminopen	NR	ng/L	HPLC/MS-SEDC
Amoxicillin	NR		Not Available ³
Azithromycin	NR		Not Available ³
Caffeine	NR	ng/L	HPLC/MS-SEDC
Carbamazepine	NR	ng/L	HPLC/MS-SEDC
Ciprofloxacin	NR		Not Available ³
Ethylenediamine tetra-acetic acid (EDTA)	NR		EPA 300.0MOD
Gemfibrozil	NR	ng/L	HPLC/MS-SEDC
Ibuprofen	NR	ng/L	HPLC/MS-SEDC
Iodinated contrast media	NR	ng/L	HPLC/MS-SEDC
Lipitor	NR		Not Available ³
Methadone	NR	ng/L	HPLC/MS-SEDC
Morphine	NR		Not Available ³
Salicylic acid	NR	ng/L	HPLC/MS-SEDC
Triclosan	NR	ng/L	HPLC/MS-SEDC

NR: Not Required (Annual Requirement)

¹ Trivalent chromium is measured as total chromium

² Chemicals w/ State Notification Levels, Nitrosamines, and EDC, Pharmaceuticals & Other Chemicals (Attachment B)

³ Analytical Method is not available for this constituent

Table 2-5
Lysimeter and Surface Water Monitoring: TOC, Nitrogen Species, and EC

Bth Street Basin										
Site	Depth, bgs	Date	TOC	TN	EC	TIN	NO ₃ -N	TKN+NO ₂ -N	NO ₂ -N	
Unit==>	feet		mg/L	mg/L	µmho/cm	mg/L	mg/L	mg/L	mg/L	mg/L
8TH-00	0	04/01/08	8.98	<0.6	730	<0.2	<0.1	<0.5	<0.01	
8TH-00	0	04/08/08	13.91	1.4	690	<0.2	<0.1	1.4	<0.01	
8TH-00	0	04/15/08	15.32	1.6	530	<0.2	<0.1	1.6	<0.01	
8TH-00	0	04/22/08	6.86	1.7	820	0.8	0.8	1.0	0.01	
8TH-00	0	04/29/08	6.10	1.5	915	1.2	1.1	<0.5	0.02	
8TH-00	0	05/06/08	7.17	1.7	800	0.7	0.7	1.0	0.04	
8TH-00	0	05/13/08	8.36	7.4	775	2.0	1.8	5.7	0.08	
8TH-00	0	05/20/08	7.43	2.6	735	2.1	2.0	0.6	0.02	
8TH-00	0	05/28/08	6.29	5.5	560	4.6	4.2	1.3	0.06	
8TH-00	0	06/03/08	6.66	4.2	780	2.8	2.7	1.5	0.02	
8TH-00	0	06/10/08	6.66	4.2	730	3.4	3.2	1.0	0.05	
8TH-00	0	06/17/08	7.25	2.7	760	2.1	1.8	0.9	0.05	
8TH-00	0	06/24/08	8.57	1.5	790	0.7	0.6	0.9	0.04	
8TH-05	5	04/01/08	3.60	<0.6	720	<0.2	<0.1	<0.5	<0.01	
8TH-05	5	04/08/08	3.14	<0.6	670	<0.2	0.1	<0.5	<0.01	
8TH-05	5	04/15/08	2.60	<0.6	690	0.5	0.5	<0.5	<0.01	
8TH-05	5	04/22/08	3.60	2.3	930	2.2	2.2	<0.5	<0.01	
8TH-05	5	04/29/08	3.69	<0.6	945	0.4	0.4	<0.5	0.01	
8TH-05	5	05/06/08	3.62	<0.6	935	<0.2	<0.1	<0.5	<0.01	
8TH-05	5	05/13/08	3.85	<0.6	815	<0.2	<0.1	<0.5	<0.01	
8TH-05	5	05/20/08	4.35	<0.6	775	<0.2	<0.1	<0.5	<0.01	
8TH-05	5	05/28/08	4.85	<0.6	710	<0.2	<0.1	<0.5	<0.01	
8TH-05	5	06/03/08	4.46	0.8	725	<0.2	<0.1	0.8	<0.01	
8TH-05	5	06/10/08	4.31	<0.6	715	<0.2	<0.1	<0.5	<0.01	
8TH-05	5	06/17/08	4.36	<0.6	770	0.3	<0.1	<0.5	<0.01	
8TH-05	5	06/24/08	4.60	<0.6	835	<0.2	<0.1	<0.5	<0.01	
8TH-15	15	04/01/08	3.44	<0.6	760	<0.2	<0.1	<0.5	<0.01	
8TH-15	15	04/08/08	2.54	<0.6	715	0.3	0.3	<0.5	<0.01	
8TH-15	15	04/15/08	2.45	0.8	645	0.8	0.8	<0.5	<0.01	
8TH-15	15	04/22/08	3.93	1.4	655	1.4	1.4	<0.5	<0.01	
8TH-15	15	04/29/08	3.12	<0.6	755	0.4	0.4	<0.5	<0.01	
8TH-15	15	05/06/08	3.48	<0.6	760	0.6	0.4	<0.5	<0.01	
8TH-15	15	05/13/08	3.48	<0.6	700	<0.2	0.1	<0.5	<0.01	
8TH-15	15	05/20/08	4.42	<0.6	695	0.2	0.1	<0.5	<0.01	
8TH-15	15	05/28/08	5.54	0.6	580	0.4	0.4	<0.5	0.01	
8TH-15	15	06/03/08	3.74	1.0	605	0.4	0.3	0.8	<0.01	
8TH-15	15	06/10/08	3.97	<0.6	670	0.3	0.2	<0.5	<0.01	
8TH-15	15	06/17/08	3.69	9.3	695	0.8	0.7	8.7	0.05	
8TH-15	15	06/24/08	3.79	0.7	750	0.6	0.5	<0.5	<0.01	
8TH-25	25	04/01/08	3.67	<0.6	765	<0.2	<0.1	<0.5	<0.01	
8TH-25	25	04/08/08	3.05	<0.6	710	<0.2	<0.1	<0.5	<0.01	
8TH-25	25	04/15/08	3.51	<0.6	560	<0.2	0.1	<0.5	<0.01	
8TH-25	25	04/22/08	3.70	<0.6	880	0.6	0.5	<0.5	<0.01	
8TH-25	25	04/29/08	3.12	<0.6	965	<0.2	0.2	<0.5	<0.01	
8TH-25	25	05/06/08	3.16	<0.6	1160	<0.2	<0.1	<0.5	<0.01	
8TH-25	25	05/13/08	4.30	<0.6	905	<0.2	<0.1	<0.5	<0.01	
8TH-25	25	05/20/08	4.89	<0.6	835	<0.2	<0.1	<0.5	<0.01	
8TH-25	25	05/28/08	5.42	<0.6	805	<0.2	<0.1	<0.5	<0.01	
8TH-25	25	06/03/08	4.53	0.8	740	<0.2	<0.1	0.8	<0.01	
8TH-25	25	06/10/08	4.68	<0.6	740	<0.2	<0.1	0.5	<0.01	
8TH-25	25	06/17/08	4.32	0.9	780	0.4	0.3	0.6	0.04	
8TH-25	25	06/24/08	4.10	<0.6	830	<0.2	<0.1	<0.5	<0.01	
8TH-35	35	04/01/08	3.17	<0.6	720	<0.2	<0.1	<0.5	<0.01	
8TH-35	35	04/08/08	3.10	<0.6	765	<0.2	<0.1	<0.5	<0.01	
8TH-35	35	04/15/08	3.21	<0.6	770	<0.2	<0.1	<0.5	<0.01	
8TH-35	35	04/22/08	5.24	<0.6	780	<0.2	<0.1	<0.5	<0.01	
8TH-35	35	04/29/08	3.31	<0.6	750	<0.2	<0.1	<0.5	<0.01	
8TH-35	35	05/06/08	2.75	<0.6	925	<0.2	<0.1	<0.5	<0.01	
8TH-35	35	05/13/08	3.71	<0.6	920	<0.2	<0.1	<0.5	<0.01	
8TH-35	35	05/20/08	5.07	<0.6	860	<0.2	<0.1	<0.5	<0.01	
8TH-35	35	05/28/08	3.20	<0.6	830	<0.2	<0.1	<0.5	<0.01	
8TH-35	35	06/03/08	7.03	0.9	780	<0.2	<0.1	0.9	<0.01	
8TH-35	35	06/10/08	4.90	<0.6	675	<0.2	<0.1	0.5	<0.01	
8TH-35	35	06/17/08	3.47	<0.6	745	<0.2	<0.1	0.5	<0.01	
8TH-35	35	06/24/08	3.55	<0.6	810	<0.2	<0.1	<0.5	<0.01	

Blank cells indicate that analysis was not run for a constituent on that particular date and/or depth due to insufficient volume

Table 2-5
Lysimeter and Surface Water Monitoring: TOC, Nitrogen Species, and EC

Hickory Basin East Cell									
Site	Depth, bgs	Date	TOC	TN	EC	TIN	NO ₃ -N	TKN+NO ₂ -N	NO ₂ -N
Unit==>	feet		mg/L	mg/L	µmho/cm	mg/L	mg/L	mg/L	mg/L
HKYE-00	0	05/06/08	5.43	4.5	825	4.0	4.0	0.5	<0.01
HKYE-00	0	05/13/08	5.90	9.2	815	4.5	4.5	4.7	<0.01
HKYE-00	0	05/20/08	7.26	3.8	775	3.0	2.5	1.3	0.24
HKYE-00	0	05/28/08	26.70	3.4	770	<0.2	<0.1	3.4	<0.01
HKYE-25	25	04/01/08	1.73	3.4	780	3.3	3.3	<0.5	<0.01
HKYE-25	25	05/06/08	2.04	5.2	860	5.2	5.2	<0.5	<0.01
HKYE-25	25	05/13/08	1.42	3.6	785	3.6	3.6	<0.5	<0.01
HKYE-25	25	05/20/08	2.44	4.6	810	4.6	4.6	<0.5	<0.01
HKYE-25	25	05/28/08	1.34	3.4	825	3.3	3.3	<0.5	<0.01

Banana Basin									
Site	Depth, bgs	Date	TOC	TN	EC	TIN	NO ₃ -N	TKN+NO ₂ -N	NO ₂ -N
Unit==>	feet		mg/L	mg/L	µmho/cm	mg/L	mg/L	mg/L	mg/L
BAN-00	0	04/29/08	5.24	4.7	820	4.2	4.1	0.5	<0.01
BAN-00	0	05/06/08	7.68	2.1	760	1.4	1.3	0.8	0.14
BAN-00	0	05/13/08	6.01	2.5	805	2.6	2.4	<0.5	0.10
BAN-00	0	05/20/08	10.56	1.5	805	0.3	<0.1	1.5	<0.01
BAN-00	0	06/03/08	5.24	6.9	815	5.6	5.5	1.4	<0.01
BAN-00	0	06/10/08	6.00	5.1	750	3.9	3.7	1.4	0.08
BAN-00	0	06/17/08	7.38	6.5	800	3.3	3.2	3.3	0.02
BAN-00	0	06/24/08	15.19	4.1	845	0.2	<0.1	4.1	<0.01
BAN-25	25	04/29/08	1.20	1.0	310	0.8	0.8	<0.5	<0.01
BAN-25	25	05/06/08	1.47	1.5	520	1.5	1.5	<0.5	<0.01
BAN-25	25	05/13/08	1.18	2.5	590	2.2	2.1	<0.5	<0.01
BAN-25	25	05/20/08	1.19	2.0	625	1.8	1.8	<0.5	<0.01
BAN-25	25	06/03/08	1.32	3.3	670	2.5	2.5	0.7	<0.01
BAN-25	25	06/10/08	1.40	2.1	590	1.9	1.8	<0.5	<0.01
BAN-25	25	06/17/08	1.42	1.9	680	1.7	1.6	<0.5	<0.01
BAN-25	25	06/24/08	1.17	1.6	685	1.4	1.2	<0.5	<0.01

Ely Basin No. 3									
Site	Depth, bgs	Date	TOC	TN	EC	TIN	NO ₃ -N	TKN+NO ₂ -N	NO ₂ -N
Unit==>	feet		mg/L	mg/L	µmho/cm	mg/L	mg/L	mg/L	mg/L
ELY3E-00	0	04/01/08	8.35	3.3	470	2.3	2.2	1.1	0.02
ELY3E-00	0	04/08/08	6.76	3.6	535	2.9	2.6	1.0	0.02
ELY3E-00	0	04/22/08	7.02	3.7	615	3.0	2.8	0.9	0.06
ELY3E-00	0	04/29/08	6.17	3.9	600	2.6	2.5	1.3	0.05
ELY3E-00	0	05/06/08	5.53	3.3	600	2.6	2.5	0.8	0.05
ELY3E-00	0	05/13/08	6.01	3.3	580	2.5	2.4	0.9	0.04
ELY3E-00	0	05/21/08	6.51	2.5	555	2.2	2.1	<0.5	0.02
ELY3E-00	0	05/28/08	7.25	3.9	565	2.5	2.4	1.5	0.04
ELY3E-00	0	06/03/08	7.87	4.4	550	2.9	2.8	1.6	0.04
ELY3E-00	0	06/10/08	7.89	3.7	525	2.7	2.4	1.3	0.05
ELY3E-00	0	06/17/08	8.34	3.7	545	1.9	1.8	1.8	0.03
ELY3E-00	0	06/24/08	8.65	2.9	585	1.9	1.7	1.2	0.03
ELY3E-05	5	04/29/08	3.84	2.7	505	0.9	0.5	2.2	0.02
ELY3E-05	5	05/06/08	3.48	1.2	560	1.1	0.2	1.0	0.01
ELY3E-10	10	04/01/08	1.80	1.9	195	1.7	1.7	<0.5	<0.01
ELY3E-10	10	04/08/08	1.91	1.6	245	1.2	1.1	0.5	<0.01
ELY3E-10	10	04/22/08	2.08	0.7	390	0.6	0.6	<0.5	<0.01
ELY3E-10	10	04/29/08	2.00	<0.6	445	0.4	0.3	<0.5	<0.01
ELY3E-10	10	05/06/08	1.94	<0.6	575	<0.2	0.1	<0.5	<0.01
ELY3E-10	10	05/13/08	1.84	<0.6	540	0.2	0.2	<0.5	<0.01
ELY3E-10	10	05/21/08	1.75	<0.6	540	0.5	0.5	<0.5	<0.01
ELY3E-10	10	05/28/08	1.34	1.2	375	0.8	0.8	<0.5	<0.01
ELY3E-10	10	06/03/08	1.51	1.3	560	0.8	0.8	<0.5	<0.01
ELY3E-10	10	06/10/08	1.81	0.8	530	0.7	0.6	<0.5	<0.01
ELY3E-10	10	06/17/08	1.57	1.1	560	0.7	0.7	<0.5	<0.01
ELY3E-10	10	06/24/08	1.77	<0.6	570	0.6	0.5	<0.5	<0.01
ELY3E-25	25	04/01/08	2.72	0.7	275	0.3	0.3	<0.5	<0.01
ELY3E-25	25	04/08/08	2.71	0.8	260	0.4	0.1	0.7	0.02
ELY3E-25	25	04/29/08			245		0.2		<0.01
ELY3E-25	25	05/06/08	3.57		255				
ELY3E-25	25	05/13/08	3.27	<0.6	260	<0.2	0.1	<0.5	<0.01
ELY3E-25	25	05/21/08	2.19	<0.6	300	<0.2	<0.1	<0.5	<0.01
ELY3E-25	25	05/28/08	2.73	1.0	220	<0.2	<0.1	1.0	<0.01
ELY3E-25	25	06/03/08	2.96	1.2	450	0.5	0.4	0.8	<0.01
ELY3E-25	25	06/10/08	2.79		455		<0.1		<0.01
ELY3E-25	25	06/17/08	2.68	<0.6	500	0.2	<0.1	<0.5	<0.01
ELY3E-25	25	06/24/08	2.81	<0.6	475	0.2	<0.1	<0.5	<0.01

Blank cells indicate that analysis was not run for a constituent on that particular date and/or depth due to insufficient volume

Table 2-6
Diluent Water Monitoring Results

Constituent	West Cucamonga Channel - 7th & 8th Street	Cucamonga Creek - Turner 1 & 2	Deer Creek - Turner Drop Inlet	Unit	Method
NO ₂ -N	<0.01	0.04	<0.01	mg/L	EPA 300.0
NO ₃ -N	0.6	1.3	0.2	mg/L	EPA 300.0
TDS	190	542	396	mg/L	SM 2540C
Total Coliform	>23	>23	12	mpn/100ml	SM 9221B
Oil & Grease	<2	2	<2	mg/L	EPA 1664A
Inorganic Chemicals					
Aluminum	101	<25	48	µg/L	EPA 200.7
Antimony	<1	1.4	1.4	µg/L	EPA 200.8
Arsenic	2	<2	<2	µg/L	EPA 200.8
Asbestos	<6.73	<4.42	<6.42	MFL	EPA 100.2
Barium	30	82	54	µg/L	EPA 200.7
Beryllium	<0.5	<0.5	<0.5	µg/L	EPA 200.7
Cadmium	0.3	<0.25	<0.25	µg/L	EPA 200.7
Chromium	1.2	1.7	2.1	µg/L	EPA 200.7
Cyanide	<6	<6	<6	µg/L	SM 4500-CN E
Fluoride	0.4	0.4	0.5	mg/L	SM 4500-F C
Mercury	<0.2	<0.2	<0.2	µg/L	EPA 245.2
Nickel	2	4	3	µg/L	EPA 200.7
Perchlorate	<4	<4	<4	µg/L	EPA 314
Selenium	<2	2	<2	µg/L	EPA 200.8
Thallium	<1	<1	<1	µg/L	EPA 200.8
Volatile Organic Chemicals (VOCs)					
Benzene	<0.5	<0.5	<0.5	µg/L	EPA 524.2
Carbon Tetrachloride	<0.5	<0.5	<0.5	µg/L	EPA 524.2
1,2-Dichlorobenzene	<0.5	<0.5	<0.5	µg/L	EPA 524.2
1,4-Dichlorobenzene	<0.5	<0.5	<0.5	µg/L	EPA 524.2
1,1-Dichloroethane	<0.5	<0.5	<0.5	µg/L	EPA 524.2
1,2-Dichloroethane	<0.5	<0.5	<0.5	µg/L	EPA 524.2
1,1-Dichloroethylene	<0.5	<0.5	<0.5	µg/L	EPA 524.2
cis-1,2-Dichloroethylene	<0.5	<0.5	<0.5	µg/L	EPA 524.2
trans-1,2-Dichloroethylene	<0.5	<0.5	<0.5	µg/L	EPA 524.2
Dichloromethane	<0.5	<0.5	<0.5	µg/L	EPA 524.2
1,2-Dichloropropane	<0.5	<0.5	<0.5	µg/L	EPA 524.2
1,3-Dichloropropene	<0.5	<0.5	<0.5	µg/L	EPA 524.2
Ethylbenzene	<0.5	<0.5	<0.5	µg/L	EPA 524.2
Chlorobenzene	<0.5	<0.5	<0.5	µg/L	EPA 524.2
Methyl Tert-butyl ether (MTBE)	<0.5	<0.5	<0.5	µg/L	EPA 524.2
Styrene	<0.5	<0.5	<0.5	µg/L	EPA 524.2
1,1,1,2-Tetrachloroethane	<0.5	<0.5	<0.5	µg/L	EPA 524.2
Tetrachloroethylene	<0.5	<0.5	<0.5	µg/L	EPA 524.2
Toluene	<0.5	<0.5	<0.5	µg/L	EPA 524.2
1,2,4-Trichlorobenzene	<0.5	<0.5	<0.5	µg/L	EPA 524.2
1,1,1-Trichloroethane	<0.5	<0.5	<0.5	µg/L	EPA 524.2
1,1,2-Trichloroethane	<0.5	<0.5	<0.5	µg/L	EPA 524.2
Trichloroethylene	<0.5	<0.5	<0.5	µg/L	EPA 524.2
Trichlorofluoromethane	<0.5	<0.5	<0.5	µg/L	EPA 524.2
1,1,2-Trichloro-1,2,2-Trifluoroethane	<0.5	<0.5	<0.5	µg/L	EPA 524.2
Vinyl Chloride	<0.3	<0.3	<0.3	µg/L	EPA 524.2
Total Xylenes	<1	<1	<1	µg/L	EPA 524.2
Non-Volatile Synthetic Organic Chemicals (SOCs)					
Alachlor (Alanex)	<0.1	<0.1	<0.1	µg/L	EPA 505
Atrazine	<0.05	<0.05	<0.05	µg/L	EPA 525.2
Bentazon	<0.5	<0.5	<0.5	µg/L	EPA 515.4
Benzo(a)pyrene	<0.02	<0.02	<0.02	µg/L	EPA 525.2
Carbofuran	<0.5	<0.5	<0.5	µg/L	EPA 531.2
Chlordane	<0.1	<0.1	<0.1	µg/L	EPA 505
2,4-D	<0.1	<0.1	<0.1	µg/L	EPA 515.4
Dalapon	<1	<1	<1	µg/L	EPA 515.4
Dibromochloropropane	<0.01	<0.01	<0.01	µg/L	EPA 504.1
Di(2-ethylhexyl)adipate	<0.6	<0.6	<0.6	µg/L	EPA 525.2
Di(2-ethylhexyl)phthalate	<0.6	3.7	1.1	µg/L	EPA 525.2
Dinoseb	<0.2	<0.2	<0.2	µg/L	EPA 515.4
Diquat	<0.4	<0.4	<0.4	µg/L	EPA 549.2
Endothall	<5	<5	<5	µg/L	EPA 548.1

Table 2-6
Diluent Water Monitoring Results

Constituent	West Cucamonga Channel - 7th & 8th Street	Cucamonga Creek - Turner 1 & 2	Deer Creek - Turner Drop Inlet	Unit	Method
Endrin	<0.01	<0.01	<0.01	µg/L	EPA 505
Ethylene Dibromide	<0.01	<0.01	<0.01	µg/L	EPA 504.1
Glyphosate	22	<6	38	µg/L	EPA 547
Heptachlor	<0.01	<0.01	<0.01	µg/L	EPA 505
Heptachlor Epoxide	<0.01	<0.01	<0.01	µg/L	EPA 505
Hexachlorobenzene	<0.05	<0.05	<0.05	µg/L	EPA 525.2
Hexachlorocyclopentadiene	<0.05	<0.05	<0.05	µg/L	EPA 525.2
Lindane	<0.01	<0.01	<0.01	µg/L	EPA 505
Methoxychlor	<0.05	<0.05	<0.05	µg/L	EPA 505
Molinate	<0.1	<0.1	<0.1	µg/L	EPA 525.2
Oxamyl	<0.5	<0.5	<0.5	µg/L	EPA 531.2
Pentachlorophenol	<0.04	<0.04	<0.04	µg/L	EPA 515.4
Picloram	<0.1	<0.1	<0.1	µg/L	EPA 515.4
PCB 1016	<0.08	<0.08	<0.08	µg/L	EPA 505
PCB 1221	<0.1	<0.1	<0.1	µg/L	EPA 505
PCB 1232	<0.1	<0.1	<0.1	µg/L	EPA 505
PCB 1242	<0.1	<0.1	<0.1	µg/L	EPA 505
PCB 1248	<0.1	<0.1	<0.1	µg/L	EPA 505
PCB 1254	<0.1	<0.1	<0.1	µg/L	EPA 505
PCB 1260	<0.1	<0.1	<0.1	µg/L	EPA 505
Simazine	<0.05	<0.05	<0.05	µg/L	EPA 525.2
Thiobencarb	<0.2	<0.2	<0.2	µg/L	EPA 525.2
Toxaphene	<0.5	<0.5	<0.5	µg/L	EPA 505
2,3,7,8-TCDD (Dioxin)	<5	<5	<5	pg/L	EPA 1613
2,4,5-TP (Silvex)	<0.2	<0.2	<0.2	µg/L	EPA 515.4
Disinfection Byproducts					
Total Trihalomethanes (TTHMs)	<0.5	<0.5	<0.5	µg/L	EPA 524.2/624
Total Haloacetic Acids (HAA5)	3.2	72	24	µg/L	S6251B
Bromate	<5	<5	18	µg/L	EPA 300.1
Chlorite	<0.01	0.01	0.01	mg/L	EPA 300.0
Notification Level Chemicals					
Copper	11.0	20.0	18.4	µg/L	EPA 200.7
Lead	0.6	<0.5	<0.5	µg/L	EPA 200.8
Radionuclides					
Combined Radium-226 and Radium 228	<0.984	<0.912	<0.677	pCi/L	EPA 903.0
Gross Alpha Particle Activity	<3.00	<3.00	<3	pCi/L	EPA 900.0
Tritium	190	<189	<182	pCi/L	EPA 906
Strontium-90	<0.745	<0.706	<0.792	pCi/L	EPA 905
Gross Beta Particle Activity	15	6	5	pCi/L	EPA 900.0
Uranium	0.94	1.1	<0.7	pCi/L	EPA 200.8
Unregulated Chemicals					
Boron	<0.1	0.2	0.2	mg/L	EPA 200.7
Chromium VI	0.4	1.7	1.1	µg/L	EPA 218.6
Dichlorodifluoromethane	<0.5	<0.5	<0.5	µg/L	EPA 524.2
Ethyl tertiary butyl ether	<3	<3	<3	µg/L	EPA 524.2
N-nitrosodimethylamine (NDMA)	6.8	<4	<2	ng/L	1625MOD
Perchlorate	<4	<4	<4	µg/L	EPA 314
Tertiary amyl methyl ether	<3	<3	<3	µg/L	EPA 524.2
Tertiary butyl alcohol	<2	<2	<2	µg/L	542.2 MOD
Vanadium	7.1	15.3	18.5	µg/L	EPA 200.8
1,4 - Dioxane	<2	2.1	<2	µg/L	8270MOD
1,2,3-Trichloropropane	<0.5	<0.5	<0.5	µg/L	EPA 524.2
Secondary Maximum Contaminant Level Chemicals					
Aluminum	101	<25	48	µg/L	EPA 200.7
Corrosivity	0.5	3.0	2.8	SI	SM 2330B
Foaming Agents (MBAS)	0.79	<0.05	<0.05	mg/L	S5540C/EPA 425.1
Iron	204	45	117	µg/L	EPA 200.7
Manganese	6	5	8	µg/L	EPA 200.7
Odor--Threshold	8	67	3	TON	SM 2150B
Silver	<0.25	<0.25	<0.25	µg/L	EPA 200.7
Thiobencarb	<0.2	<0.2	<0.2	µg/L	EPA 525.2
Zinc	20	7	15	µg/L	EPA 200.7

Table 2-7
Summary of Wells in Groundwater Monitoring Networks

BASIN	CBWM_ID	OWNER/LOCAL NAME	SEPARATION DISTANCE (feet)	SCREENED INTERVAL(S) (feet bgs)	CASING DIAMETER (Inches)	STATUS	TYPE
Hickory and Banana Basins	3600573	Fontana Water Company - F37a	2240 upgradient	378-810	20	Active	Municipal
	600660	California Speedway - Infield Well	2070 downgradient	NA	NA	Active	Industrial
	3601365	California Speedway 2	2780 downgradient	451-455, 491-603, & 664-780	20	Active	Industrial
	3600371	Reliant Energy - East Well	4070 downgradient	434-467, 500-513, 553-580, 593-652, & 825-847	20	Active	Industrial
	3602267	City Of Ontario - 20	14500 downgradient	NA	20	Active	Municipal
	601001	Inland Empire Utilities Agency - BH-1/1	340 downgradient	365-405	4	Active	Monitoring
	601002	Inland Empire Utilities Agency - BH-1/2	340 downgradient	435-475	4	Active	Monitoring
Turner Basins	3601065	City Of Ontario - 19	2200 upgradient	NA	16	Inactive	Municipal
	3600010	City Of Ontario - 25	2530 crossgradient	370-903	20	Active	Municipal
	600453	City Of Ontario - 29	2810 downgradient	400-1095	18	Active	Municipal
	600585	City of Ontario - 38*	4600 crossgradient	500-1010	16	Active	Municipal
	600997	Inland Empire Utilities Agency - TRN-1/1	50 downgradient	340-360	4	Active	Monitoring
	600998	Inland Empire Utilities Agency - TRN-1/2	50 downgradient	380-400	4	Active	Monitoring
	600999	Inland Empire Utilities Agency - TRN-2/1	50 downgradient	350-370	4	Active	Monitoring
	601000	Inland Empire Utilities Agency - TRN-2/2	50 downgradient	392-412	4	Active	Monitoring
7th & 8th Street Basins	3601561	San Antonio Water Company No. 12	740 downgradient	379-480, 525-563, 578-609, & 634-679	16	Inactive	Municipal
	3601772	City of Ontario No. 4	3429 downgradient	526-910	16-20	Inactive	Municipal
	--	City of Ontario No. 51	3402 downgradient	Not Yet Constructed	NA	NA	Municipal
	600493	City of Ontario No. 35	9695 downgradient	580-1020	18-36	Active	Municipal
	--	Inland Empire Utilities Agency - 8th-1/1	150 downgradient	495-535	4	Active	Monitoring
	--	Inland Empire Utilities Agency - 8th-1/2	150 downgradient	595-645	4	Active	Monitoring
	--	Inland Empire Utilities Agency - 8th-2/1	2460 downgradient	465-505	4	Active	Monitoring
	--	Inland Empire Utilities Agency - 8th-2/2	2460 downgradient	576-616	4	Active	Monitoring
Ely Basin	601003	Ely Basin MW-1, Philadelphia Well (Casing 3)	100 downgradient	280 - 300	2	NA	Monitoring
	601004	Ely Basin MW-2, Walnut Well (Casing 2)	3050 downgradient	290 - 310	4	NA	Monitoring
	3600975	Riverside Drive Well (43840-CWW)	6046 downgradient	NA	NA	Active	Private Irrigation
	600134	Bishop Of San Bernardino Corp. - DOM	6500 downgradient	NA	NA	Active	Private Domestic

Notes:

- NA = Data not available
- CBWM ID = Chino Basin Water Master well identification number
- bgs = below ground surface
- * = Ontario Well No. 38 has taken the place of Ontario Well No. 19, which is inactive

Table 2-8
Groundwater Monitoring Results (Quarterly)

Sample Location	Date	TOC (mg/L)	Total Coliform (MPN/100mL)	pH	EC (umho/cm)	Al (ug/L)	Color (units)	Cu (ug/L)	Conductivity Index (SI)	Foaming Agents (mg/L)	Fe (ug/L)	Mn (ug/L)	MTBE (ug/L)	Odor Threshold (TON)	Thiocyanate (ug/L)	Turbidity (NTU)	Zn (ug/L)	Cl (mg/L)	Hardness (mg CaCO ₃ /L)	Na (mg/L)	SO ₄ (mg/L)	NH ₄ -N (mg/L)	NO ₂ -N (mg/L)	NO ₃ -N (mg/L)	Nitrogen, Total (mg/L)	TKN (mg/L)	Alkalinity (mg CaCO ₃ /L)	Dissolved Oxygen (mg/L)		
Fontana Water Company F37a California Speedway Infield Well California Speedway 2 Reliant Energy East Well Ontario Well No. 20 BH-1/2 BH-1/2	4/9/08	0.1	<1.1	7.63	455	288	43	<3	39.1	0.5	<0.05	233	9	<0.5	2	<0.25	<0.2	1.50	8	16	217	19	14	<0.1	0.04	10.2	<0.5	175	8.6	
	4/9/08	0.5	<1.1	6.65	470	308	<25	<3	2.9	0.4	<0.05	23	1	<0.5	1	<0.25	<0.2	0.15	3	14	229	21	39	<0.1	0.05	7.9	<0.5	169	7.9	
	4/9/08	0.5	<1.1	7.94	264	236	<25	<3	1.6	0.2	<0.05	14	3	<0.5	1	<0.25	<0.2	0.22	30	11	167	19	14	<0.1	0.06	3.8	<0.5	158	6.8	
	4/24/08	0.3	<1.1	7.20	375	262	88	<3	2.5	0.0	<0.05	231	18	<0.5	1	<0.25	<0.2	1.47	1	17	160	18	20	<0.1	<0.01	8.4	<0.5	119	6.5	
	4/3/08	0.5	<1.1	7.90	330	204	<25	<3	3.7	0.4	<0.05	3	<1	<0.5	2	<0.25	<0.2	0.36	3	5	167	14	6	<0.1	0.19	1.6	1.8	<0.5	162	7.3
	4/11/08	0.7	<1.1	7.20	412	264	<25	<3	<0.5	0.2	<0.05	20	3	<0.5	1	<0.25	<0.2	0.25	3	40	182	20	24	<0.1	0.13	2.7	2.8	<0.5	118	7.4
	4/28/08	0.5	7.02	415																										
	4/3/08	0.5	<1.1	7.65	420	272	<25	<3	1.7	0.3	<0.05	6	<1	<0.5	2	<0.25	<0.2	0.15	<1	14	197	22	19	<0.1	0.18	4.2	4.4	<0.5	177	6.6
	4/3/08	0.5	<1.1	7.52	355	230	<25	<3	3.7	0.3	<0.05	1	<1	<0.5	2	<0.25	<0.2	0.26	2	12	159	24	16	<0.1	0.17	3.4	3.5	<0.5	153	8.9
	4/3/08	0.5	<1.1	7.93	300	190	<25	<3	1.9	0.3	<0.05	7	<1	<0.5	2	<0.25	<0.2	0.21	<1	4	138	21	9	<0.1	0.18	1.1	1.3	<0.5	152	7.1
Turner Basins T-1/2 T-2/1 T-2/2	4/7/08	1.0	<1.1	7.57	630	380	<25	<3	0.7	0.1	<0.05	20	1	<0.5	1	<0.25	<0.2	0.95	1	91	275	29	33	<0.1	<0.01	0.2	0.3	<0.5	153	6.9
	4/7/08	0.9	<1.1	7.59	480	266	<25	<3	0.6	0.1	<0.05	54	3	<0.5	1	<0.25	<0.2	0.89	<1	72	194	27	19	<0.1	<0.01	0.7	0.8	<0.5	117	8.8
	4/7/08	1.0	<1.1	7.64	505	330	<25	<3	<0.5	-0.1	<0.05	9	<1	<0.5	1	<0.25	<0.2	0.81	1	82	213	20	27	<0.1	<0.01	0.7	0.7	<0.5	96	8.3
	4/16/08	0.9	<1.1	7.95	220	154	<25	<3	0.6	0.1	<0.05	23	4	<0.5	2	<0.25	<0.2	0.55	<1	5	95	18	8	<0.1	<0.01	1.3	1.7	<0.5	100	7.2
	6/10/08	0.4		195																										
	6/17/08	0.5		200																										
	6/24/08	0.6		215																										
	4/16/08	0.4	<1.1	7.36	355	235	<25	<3	<0.5	0.0	<0.05	11	5	<0.5	2	<0.25	<0.2	0.44	<1	14	166	18	14	<0.1	<0.01	6.7	6.8	<0.5	133	7.6
	6/10/08	0.1		335																										
	6/17/08	0.3		350																										
7th & 8th St Basins 8TH-1/1 8TH-1/1 8TH-1/1 8TH-1/2 8TH-1/2 8TH-2/1 8TH-2/1 8TH-2/2	4/17/08	0.5	<1.1	7.48	615	435	<25	<3	<0.5	0.4	11	5	<0.5	1	<0.25	<0.2	0.18	2	18	289	20	64	<0.1	0.08	30.2	30.3	<0.5	128	8.2	
	4/23/08	0.2																												
	4/23/08	0.2	<1.1	7.24	520	338	<25	<3	<0.5	0.0	<0.05	21	6	<0.5	1	<0.25	<0.2	0.14	1	17	245	19	37	<0.1	<0.01	18.1	<0.5	153	8.7	
	4/9/08	0.7	<1.1	8.75	245	148	28	3	<0.5	0.3	<0.05	294	14	<0.5	1	<0.25	<0.2	0.87	2	25	95	20	3	<0.1	<0.01	0.2	0.2	<0.5	83	0.9
	4/24/08	0.9	<1.1	7.22	1220	836	577	20	4.0	0.5	<0.05	4364	21	<0.5	2	<0.25	<0.2	42.8	6	111	571	32	60	<0.1	<0.01	44.5	44.5	<0.5	243	7.4
	4/7/08	0.6	<1.1	7.45	480	302	<25	<3	0.5	0.2	<0.05	<15	<1	<0.5	2	<0.25	<0.2	0.70	5	21	232	22	32	<0.1	<0.01	8.0	8.0	<0.5	165	7.3
	4/10/08	1.5	<1.1	7.71	355	248	878	<3	1.4	-0.1	<0.05	132	7	<0.5	1	<0.25	<0.2	8.45	3	16	105	42	28	<0.1	0.02	1.7	1.8	<0.5	126	5.5
	4/10/08	0.6	<1.1	7.86	530	340	<25	<3	<0.5	0.4	<0.05	11	3	<0.5	1	<0.25	<0.2	0.89	<1	14	269	15	37	<0.1	0.02	16.6	16.6	<0.5	152	7.1
	4/10/08	0.5	<1.1	7.59	555	344	31	5	0.8	0.4	<0.05	316	12	<0.5	1	<0.25	<0.2	1.84	2	34	297	14	34	<0.1	0.02	8.5	8.5	<0.5	173	8.2
	4/10/08	0.2	<1.1	8.33	315	206	<25	<3	0.7	0.1	<0.05	25	8	<0.5	3	<0.25	<0.2	0.99	1	7	82	44	25	<0.1	<0.01	2.8	2.8	<0.5	115	1.2
Background Data BRK-1/1 BRK-1/2 BRK-2/1 BRK-2/2 DCZ-1 RP3-1/1 RP3-1/2	4/11/08	1.4	<1.1	7.24	310	186	<25	<3	0.8	0.2	<0.05	136	164	<0.5	2	<0.25	<0.2	1.90	1	12	118	30	13	<0.1	0.15	1.0	1.1	<0.5	134	3.1
	4/11/08	1.8	<1.1	6.24	1060	708	<25	3	1.8	0.4	<0.05	13	273	<0.5	3	<0.25	<0.2	0.20	1	27	408	94	63	<0.1	0.73	<0.1	0.7	<0.5	345	0.5
	4/11/08	1.8	<1.1	6.23	900	600	<25	3	2.0	0.3	<0.05	67	130	<0.5	2	<0.25	<0.2	0.21	2	36	359	81	50	<0.1	0.34	<0.1	0.3	<0.5	338	1.2
	4/11/08	1.8	<1.1	6.23	900	600	<25	3	2.0	0.3	<0.05	67	130	<0.5	2	<0.25	<0.2	0.21	2	36	359	81	50	<0.1	0.34	<0.1	0.3	<0.5	338	1.2

Blank cells indicate that analysis was not run for a constituent on that particular date. On certain dates, supplemental analysis was conducted on BH-1/2, 8th St-1/1, 8th St-1/2, and 8th St-2/1. On those occasions, a full set of analysis was not necessary and only parameters of interest were analyzed.

Table 3-1
Diluent & Recycled Water Recharge Volume (Acre-Feet)

Date	Diluent Water																	
	Imported Water						Local Runoff / Storm Flow						Recycled Water					
	7h & 8th St.	Ely	Turner	Hickory	Banana	7h & 8th St.	Ely	Turner	Hickory	Banana	7h & 8th St.	Ely	Turner	Hickory	Banana			
Apr-07	0	0	0	0	0	89	59	8	50	29	0	41	22	63	4			
May-07	0	0	0	0	0	42	14	20	58	37	0	40	136	0	6			
Jun-07	0	0	0	0	0	42	18	11	90	0	0	7	3	0	0			
2Q07 Totals	0	0	0	0	0	173	91	68	306	133	0	88	319	126	19			
Jul-07	0	0	0	0	0	16	26	5	93	0	0	0	0	141	0			
Aug-07	0	0	0	0	0	16	29	48	93	0	0	0	0	78	0			
Sep-07	0	0	0	0	0	17	34	16	92	3	128	0	0	15	0			
3Q07 Totals	0	0	0	0	0	49	89	69	278	3	128	0	0	234	0			
Oct-07	0	0	0	0	0	42	34	65	73	2	109	0	0	23	0			
Nov-07	0	0	0	0	0	81	166	162	102	35	161	87	0	98	0			
Dec-07	0	0	0	0	0	224	257	277	102	22	0	53	0	0	0			
4Q07 Totals	0	0	0	0	0	347	457	504	277	59	270	140	0	121	0			
Jan-08	0	0	0	0	0	328	793	454	126	130	1	0	0	0	0			
Feb-08	0	0	0	0	0	98	233	260	97	75	157	0	0	97	0			
Mar-08	0	0	0	0	0	21	82	17	44	0	164	116	0	80	0			
1Q08 Totals	0	0	0	0	0	447	1108	731	267	205	322	116	0	177	0			
Apr-08	0	0	0	0	0	11	170	18	64	0	90	116	0	7	47			
May-08	0	0	0	0	0	90	137	181	39	3	158	87	0	86	38			
Jun-08	0	0	0	0	0	15	123	39	24	8	86	103	0	0	72			
2Q08 Totals	0	0	0	0	0	116	430	238	127	11	334	306	0	93	157			

Note: (-) Negative values indicate more water pumped from the basin than was routed to the basin.
Diluent water at Ely Basin does not include discharge of treated groundwater

Table 6-1
MVWD ASR Project - TIN/TDS Mass Balance

ASR Well No. 4										
Date	Injection			Recovery			Mass Balance			
	Volume (AF)	TIN (mg/L)	TDS (mg/L)	Volume (AF)	TIN (mg/L)	TDS (mg/L)	Storage (AF)	TIN (kg)	TDS (kg)	
1Q08	Jan-08	0			0			0	0	0
	Feb-08	0			0			0	0	0
	Mar-08	40	0.87	290	0			40	43	14,307
2Q08	Apr-08	42	1.10	350	0			82	99	32,273
	May-08	0	1.10	350	98	7.5*	372*	(16)	(805)	(12,728)
	Jun-08	0	1.10	350	107	14	360	(123)	(2,645)	(60,049)

ASR Well No. 30										
Date	Injection			Recovery			Mass Balance			
	Volume (AF)	TIN (mg/L)	TDS (mg/L)	Volume (AF)	TIN (mg/L)	TDS (mg/L)	Storage (AF)	TIN (kg)	TDS (kg)	
3Q07	Jul-07	136	0.53	270	0			243	214	80,909
	Aug-07	71	0.53	270	0			314	261	104,598
	Sep-07	47	0.53	270	0			362	292	120,413
4Q07	Oct-07	123	0.13	310	0			484	312	167,280
	Nov-07	13	0.13	310	0			497	314	172,181
	Dec-07	67	0.13	310	0			564	324	197,792
1Q08	Jan-08	132	0.87	290	0			696	466	244,894
	Feb-08	81	0.87	290	0			777	553	273,947
	Mar-08	99	0.87	290	0			876	659	309,405
2Q08	Apr-08	89	1.10	350	0			965	780	348,001
	May-08	0	1.10	350	0			965	780	348,001
	Jun-08	0	1.10	350	286	3.5*	310*	680	(436)	238,737

ASR Well No. 32										
Date	Injection			Recovery			Mass Balance			
	Volume (AF)	TIN (mg/L)	TDS (mg/L)	Volume (AF)	TIN (mg/L)	TDS (mg/L)	Storage (AF)	TIN (kg)	TDS (kg)	
1Q08	Jan-08	0			0			0	0	0
	Feb-08	33	0.87	290	0			33	35	11,813
	Mar-08	118	0.87	290	0			151	162	54,139
2Q08	Apr-08	89	1.10	350	0			241	284	92,736
	May-08	0	1.10	350	0			241	284	92,736
	Jun-08	0	1.10	350	6	**	**	235	**	**

The injected water is WFA-treated water, which meets CCR Title 22 drinking water standards.
 During 2Q08, WFA-treated water was sampled for TDS and TIN (NO₃-N + NO₂-N, assuming no NH₃-N in drinking water) on 04/15/08.
 MVWD discontinued groundwater injection at ASR Wells 4, 30, and 32, effective May 1, 2008, until further notice.
 All wells were placed into production (extraction) mode during 2Q08.
 * Wells w/ 2+ sampling events for the month show an avg. of those values. Individual values are at the bottom of the page.
 ** Well is not required to sample until it reaches 20% extraction. Mass balance will be calculated after 20% threshold has been reached.

Total Project (All Wells)										
Date							Mass Balance			
	Storage (AF)	TIN (kg)	TDS (kg)				Storage (AF)	TIN (kg)	TDS (kg)	
3Q07	Jul-07	243	214	80,909						
	Aug-07	314	261	104,598						
	Sep-07	362	292	120,413						
4Q07	Oct-07	484	312	167,280						
	Nov-07	497	314	172,181						
	Dec-07	564	324	197,792						
1Q08	Jan-08	696	466	244,894						
	Feb-08	810	588	285,760						
	Mar-08	1,067	865	377,851						
2Q08	Apr-08	1,288	1,164	473,010						
	May-08	1,189	259	428,008						
	Jun-08	791	(2,797)	271,424						

Well 4	TIN	TDS	Est. Prod	Well 30	TIN	TDS	Est. Prod
5/7/08	4.1	360	20%	6/5/08	2.0	310	20%
5/9/08	6.9	370	40%	6/26/08	4.9	310	40%
5/12/08	6.9	370	60%				
5/27/08	12	390	80%				
6/6/08	14	360	100%				

Table 7-1
WateReuse Study Results

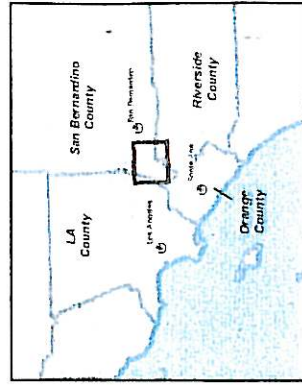
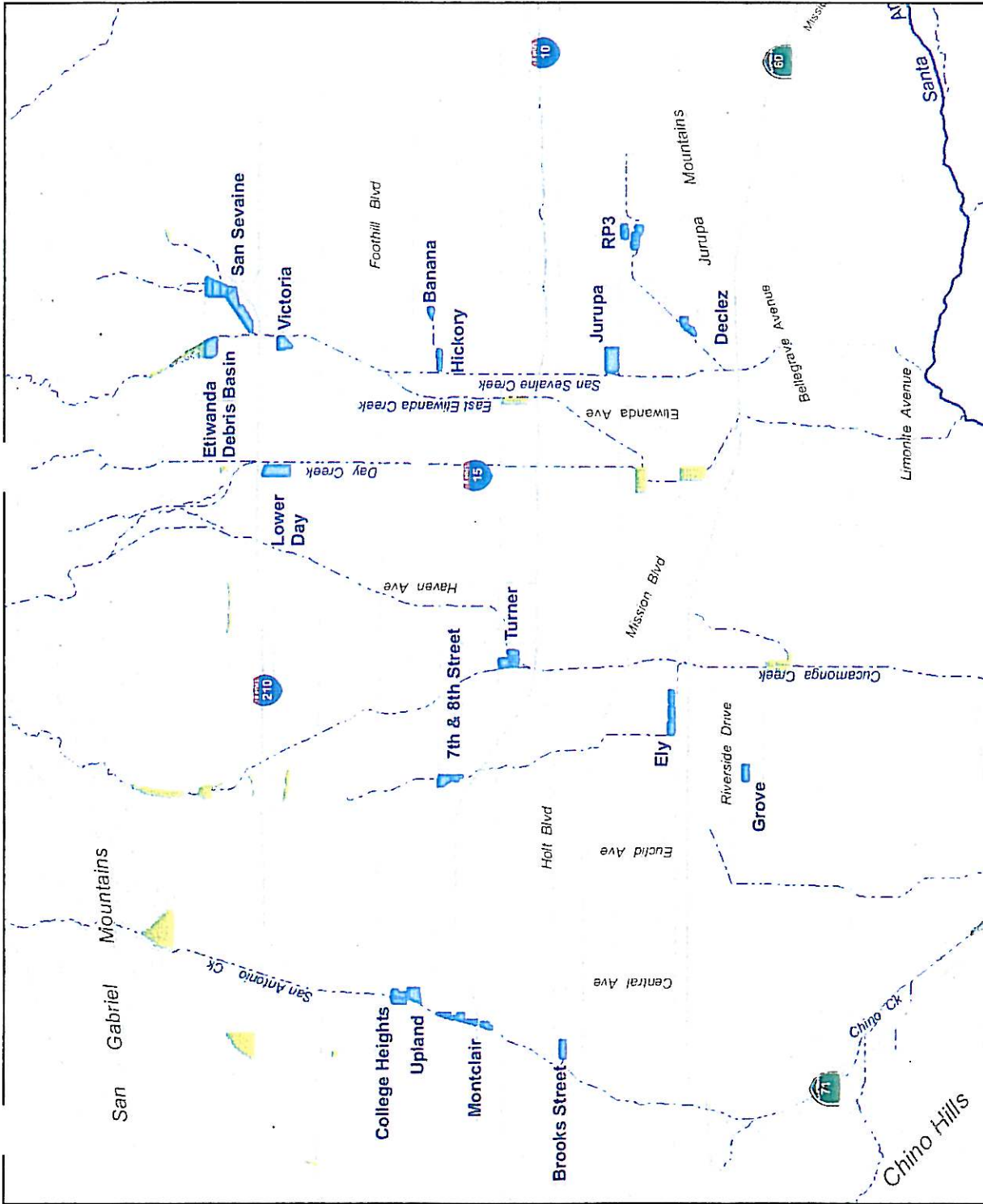
Constituent	SAWCO Well No. 12		8th Street Basin 1/1	8th Street Basin 2/1	Unit	Method
	Sample 1	Sample 2				
1,1,1-Trichloroethane	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
1,1,2,2-Tetrachloroethane	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
1,1,2-Trichloro-1,2,2-Trifluoroethane	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
1,1,2-Trichloroethane	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
1,1-Dichloroethane	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
1,1-Dichloroethylene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
1,2,3-Trichloropropane	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
1,2,4-Trichlorobenzene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
1,2,4-Trimethylbenzene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
1,2-Dichlorobenzene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
1,2-Dichloroethane	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
cis-1,2-Dichloroethylene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
trans-1,2-Dichloroethylene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
1,2-Dichloropropane	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
1,3,5-Trimethylbenzene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
1,3-Dichloropropene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
1,4-Dichlorobenzene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
1,4-Dioxane	<2	<2	<2	<2	µg/L	ML/SW 8270 mod
2,4,6-Trichlorophenol	<5	<5	<5	<5	µg/L	ML/EPA625/8270
2,4-D	<0.1	<0.1	<0.1	<0.1	µg/L	ML/EPA 515.4
2,4-dichlorophenol	<5	<5	<5	<5	µg/L	ML/EPA625/8270
2,4-dinitrophenol	<50	<50	<50	<50	µg/L	ML/EPA625/8270
2,4-dinitrotoluene	<0.1	<0.1	<0.1	<0.1	µg/L	ML/EPA 525.2
2,6-dinitrotoluene	<5	<5	<5	<5	µg/L	ML/EPA625/8270
2-chlorotoluene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
4-chlorotoluene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
Alachlor	<0.05	<0.05	<0.05	<0.05	µg/L	ML/EPA 525.2
Aluminum	39	<25	<25	<25	µg/L	EPA 200.8
Ammonium	<0.5	<0.5	<0.5	<0.5	µg/L	EPA 200.8
Ammonia	<2	<2	<2	<2	µg/L	EPA 200.8
Atrazine	0.1	0.1	0.1	<0.05	µg/L	ML/EPA 525.2
Barium	32	28	26	65	µg/L	EPA 200.8
Bentazon	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 515.4
Benzene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
Benzo(a)pyrene	<0.02	<0.02	<0.02	<0.02	µg/L	ML/EPA 525.2
Beryllium	<0.5	<0.5	<0.5	<0.5	µg/L	EPA 200.8
Boron	<0.1	<0.1	<0.1	<0.1	mg/L	EPA 200.7
Bromate	<3	<1	<3	<1	µg/L	EPA 317
Butylbenzene-n	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
Butylbenzene-sec	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
Butylbenzene-tert	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
Cadmium	<0.25	<0.25	<0.25	<0.25	µg/L	EPA 200.8
Carbofuran	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 531.2
Carbon Disulfide	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 624
Carbon Tetrachloride	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
Chlorate	63	63	14	<10	µg/L	ML/EPA 300.0
Chlordane	<0.1	<0.1	<0.1	<0.1	µg/L	ML/EPA 505
Chlorite	<0.01	<0.01	<0.01	<0.01	mg/l	ML/EPA 300.0
Chromium	2.6	2.8	2.1	4.6	µg/L	EPA 200.8
Chromium-6	1.8	1.5	1.0	4.1	µg/L	EPA 218.6
Copper	702	11.4	0.6	<0.5	µg/L	EPA 200.8
Cyanide	<0.006	<0.006	<0.006	<0.006	mg/L	SM 4500-CN E
Dalapon	<1	<1	<1	<1	µg/L	ML/EPA 515.4
Diazinon	<0.1	<0.1	<0.1	<0.1	µg/L	ML/EPA 525.2
Dibromochloropropane (DBCP)	<0.01	<0.01	<0.01	<0.01	µg/L	ML/EPA 504.1
Dichlorodifluoromethane	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
Dichloromethane	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
Diethylhexyladipate	<0.6	<0.6	<0.6	<0.6	µg/L	ML/EPA 525.2
Diethylhexylphthalate	<0.6	<0.6	93	68	µg/L	ML/EPA 525.2

Table 7-1
Waste Reuse Study Results

tituent	SAWCO Well No. 12		8th Street Basin 1/1	8th Street Basin 2/1	Unit	Method
	Sample 1	Sample 2				
Acetone	<0.2	<0.2	<0.2	<0.2	µg/L	ML/EPA 515.4
Diquat	<0.4	<0.4	<0.4	<0.4	µg/L	ML/EPA 549.2
EC	310	320	220	615	µmhos/cm	SM 2510
Endothal	<20	<5	<5	<20	µg/L	EPA 548.1
Endrin	<0.01	<0.01	<0.01	<0.01	µg/L	ML/EPA 505
Ethyl tertiary butyl ether	<3	<3	<3	<3	µg/L	ML/EPA 524.2
Ethylbenzene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
Ethylene Dibromide (EDB)	<0.01	<0.01	<0.01	<0.01	µg/L	ML/EPA 504.1
Fluoride	0.4	0.4	0.4	0.3	mg/L	EPA 300.0
Formaldehyde	<5	5.1	<5	<5	µg/L	ML/SM 6252
Glyphosate	<6	<6	<6	<6	µg/L	EPA 547
Total Haloacetic Acids (HAA5)	<1	<1	<1	<1	µg/L	ML/S6251B
Heptachlor	<0.01	<0.01	<0.01	<0.01	µg/L	ML/EPA 525.2
Heptachlor Epoxide	<0.01	<0.01	<0.01	<0.01	µg/L	ML/EPA 525.2
Hexachlorobenzene	<0.05	<0.05	<0.05	<0.05	µg/L	ML/EPA 525.2
Hexachlorocyclopentadiene	<0.05	<0.05	<0.05	<0.05	µg/L	ML/EPA 525.2
Isopropylbenzene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
Lead	16	6.8	<0.5	<0.5	µg/L	EPA 200.8
Lindane	<0.01	<0.01	<0.01	<0.01	µg/L	ML/EPA 505
Manganese	9	6	4	5	µg/L	EPA 200.8
Mercury	<0.2	<0.2	<0.2	<0.2	µg/L	EPA 245.2
Methoxychlor	<0.05	<0.05	<0.1	<0.05	µg/L	ML/EPA 505
Methyl isobutyl ketone (MIBK)	<5	<5	<5	<5	µg/L	ML/EPA 524.2
Methyl-tert-butyl ether (MTBE)	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
Molinate	<0.1	<0.1	<0.1	<0.1	µg/L	ML/EPA 525.2
Naphthalene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
Nickel	2	3	3	3	µg/L	EPA 200.8
Nitrate Nitrogen	4.2	5.0	1.3	30.2	mg/L	EPA 300.0
Nitrite Nitrogen	0.02	0.12	<0.01	0.08	mg/L	EPA 300.0
o-Benzene	<5	<5	<5	<5	µg/L	ML/EPA625/8270
N-nitrosodiethylamine (NDEA)	<2	<2	<2	<5	ng/l	ML/EPA 521
N-Nitrosodimethylamine (NDMA)	<2	<2	<2	<2	ng/l	ML/EPA 521
N-nitrosodi-n-propylamine (NDPA)	<2	<2	<2	<7	ng/l	ML/EPA 521
n-propylbenzene (isocumene)	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
Oxamyl	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 531.2
Pentachlorophenol	<0.04	<0.04	<0.04	<0.04	µg/L	ML/EPA 515.4
Perchlorate	<4	<4	<4	18	µg/L	EPA 314
Picloram	<0.1	<0.1	<0.1	<0.1	µg/L	ML/EPA 515.4
Polychlorinated Biphenyls	<0.08	<0.08	<0.08	<0.08	µg/L	ML/EPA 505
Propachlor	<0.05	<0.05	<0.05	<0.05	µg/L	ML/EPA 525.2
Selenium	<2	<2	<2	<2	µg/L	EPA 200.8
2,4,5-TP (Silvex)	<0.2	<0.2	<0.2	<0.2	µg/L	ML/EPA 515.4
Simazine	<0.05	<0.05	0.20	0.1	µg/L	ML/EPA 525.2
Styrene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
Tertiary amyl methyl ether	<3	<3	<3	<3	µg/L	ML/EPA 524.2
Tertiary butyl alcohol	<2	<2	<2	<2	µg/L	ML/EPA 524.2
Tetrachloroethylene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
Thallium	<1	<1	<1	<1	µg/L	EPA 200.8
Thiobencarb	<0.2	<0.2	<0.2	<0.2	µg/L	ML/EPA 525.2
Toluene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
Total Nitrate/Nitrite (as N)	4.2	5.1	1.3	30.3	mg/L	EPA 300.0
Total Trihalomethanes (THM)	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
Toxaphene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 505
Trichloroethylene	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 524.2
Trichlorofluoromethane	<0.5	<0.5	<0.5	<0.5	µg/L	ML/EPA 624
Vanadium	2	4	5	4	µg/L	EPA 200.8
Vinyl Chloride	<0.3	<0.3	<0.3	<0.3	µg/L	ML/EPA 524.2
Xylenes	<1.5	<1	<1.5	<1.5	µg/L	ML/EPA 524.2

Main Map Features

-  Recharge Basins in the Recycled Water Groundwater Recharge Program
-  Non-program basins
-  Rivers and Streams



Chino Basin Recycled Water Groundwater Recharge Programs

Basin Locations

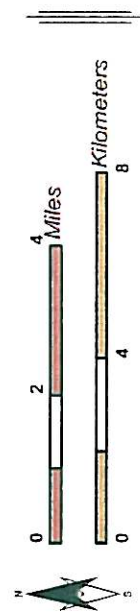
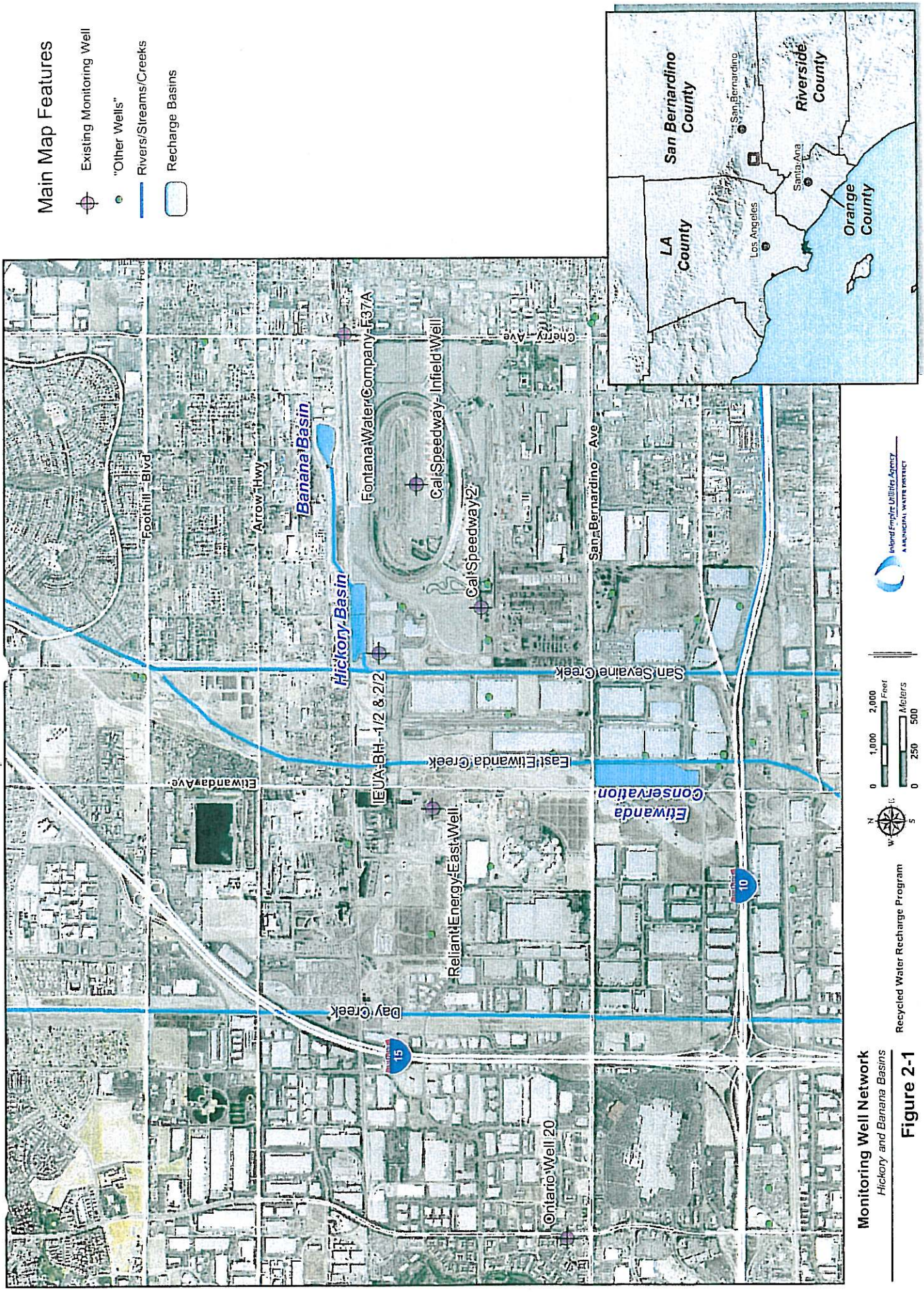


Figure 1-1



- Main Map Features**
- Existing Monitoring Well
 - "Other Wells"
 - Rivers/Streams/Creeks
 - Recharge Basins

Monitoring Well Network
Hickory and Banana Basins

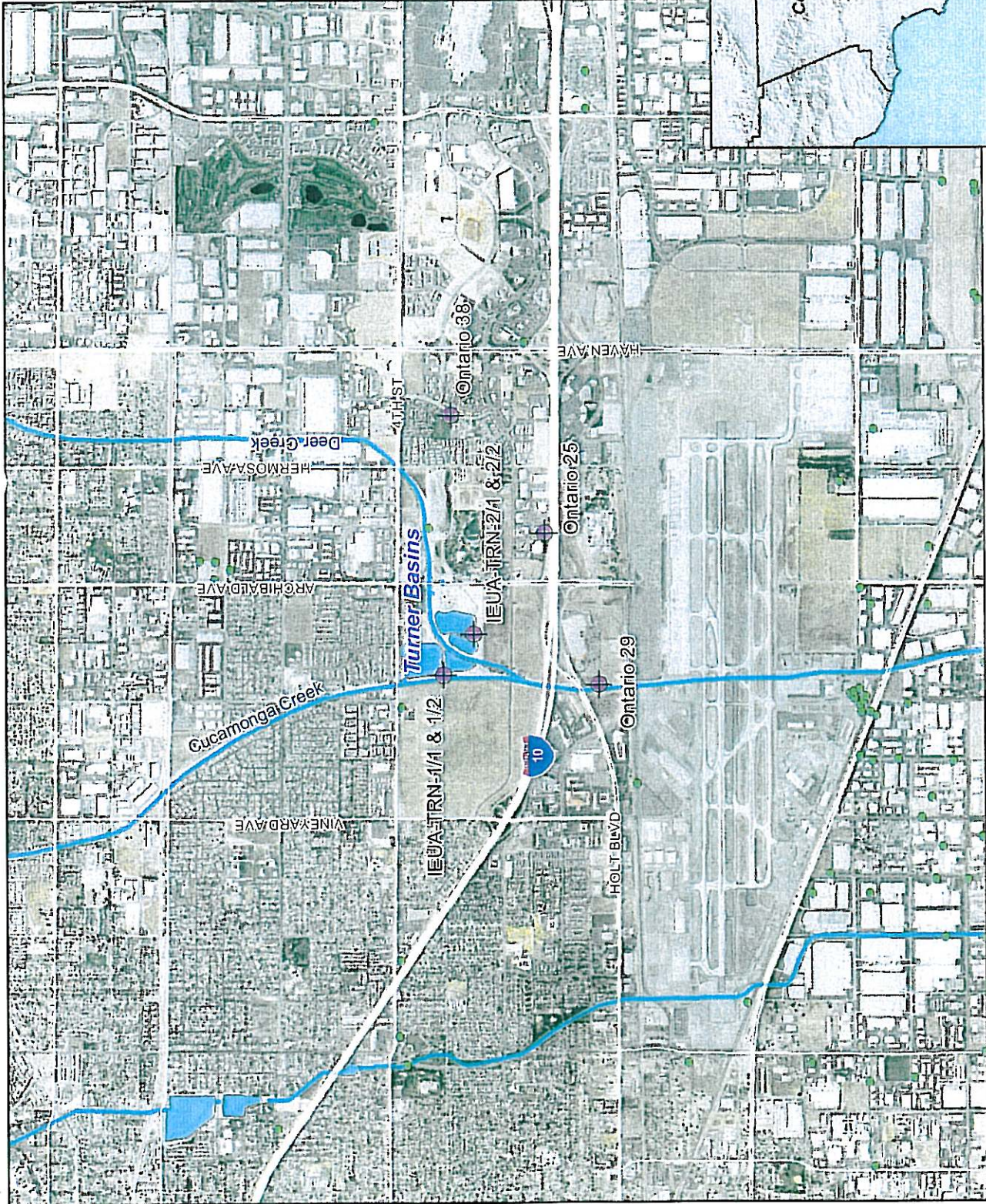
Recycled Water Recharge Program

Inland Empire Utilities Agency
A MUNICIPAL WATER PROVIDER

Scale: 0, 1,000, 2,000 Feet / 0, 250, 500 Meters

North Arrow

Figure 2-1

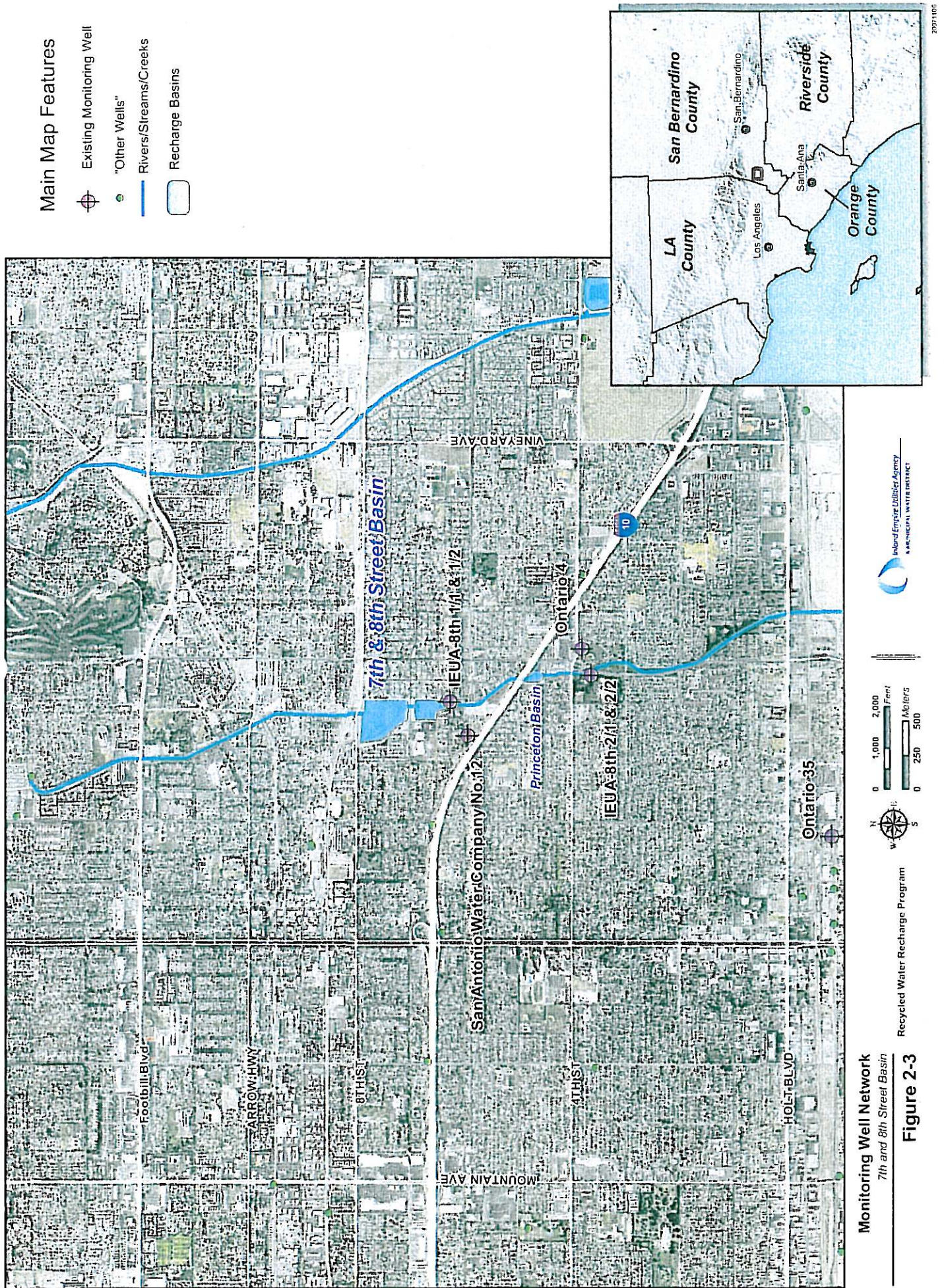


Monitoring Well Network
Turner Basins





Figure 2-2

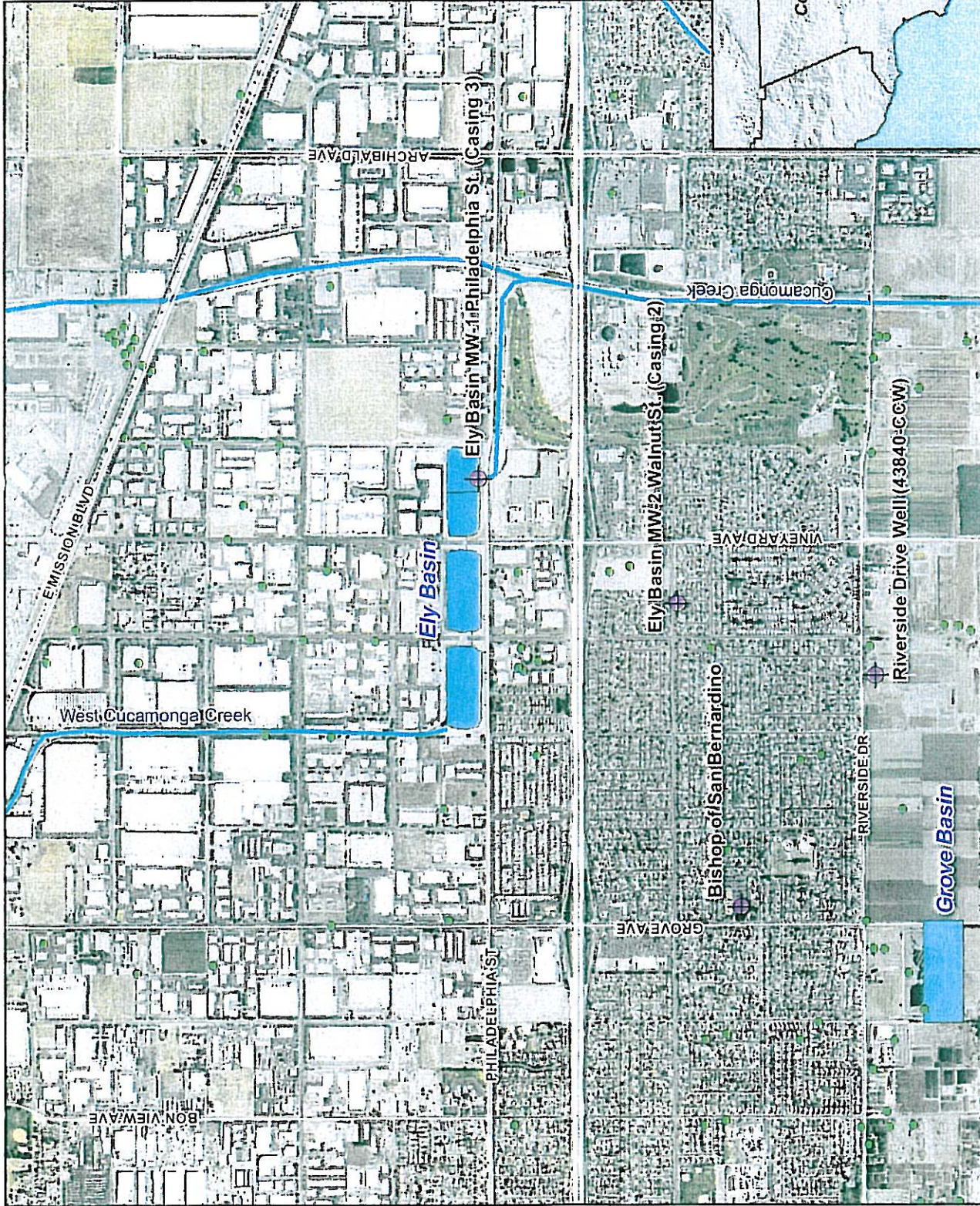
Recycled Water Recharge Program





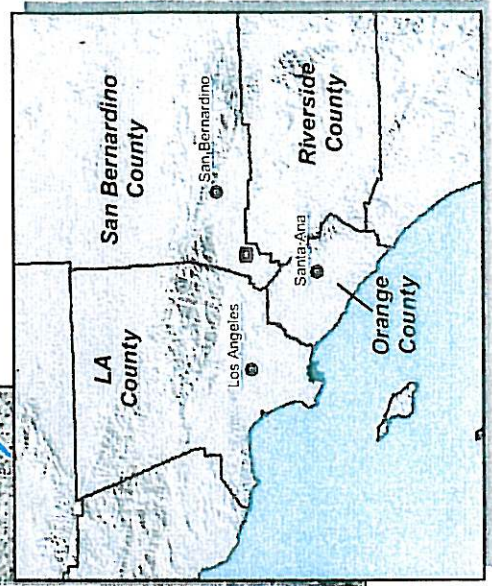
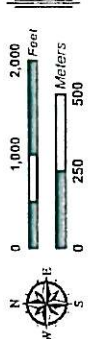
Main Map Features

-  Existing Monitoring Well
-  "Other Wells"
-  Rivers/Streams/Creeks
-  Recharge Basins



Monitoring Well Network
Ely Basins

Recycled Water Recharge Program



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CHINO BASIN WATERMASTER

IV. INFORMATION

2. Senator Dianne Feinstein
Secures Senate Committee
Approval of Key Water
Supply Legislation for the
Chino Basin





**For Immediate Release:
September 11, 2008**

**Senator Dianne Feinstein Secures Senate Committee Approval of Key
Water Supply Legislation for the Chino Basin**

Inland Empire - Today, the Senate Energy Committee convened its final business meeting and unanimously approved 53 bills, including the "Santa Ana River Water Supply enhancement Act of 2008." Senator Dianne Feinstein's legislation S. 2259, formally H.R. 831, sponsored by Congressman Gary Miller, (R-Brea) will increase the region's water supply by 200,000 acre-feet annually, as well as protect the Santa Ana River water quality and expand local desalination projects.

In her opening remarks this morning, Dianne Feinstein said, "the urban demands we have placed on our water supplies and ecosystem have resulted in significant water shortages in communities across the Nation. Water quality and quantity are in jeopardy if local, State, and Federal Governments do not support the implementation of cost-effective projects that enhance and increase potable water supplies."

The legislation authorizes up to \$26 million to increase groundwater desalination in the Chino Basin, which will provide a new fresh drinking water supply for Jurupa Community Services District, Santa Ana Mutual Water Company and the city of Norco in Riverside County, as well as the cities of Chino, Chino Hills and Ontario in San Bernardino County. "I would like to thank our partners, the Bureau of Reclamation, Chino Basin Watermaster, Western Municipal Water District, the Chino Desalter Authority, and the Santa Ana Watershed Project Authority for their efforts on helping to secure this funding," stated IEUA Board President Wyatt Troxel. The federal funding represents about 20 percent of the Phase 3 expansion of the Chino 1 and 2 desalters.

In addition, the bill authorizes \$10 million, also from the Bureau of Reclamation, and in cooperation with Orange County Water District, to create wetlands along the Santa Ana River providing an expanded natural treatment system to purify the River before it replenishes Orange County's groundwater supply.

“The Chino Basin Watermaster is very appreciative of Congressman Gary Miller for introducing the bill in the House and Senator Dianne Feinstein who introduced the bill in the Senate, as well as congressional delegation, Reps. Ken Calvert, John Campbell, David Dreier, Dana Rohrabacher, Ed Royce and Loretta Sanchez for supporting the efforts to expand our local water supplies,” commented Chino Basin Watermaster Chairman Ken Willis, who is also a council member for the city of Upland.

“This legislation could serve as a model for communities nationwide to help meet the challenges imposed by decreasing snow pack and precipitation and scarce potable water supplies that will be exacerbated by climate change,” added Feinstein.

IEUA’s service area includes the cities of Fontana, Chino, Chino Hills, Upland Ontario and Montclair, as well as the Cucamonga Valley and Monte Vista Water Districts, with a combined total of over 850,000 residents.

For additional information please contact Sondra Elrod at 909.993.1747

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CHINO BASIN WATERMASTER

IV. INFORMATION

3. Newspaper Articles





The Web Site of The Sacramento Bee

This story is taken from [Sacbee](#) / [Capitol Alert](#) / [E-mail Alerts -- Capitol Alert](#).

Schwarzenegger hammers lawmakers on budget

By Peter Hecht and Aurelio Rojas - phecht@sacbee.com
Published 12:58 pm PDT Wednesday, September 3, 2008

An impatient Gov. Arnold Schwarzenegger ripped Democratic and Republican lawmakers today for collecting per diem checks, vacationing at political conventions and refusing to leave their "ideological corners" as California's budget stalemate is causing "severe consequences" for education, health and public safety.

"I think it is very important for the California people to know that while the state is 2 1/2 months late on a budget, and while there are severe consequences...to education and health care and hospitals and law enforcement and firefighting, there are absolutely no consequences for the legislators," Schwarzenegger said in an appearance at Marshall Medical Center in Placerville. "Absolutely none."

After hearing speeches from hospital administrators and school and public safety officials from El Dorado, Placer and Sacramento County tell of problems they face from the state budget stalemate, the governor said he was upset with lawmakers taking per diem pay while accomplishing nothing at the Capitol and then leaving town. Several lawmakers attended Republican and Democratic conventions in St. Paul, Minn., and Denver.

"They go on vacation. They go on recess. They go home on the weekend and their two days off because God forbid for them to work on the weekend," Schwarzenegger said. "And they go to the various conventions and do their things and it's business as usual. They've been collecting per diem every day at the Capitol..."

"I think it's unfair," he added. "I think they should stay in the Capitol. They should not go anywhere until the budget is done. But I think this should have been done months ago."

Lawmakers have broken the record for legislative budget dysfunction: the previous late mark for legislative action on a spending plan was Aug. 31, in 2002. The budget was signed Sept. 5 that year, meaning if the impasse drags on beyond Friday it will be the deepest into the fiscal year the state has ever gone without a spending plan.

Members of the Legislature make \$116,208 annually, the most in the nation. They also receive about \$35,000 to cover their living expenses in Sacramento, as long as their house is not in recess for more than three days in a row.

The legislative session ended Sunday. But members of the state Senate -- who normally would have left the Capitol for the year -- are continuing to accrue their \$170-a-day, tax free per diem because of the longest California budget impasse in history.

Sen. President Pro Tem Don Perata, D-Oakland, has ordered his house to meet each day this week while waiting for Republicans to put their budget counterproposal into a bill that can be voted on.

Republicans say that won't happen until Friday. Meanwhile, the Senate waits. Tuesday's session lasted about a half hour.

Perata has defended his decision to hold sessions even if there's nothing to vote on, saying, "(The media) would hammer us if we were not (here) doing what we're suppose to be doing."

Over in the Assembly, Speaker Karen Bass, D-Los Angeles, has grappled with whether to hold sessions.

"You're damned if you do, and damned if you don't, because if you stay here you're earning per diem," she said.

This week, she canceled a session set today, instead holding a budget hearing at the committee level. She does not plan to call her entire house back until Monday.

Unlike the Senate, most members of the Assembly will not get their per diems this week.

The governor implored lawmakers to vote on - and pass - a budget compromise plan he has submitted to the Legislature. He made his point by surrounding himself with doctors, nurses and other personnel from the El Dorado County regional hospital, which is facing a \$2 million cash shortfall and has suspended payments to local vendors and merchants because it hasn't received state Medi-Cal funding since July.

The governor touted his budget plan that \$5 billion in new taxes, including a temporary 1-cent sales tax increase, \$10 billion in cuts and a "rainy day fund" to prevent future fiscal emergencies. And he lit into Democrats and Republicans in the Legislature for submitting dead-on-arrival budget plans while failing to act on the compromised he proposed two weeks ago.

"We have seen already the Democrats introduce their budget. They're asking for a tax increase of \$10 billion. That was voted down," Schwarzenegger said. "Then you have the Republicans who are now doing their budget even though it is 2 1/2 months late. And it relies on borrowing. That won't work and it will be voted down."

The governor said the state is still \$9 billion in debt from borrowing its way out of a budget deficit in 2003 and "they (GOP lawmakers) want to go again and borrow more money.

"It's like a family that has overextended itself on credit cards and then gets another credit card to pay off more credit cards," he said.

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marie claire

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Top 6 Myths About Bottled Water

Bottled water — already a more than \$10 billion industry — is the fastest-growing beverage category in the U.S. But is it good for you? Here's the pure truth.



MYTH #1: BOTTLED WATER IS BETTER THAN TAP.

Not necessarily. While labels gush about bottled water that "begins as snowflakes" or flows from "deep inside lush green volcanoes," between 25 and 40 percent of bottled water comes from a less exotic source: U.S. municipal water supplies. ([Bottling companies buy the water and filter it, and some add minerals.](#)) That's not really a bad thing: The Environmental Protection Agency oversees municipal water quality, while the Food and Drug Administration monitors bottled water; in some cases, EPA codes are more stringent.

MYTH #2: PURIFIED WATER TASTES BETTER.

The "purest" water — distilled water with all minerals and salts removed — tastes flat; it's the sodium, calcium, magnesium, and chlorides that give water its flavor. The "off" taste of tap water is the chlorine; if you refrigerate it in a container with a loose-fitting lid, the chlorine taste will be gone overnight.

MYTH #3: BOTTLED WATER WITH VITAMINS, MINERALS, OR PROTEIN IS MORE HEALTHY THAN REGULAR WATER.

"Vitamins, color, herbs, protein, and all the other additions to water — those are a marketing ploy," says Marion Nestle, Ph.D., professor of nutrition studies at New York University. Plus, the additives are usually a scant serving of the vitamins you really need in a day, adds Amy Subar,

Ph.D., a nutritionist with the National Cancer Institute. Enhanced waters usually contain sugars and artificial flavorings to sweeten the deal and can pack more calories than diet soda. When it comes to providing fluoride, tap water usually wins, though that element is increasingly being added to bottled waters.

Myth #4: YOU NEED EIGHT 8-OUNCE GLASSES OF WATER EACH DAY.

The Institute of Medicine recommends about [91 ounces \(a little more than 11 8-ounce glasses\) of fluid daily for women](#). But here's the thing: It expects 80 percent of that to come from water, juice, coffee, tea, or other beverages and the remaining 20 percent from food. That means if you drink a 12-ounce cup of coffee and a 12-ounce can of diet soda, you only need 48 more ounces (three 16-ounce glasses, or four soda cans' worth) for the day.

Myth #5: AFTER AN INTENSE WORKOUT, BOTTLED WATER IS BEST.

There's a reason volunteers hand out Gatorade during marathons. If your workout lasts longer than an hour, you need to replace the water and electrolytes, such as sodium and potassium, that you've lost (that's what sports drinks generally do). For less intense workouts, regular water is fine.

Myth #6: WATER BOTTLES ARE EASY ON THE ENVIRONMENT BECAUSE THEY CAN BE RECYCLED.

Wouldn't it be nice? And it's not just the bottles. [Eco-costs include manufacturing, trucking, shelving, and marketing](#). And meeting the annual U.S. demand for plastic bottles requires enough oil to keep 100,000 cars on the road for a year, says Janet Larsen of the Earth Policy Institute. Sure, the 70 million empty water bottles the U.S. produces per day can be recycled, but the sad truth is, about 86 percent of them end up in the trash. Hardly worth it, for what flows out of the tap and into a reusable glass for free.

Find this article at: <http://www.marieclaire.com/life/healthy/health-tips/bottled-water-myth>

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Prop. 50 funds to boost recycling

Karen Jonas, Correspondent

Article Created: 07/23/2008 09:03:44 PM PDT

People in the Cucamonga Valley Water District may soon be watering their landscaped yards with recycled water, thanks to money granted by the State Water Resources Board.

With the grant of \$25 million to the Santa Ana Watershed Project Authority, various water districts in the Inland Empire are receiving money to fund programs that will decrease the area's reliance on outside water sources.

The money comes from Proposition 50 water bonds.

SAWPA gave some of the \$25 million to the Inland Empire Utilities Agency, which will partner with CVWD to help fund a project that greatly increases the amount of recycled water that can be stored in the district.

CVWD serves about 186,000 residents in Rancho Cucamonga, according to Wyatt Troxel, IEUA board president and vice chairman of the SAWPA Commission.

Currently, the district imports about half of its water from outside sources. Its goal is to reduce that by using recycled water for landscaping, which uses about 60 to 70 percent of the water

in the district.

The irrigation system that connects public landscaping in the northeastern part of the district to the stored recycled water is expected to be completed by the end of 2009.

"It doesn't make sense to water your front lawn with drinking water," said Troxel.

The district received \$4.9 million of the money donated to SAWPA. About \$2 million of that will be used to purchase a tank with a capacity of 3.5 million gallons, once used for holding drinkable water. The tank will be converted to hold recycled water.

According to Troxel, the district recycles 4 million gallons a day, which is about how much water 15,000 households use a day. The district has been recycling water for about 15 years, but has been more aggressive in recycling water in the past two years.

According to Randall Reed, vice president of the board of directors for CVWD, importing less water should help save energy as well.

"About 17 to 18 percent of all energy in California is used to transport water," said Reed. "When we keep the water here, it reduces our carbon footprint."

Troxel hopes the recycling project will help the Cucamonga Valley Water District save money and keep its landscaping looking beautiful.

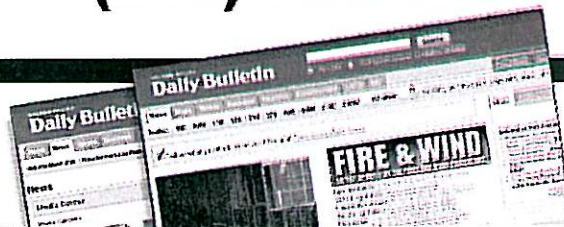
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Fontana seeking state help with water pipeline

City wants to use nonpotable water to irrigate parks, schools

Josh Dulaney, Staff Writer

Article Created: 07/23/2008 10:38:34 PM PDT

FONTANA - The city is asking the state for a cash pipeline to build a real pipeline to carry nonpotable water from its sewage-treatment plant to green-up the schools and parks in the north end.

On Tuesday, the City Council authorized an application to the state Water Resources Control Board for grants and loans to offset some of the \$6 million it will cost to complete the project.

"It's an important project to us," said City Manager Ken Hunt. "Right now we're just sending that water down the channel."

The city has to get in line behind other communities seeking money from the state for recycled water projects, said Bob Pontureri, water resources engineer for the board.

"Grant money is limited," Pontureri said.

The board will dole out a maximum of 25 percent in grants for a single project, he said. The rest is given out in loans up to 20 years with interest rates between 2.1 percent and 2.6

percent, he said.

The program is available for projects such as treatment facilities, water storage units and pumping stations. Cities initiate ideas for water efficiency all the time, officials said.

Fontana Public Works Director Chuck Hays was on vacation and unavailable for comment.

The applications generally take from 90 days to six months for approval, Pontureri said.

After construction begins, the board reimburses the city as it receives receipts for purchases, Pontureri said.

The city hopes to get as much help in grants as possible, Hunt said.

"What we don't get in grants, we'll look for in loans," Hunt said.

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City enacts strong water restrictions

Neil Nisperos, Staff Writer

Article Created: 07/26/2008 10:10:35 PM PDT

CHINO HILLS - Because of a state drought and a reduction in water supplies, the city has enacted the strongest water-conservation measures in its history.

For the first time, city measures designed to encourage residents to save water are set to go into effect Aug. 8.

Among the restrictions:

The use of hoses to wash sidewalks, walkways, driveways, parking areas, patios, porches or verandas will not be allowed.

Water will not be allowed to leak on residential property, nor will it be allowed to leak from landscaped areas to nearby streets, sidewalks or other paved areas.

Watering of plants and lawns will not be allowed from the hours of 9 a.m. to 6 p.m., except for equestrian and livestock businesses, dairies, nurseries, golf courses, or other water-dependent industries.

Restaurants will not serve drinking water to patrons unless requested.

Gov. Arnold Schwarzenegger's June 4 drought declaration comes after two straight years of below-average rainfall, low snow melt runoff and court-ordered water transfer restrictions in the Sacramento-San Joaquin Delta region. The Metropolitan Water District also ramped up calls for conservation by issuing a water supply alert last month.

Pat Hagler, director of Chino Hills public facilities and operations, who is in charge of the city water agency, said a 10percent reduction of the city's water supply is anticipated this year. Chino Hills provided customers with 17,000 acre-feet of water last year.

The new ordinance to help encourage better water conservation does not have a time frame, Hagler said.

"I think it has to become a way of life for us, just like our gasoline," Hagler said. "We'll never go below \$4 and we're probably never going to get more water.

She added, "We're a very privileged society in America. In other parts of the world, water conservation is a way of life. We have to get in that same frame of mind."

The new rules are part of the city's four-stage water-conservation alert plan to deal with increasing shortages.

The first stage, which Hagler said began last summer, was a call on residents to voluntarily save water. The Stage 2 alert, calling for the new

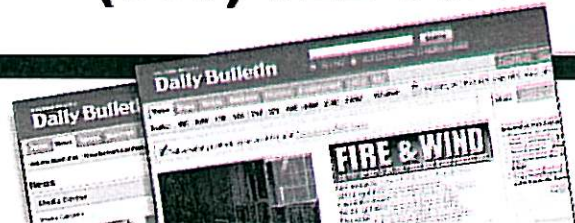
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mandatory requirements, was approved by the City Council on Tuesday.

Stages 3 and 4 are not anticipated at this time and are pending further water supply reductions, Hagler said.

The restrictions in these more drastic measures include a call on commercial industry in the city to institute night irrigation and a general prohibition on the refilling of swimming pools "beyond what is necessary for maintenance."

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R.C. building to be showcase for 'green' techniques

Sandra Emerson, Correspondent

Article Created: 07/27/2008 08:29:16 PM PDT

RANCHO CUCAMONGA - The city will soon be home to the only building in the Inland Empire built entirely from green technologies.

The Frontier Project will be a 14,000-square-foot multi-use demonstration building with a Leadership in Energy and Environmental Design certification of Platinum, which is the highest level offered by the U.S. Green Building Council.

The Frontier Project Foundation and the Cucamonga Valley Water District developed the building to showcase energy-efficient and environment-friendly technologies. It will also have a public meeting and conference area, a demonstration garden and an Energy Star-qualified kitchen.

"For homeowners and people in construction, there isn't a center like this," said Bonnie Montoya-May, chairwoman of the Inland Empire chapter of the USGBC. "This is the first center like this in our region, and there will be workshops offered to everybody."

All are welcome to tour the building, at the water district offices on Ashford Street, in order to see the alternative technologies first hand.

"We will tell residents and companies what to look for, where to purchase it and how much it costs." said Kristeen Buxton, public-affairs officer for the Cucamonga Valley Water District. "We want to make this a seamless educational opportunity."

The construction of the building will be filmed and put into 30-minute videos that will play in the display gallery to show the differences in constructing a sustainable building.

The display gallery will also provide examples of resources that were not included in the Frontier Project building.

A significant amount of the materials to be used will be recycled, Buxton said.

Twenty-five percent of the cement will be fly ash, a by-product of coal-fueled power plants, which is to be included in the demonstration videos.

The city also had some recycled materials to contribute.

Wood from the Joseph Filippi Winery and Vineyard in the city was donated.

"The winery donation was the largest part of the project," Buxton said. "They donated \$400,000 worth of redwood. We wanted to use recycled materials to avoid knocking down more trees, and it was a local product, which cuts down on shipping."

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The wood is being used to build an exterior shade structure and trellis to protect some of the larger windows from excessive sunlight.

by summer 2009.

"The city took part in a small but significant way," said Linda Daniels, the city's redevelopment director. "Anything that helps building and water resources will help the city."

Because water is a main focus of the district, the project will have an advanced water conservation system.

None of the excess surface water will go into the city's storm drains. It will be recycled. Irrigation will be provided by captured rain water and used throughout the year.

The sustainable building construction will also require similar building practices.

More than 75 percent of the construction waste materials will be reused, and a storm-water prevention plan will be put into place to ensure unfiltered rainwater does not leave the site. The construction crew will also be educated in the sustainable building practices, according to the Frontier Project Web site.

Buxton said overall cost for construction is estimated at \$14 million. The CVWD is in the middle of a capital campaign to acquire 50 percent of the costs in capital, products and services. So far \$1 million has been accumulated, which was enough to begin construction in April.

The Frontier Project is expected to be completed

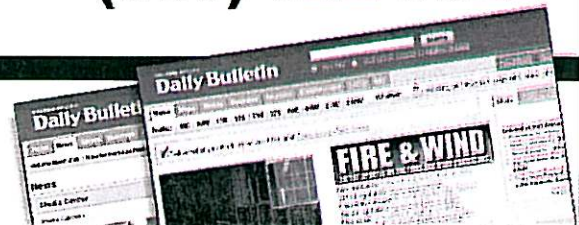
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