



# CHINO BASIN WATERMASTER



## NOTICE OF MEETINGS

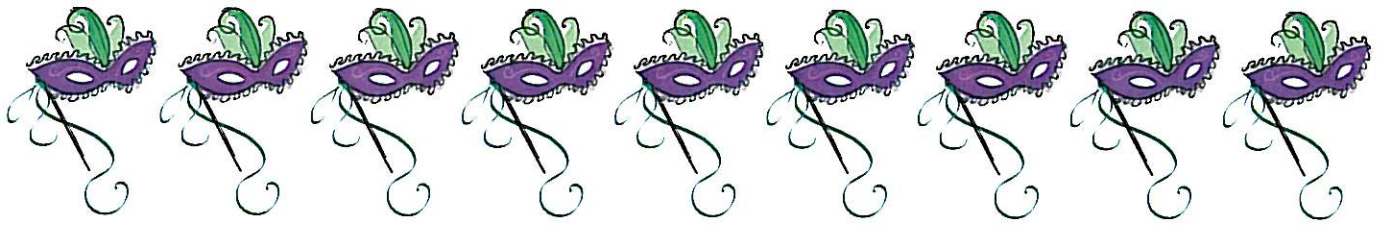
**Thursday, October 23, 2008**

- 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



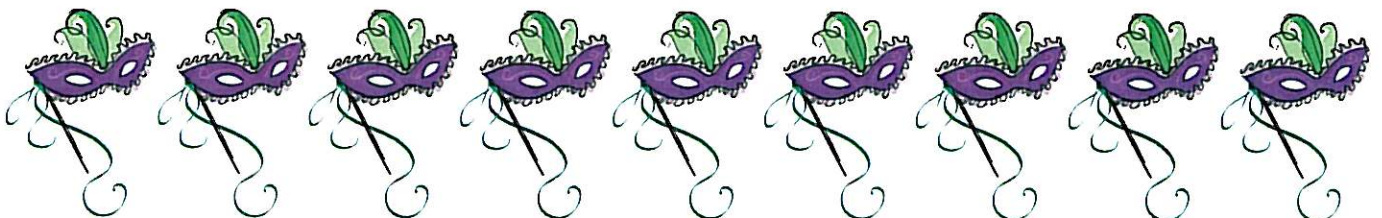


# **CHINO BASIN WATERMASTER**

**Thursday, October 23, 2008**

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

## **AGENDA PACKAGE**



**CHINO BASIN WATERMASTER  
ADVISORY COMMITTEE MEETING**

9:00 a.m. – October 23, 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 September 25, 2008 *(Page 1)*

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of September 2008 *(Page 17)*
2. Watermaster Visa Check Detail *(Page 21)*
3. Combining Schedule for the Period July 1, 2008 through August 31, 2008 *(Page 23)*
4. Treasurer's Report of Financial Affairs for the Period August 1, 2008 through August 31, 2008 *(Page 25)*
5. Budget vs. Actual July 2008 through August 2008 *(Page 27)*

**C. WATER TRANSACTION**

1. **Consider Approval for Notice of Sale or Transfer – Fontana Water Company** ("Company") has agreed to purchase from The Nicholson Trust annual production right in the amount of 8.185 acre-feet. Date of Application: May 16, 2008 *(Page 30)*
2. **Consider Approval for Notice of Sale or Transfer – Cucamonga Valley Water District** is purchasing 2,500 acre-feet of water from Marygold Mutual Water Company. Date of Application: September 4, 2008 *(Page 41)*
3. **Consider Approval for Notice of Sale or Transfer – The City of Ontario** (as an Overlying Non-Agricultural Party) is purchasing from Sunkist Growers, Inc. all of the amount of Sunkist's water in storage as of June 30, 2008. In addition, Sunkist's annual safe yield production rights in the amount of 1,851.402 acre-feet will be permanently transferred to the City of Ontario (as an Overlying Non-Agricultural Party). Date of Application: August 19, 2008 *(Page 53)*

**II. BUSINESS ITEMS**

**A. GOVERNANCE**

Determination of Satisfactory Completion on the Issue of Governance *(Page 75)*

**B. WAIVER OF INTEREST CHARGES**

Consider Request to Waive Interest Charges for Payment of Assessments *(Page 77)*



**C. MOU OF WATER ACCOUNTING PROCEDURE**

Review and Provide Staff Direction on Request for Signature *(Page 83)*

**III. REPORTS/UPDATES**

**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**

1. October 14 and October 16 Ex Parte Hearings
2. November 13, 2008 Hearing
3. Report on Board Closed Session

**B. ENGINEERING REPORT**

1. Oral Progress Report on Engineering Activities, August – September 2008
2. Progress on Condition Subsequent No. 7

**C. CEO/STAFF REPORT**

1. Legislative Update
2. Recharge Update
3. Thanksgiving & Christmas Meetings

**D. INLAND EMPIRE UTILITIES AGENCY**

1. Groundwater Recharge Update Presentation *(Page 97)*
2. MWD Water Supply (Drought) Allocation Plan *(Page 109)*
3. ACWA Drought Alert Flyer *(Page 129)*
4. Recycled Water Newsletter *(Page 131)*
5. Monthly Water Conservation Programs Report *(Page 137)*
6. Monthly Imported Water Deliveries Report *(Page 145)*
7. State and Federal Legislative Report *(Page 149)*
8. Community Outreach/Public Relations Report *(Page 171)*

**E. OTHER METROPOLITAN MEMBER AGENCY REPORTS**

**IV. INFORMATION**

1. Newspaper Articles *(Page 173)*

**V. COMMITTEE MEMBER COMMENTS**

**VI. OTHER BUSINESS**

**VII. FUTURE MEETINGS**

October 22, 2008	2:00 p.m.	Agricultural Pool Meeting @ CBWM
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
November 13, 2008	8:30 a.m.	CBWM Hearing
November 18, 2008	9:00 a.m.	Agricultural Pool Meeting @ IEUA
November 18, 2008	1:30 p.m.	Joint Appropriative & Non-Agricultural Pool Meeting
November 20, 2008	9:00 a.m.	Advisory Committee Meeting
November 20, 2008	11:00 a.m.	Watermaster Board Meeting

**Meeting Adjourn**



**CHINO BASIN WATERMASTER  
BOARD MEETING**

11:00 a.m. – October 23, 2008  
At The Offices Of  
Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

**AGENDA**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**AGENDA - ADDITIONS/REORDER**

**I. CONSENT CALENDAR**

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**A. MINUTES**

1. Minutes of the Watermaster Board Meeting held September 25, 2008 *(Page 9)*

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**II. BUSINESS ITEMS**

**A. GOVERNANCE**

Determination of Satisfactory Completion on the Issue of Governance (Page 75)

**B. WAIVER OF INTEREST CHARGES**

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Review and Provide Staff Direction on Request for Signature (Page 83)

**III. REPORTS/UPDATES**

**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**

- 1. October 14 and October 16 Ex Parte Hearing
- 2. November 13, 2008 Hearing

**B. ENGINEERING REPORT**

- 1. Oral Progress Report on Engineering Activities, August – September 2008
- 2. Progress on Condition Subsequent No. 7

**C. CEO/STAFF REPORT**

- 1. Agricultural Well Meter Status Update
- 2. Legislative Update
- 3. Recharge Update
- 4. Thanksgiving & Christmas Meetings

**IV. INFORMATION**

- 1. Newspaper Articles (Page 173)

**V. BOARD MEMBER COMMENTS**

**VI. OTHER BUSINESS**

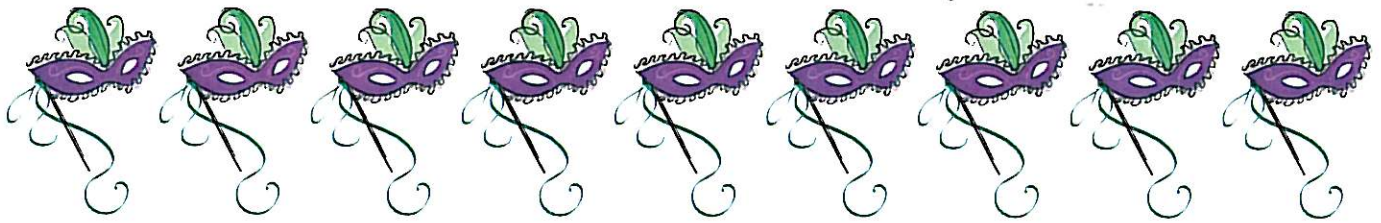
**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Pursuant to Article 2.6 of the Watermaster Rules & Regulations, a Confidential Session may be held during the Watermaster Pool meeting for the purpose of discussion and possible action.

**VIII. FUTURE MEETINGS**

October 22, 2008	2:00 p.m.	Agricultural Pool Meeting @ CBWM
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November 20, 2008	9:00 a.m.	Advisory Committee Meeting
November 20, 2008	11:00 a.m.	Watermaster Board Meeting

**Meeting Adjourn**



# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Advisory Committee Meeting – September 25, 2008





***Draft Minutes***  
**CHINO BASIN WATERMASTER**  
**ADVISORY COMMITTEE MEETING**  
*September 25, 2008*

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga CA, on September 25, 2008 at 9:00 a.m.

**ADVISORY COMMITTEE MEMBERS PRESENT**

**Appropriative Pool**

Robert DeLoach, Chair	Cucamonga Valley Water District
Ken Jeske	City of Ontario
Bill Kruger	City of Chino Hills
Mark Kinsey	Monte Vista Water District
Umesh Shah	Jurupa Community Services District
J. Arnold Rodriguez	Santa Ana River Water Company
Anthony La	City of Upland
Rich Atwater	Inland Empire Utilities Agency
Mike McGraw	Fontana Water Company
Robert Young	Fontana Union Water Company
Gil Aldaco	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
Nathan Mackamul	State of California/CIW

**Watermaster Board Members Present**

Terry Catlin	Inland Empire Utilities Agency
Ken Willis	City of Upland
Charles Field	Western Municipal Water District

**Watermaster Staff Present**

Sheri Rojo	CFO/Asst. General Manager
Ben Pak	Senior Project Engineer
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

**Watermaster Consultants Present**

Michael Fife	Brownstein, Hyatt, Farber & Schreck
Mark Wildermuth	Wildermuth Environmental Inc.

**Others Present**

Brent Yumasaki	Metropolitan Water District
Mohamad El-Amamy	City of Ontario
Tammy Jones	Sunkist
Ron Craig	RBF Consulting
Eric Schoenen	City of Pomona
Michael Camacho	Visitor
David Penrice	Aqua Capitol Management

Eunice Ulloa  
Martha Davis

Chino Basin Water Conservation District  
Inland Empire Utilities Agency

Chair DeLoach called the Advisory Committee meeting to order at 9:08 a.m.

**AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to the agenda.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Advisory Committee Meeting held July 24, 2008

**B. FINANCIAL REPORTS**

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

*Motion by Jeske, second by McGraw, and by unanimous vote*

***Moved to approve Consent Calendar Items A and B, as presented***

**C. INTERVENTION**

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

Item C was pulled for separate discussion and motion. Mr. Kinsey offered comment on the intervention. Ms. Rojo stated Watermaster received an application for an intervention from the City of Ontario pursuant to the arrangements agreed to in the Peace II Agreement, paragraph 4.4. Staff has reviewed the application and feels it is in compliance with intervention approved in the past. The City of Ontario will be considered a Non-Agricultural Pool member. Staff recommends this intervention be approved. A discussion regarding this item ensued.

*Motion by Kinsey, second by Pierson, and by unanimous vote*

***Moved to approve Consent Calendar Item C, as presented***

**II. BUSINESS ITEMS**

**A. SEMI-ANNUAL STATUS REPORT**

Ms. Rojo stated this Semi-Annual Status Report will be filed with the court and will give the court an update on work and achievement occurring within the basin over a six month period. This report used to be a quarterly report; however, the court requested that it be changed to a semi-annual report. Ms. Rojo stated staff is looking at different ways to change the formatting on the report which will make it easier to read. Staff is seeking approval to receive and file this report.

*Motion by McGraw, second by Jeske, and by unanimous vote*

***Moved to receive and file the Semi-Annual Status Report with the court, as presented***

**B. BUDGET AMENDMENT**

Ms. Rojo stated this item is in conformance with the new policies adopted recently regarding budget amendments. This item pertains to the debt service paid to Inland Empire Utilities Agency which was previously budgeted for the Phase I aspect of the Recharge Master Plan project. Watermaster provides that money to IEUA and at the end of the year IEUA uses that money to pay our portion of the debt service. This year the amount was originally budgeted at \$360,000 which was the amount that IEUA told Watermaster would be the amount necessary to cover the debt service; however, the invoice was received at \$560,000 also noting a \$45,000 credit, which would then require a budget amendment of \$151,594 for approval. A discussion regarding this item ensued. Mr. Atwater stated this item originated in 2002 and was set up with a variable rate. IEUA staff originally estimated the payment based on estimates of the variable interest rate which is currently at 1.5% and IEUA staff is estimating a rate for the year of 3% which is how the \$500,000+ number came to be. A discussion regarding this matter ensued. Ms. Rojo stated that this debt service payment will be charged to the appropriators based on their percent share of operating safe yield.

*Motion by La, second by Moorrees, and by unanimous vote*

*Moved to approve Budget Amendment, as presented*

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

Mr. Atwater noted his presentation was given at all three Pool meetings and if the parties agree, he would just answer any questions instead of giving the presentation again. The Pool members agreed. A discussion regarding the DYY Expansion and possible modifications to the Peace II Agreement ensued.

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

**III. REPORTS/UPDATES****A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. Santa Ana River Water Right Final Decision**

Counsel Fife stated the Watermaster application was unanimously approved on September 2, 2008. Counsel Fife noted the Orange County Water District and Western Municipal Water District's applications are still in the process of being reviewed and counsel will monitor the progress of those applications.

Counsel Fife commented on a Tongva American Indian person who is claiming to be the Tongva tribal litigator. This person also commented on our decision and was adamant that the decision was illegal and everything about the process was illegal and he stated a claim to the water rights in the Chino Basin. A great deal of correspondence has taken place between him and counsel, Watermaster staff, and the State Board staff over the last 30 days. This matter will be brought back as things progress with regard to this person and possible litigation.

**2. LRP Funding Agreement**

Counsel Fife stated this item is part of the agreement with MWD concerning the LRP Funding. There are commitments made to MWD about the expansion of the Dry Year Yield Program and those commitments must be met by September 1, 2009; a process will be gone through to accomplish completion by this date. On page 97 it states that by September 1, 2009 Watermaster needs to have approval of expansion of the DYY Program and Watermaster must waive losses on the MWD Storage Account; both for the original 100,000 acre-feet and this additional expansion. These are conditions which will allow us to hold onto the LRP money.



3. Report on the Issue of Governance

Counsel Fife stated this item came up due to a joint pleading filed by the City of Chino Hills, City of Chino, and Monte Vista Water District about the Special Referee and although Watermaster is not participating in those discussions, one of the issues those parties raised was the issue of governance. The allegation states that Watermaster has failed to fulfill its duties under a prior stipulation. In August, a Watermaster Board conference call took place and MVWD who was on that call asserted to the committee that Watermaster and Watermaster staff had not adequately addressed the governance issue. Counsel and staff's understanding was that at the last Strategic Planning Conference in 2007, the issue of governance was covered and the parties participating at that time felt that the issue had been adequately covered and Watermaster had fulfilled its responsibilities under the stipulations that it entered into and that the matter could be tabled. Due to the issues in the pleadings with the court; and because of the statements made, counsel felt this matter should be put under the Legal Counsel Report and to then make an inquiry of the Advisory Committee as to whether Watermaster has or has not fulfilled its responsibility comment regarding this matter. Ms. Rojo stated staff needs some sort of statement that this committee concurred that the issue has been resolved or that it has not been resolved. Counsel Fife stated at the Appropriative Pool that committee asked that this item be brought back as an action item in October with a detailed staff letter outlining events. A discussion regarding actions taken by each pool ensued.

4. Status of Judge Selection

Counsel Fife stated Chino Basin Watermaster has been assigned a new judge, Judge Wade. That assignment was made on September 15, 2008; notice to the parties was sent out on September 16, 2008. Judge Wade serves at the San Bernardino Court. A discussion regarding this matter ensued.

5. MOU of Water Accounting Procedures in Chino Basin

Counsel Fife stated staff has received a proposed MOU from Metropolitan Water District concerning the accounting procedures regarding the Dry Year Yield account. It is being distributed to all the parties for review and comment. Counsel Fife reviewed page 125 in the meeting packet in detail and asked for the parties to review this and provide comment. This item will be brought back as an action item in October. A discussion regarding this item ensued.

**B. ENGINEERING REPORT**

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

Mr. Wildermuth referenced tables that were extracted items taken from a report that Wildermuth Environmental did for a consortium of agencies. They are recalculations of ambient TDS and total inorganic nitrogen or nitrate in groundwater. The importance to this committee is that this is how the Regional Board keeps track of what the ambient TDS is in the north management zone and part of our compliance obligation with the Max Benefit. Mr. Wildermuth reviewed the two tables in detail. A discussion regarding Mr. Wildermuth report ensued.

**C. CEO/STAFF REPORT**

1. Legislative Update

Ms. Rojo stated that the State budget has finally passed.

2. Financial Audit Update

Ms. Rojo stated Watermaster recently went through its annual financial statement audit and new auditing regulations will be presented to the today. As a result of new auditing standards that have passed; auditors will have to do a lot more field work. This will require increased communications with those charged with governance. Ms. Rojo discussed governing boards and audit committees. Mr. Rojo noted in an audit committee there needs to be at least one person who understands/has financial knowledge. Those standards did

affect Watermaster this year in that the auditors did a lot of increased internal control testing along with assessing and preparing a documentation of Watermaster's internal control procedures. They not only spoke to the CFO, they also spoke with the CEO, Board members, and Watermaster staff. Ms. Rojo noted staff is expanding our current internal control systems documentation to codify what we are already doing and assist the auditors in their testing. Staff will be exploring the establishment of an audit committee. Staff continuously performs risk assessments to seek ways to improve our process. A discussion regarding the revised audit standards ensued.

3. Recharge Update

Ms. Rojo stated the most recent recharge spreadsheet is available as a handout for review.

4. MWD Groundwater Conjunctive Use Study

Ms. Rojo stated staff has participated with MWD in a groundwater conjunctive use study since December, 2005. MWD has put together member agency representatives, and basin managers to formulate a groundwater assessment study. That committee is looking at formulating a report that would include an assessment of the overall basin management, the existing facilities and operations, historical production, recharge and water levels, water quality, and groundwater storage opportunities in their service area. Ms. Rojo stated that Ben Pak from Watermaster staff has been attending those meetings with Mr. Manning. Mr. Rossi offered comment on what that committee is doing.

5. Report on Anticipated Board Closed Session Items

Ms. Rojo stated there will be a closed Board session held at the Watermaster Board meeting today regarding Hanson Aggregates, Tongva American Indian tribe, and the two airport plumes.

6. Strategic Planning Conference Update

Ms. Rojo stated the Strategic Planning Conference in Lake Arrowhead will be held this weekend.

7. Regional Board Meeting on Max Benefit

Counsel Fife stated this item was reported on by Mr. Manning at the Pool meetings. A series of letters were received a few months ago about our schedule with regard to compliance with Max Benefit. The Regional Board expressed its displeasure at the pace of the development of our achievement of Hydraulic Control; we are about one year behind schedule. In summary, the executive director of the Regional Board did plan to ask the Board to schedule a hearing to consider whether the Max Benefit objectives should be removed from Chino Basin. Mr. Manning and Mr. Atwater attended that board meeting which was held on September 5, 2008 and assured the board that we were in fact moving forward. After discussions at that board meeting, the Regional Board directed Mr. Thibeault to hold off on the item but that if this process was not completed by October then they would schedule a hearing again to consider whether Chino Basin could still have access to the Max Benefit Objectives. Counsel Fife stressed that this is a very important item.

8. November and December Meeting Dates

Ms. Rojo noted as in previous years the Advisory Committee and the Watermaster Board meetings will need to be moved up one week to accommodate Thanksgiving Day and Christmas Day. The committee members agreed to move the meeting up one week in November and December.

**D. INLAND EMPIRE UTILITIES AGENCY**

1. Drought and MWD IRP/5 Year Supply Plan Update

Mr. Atwater noted there were several written reports on all the IEUA items for review.

2. Water Softener Rebate Program  
No comment was made on this item.
3. Final Water Demand and Supply Forecasts for Chino Basin Dry Year Yield Expansion Program CEQA Analysis  
No comment was made on this item.
4. Recycled Water Newsletter  
No comment was made on this item.
5. Monthly Water Conservation Programs Report  
No comment was made on this item.
6. Monthly Imported Water Deliveries Report  
No comment was made on this item.
7. State and Federal Legislative Report  
No comment was made on this item.
8. Community Outreach/Public Relations Report  
No comment was made on this item.

**E. OTHER METROPOLITAN MEMBER AGENCY REPORTS**

Mr. Rossi commented on Western Municipal Water District's effort to join the CDA.

**IV. INFORMATION**

1. Chino Basin Recycled Water Groundwater Recharge Program Quarterly Monitoring Report for April Through June 2008  
No comment was made regarding this item.
2. Senator Dianne Feinstein Secures Senate Committee Approval of Key Water Supply Legislation for the Chino Basin  
No comment was made regarding this item.
3. Newspaper Articles  
No comment was made regarding this item.

**V. COMMITTEE MEMBER COMMENTS**

No comment was made on this item.

**VI. OTHER BUSINESS**

No comment was made on this item.

**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

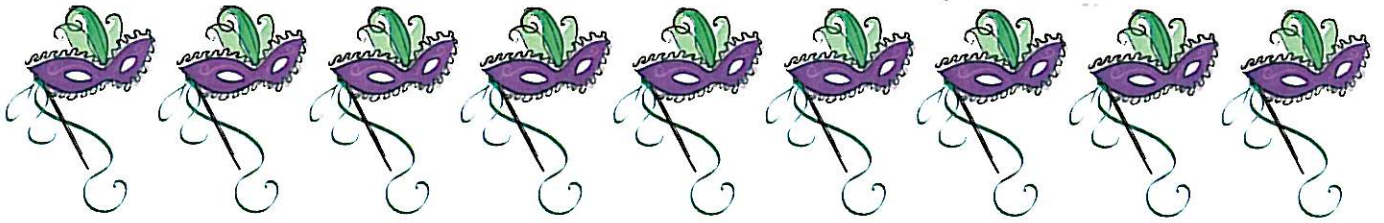


The Advisory Committee meeting was dismissed by Chair DeLoach at 10:00 a.m.

Secretary: \_\_\_\_\_

Minutes Approved: \_\_\_\_\_

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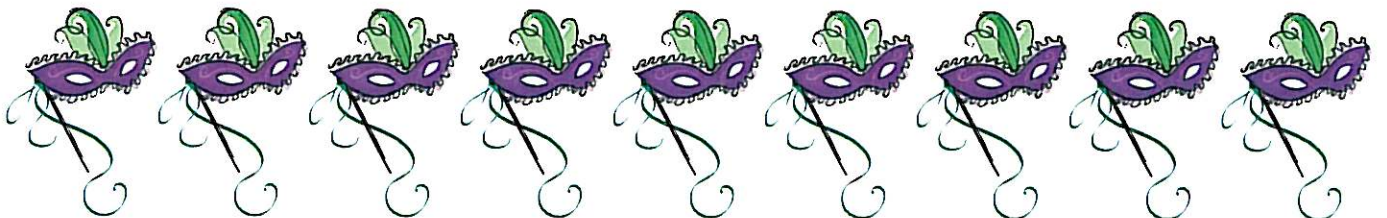


# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Watermaster Board Meeting – September 25, 2008



***Draft Minutes***  
**CHINO BASIN WATERMASTER**  
**WATERMASTER BOARD MEETING**  
*September 25, 2008*

The Watermaster Board Meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on September 25, 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/Paul Hofer	Agricultural Pool
Geoffrey Vanden Heuvel	Agricultural Pool

**Watermaster Staff Present**

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
Michael Fife	Brownstein, Hyatt, Farber & Schreck
Mark Wildermuth	Wildermuth Environmental, Inc.

**Others Present**

Jennifer Novak	Department of Justice/CIM
Robert DeLoach	Cucamonga Valley Water District
Ken Jeske	City of Ontario
Mohamed El-Amamy	City of Ontario
Marty Zvirbulis	Cucamonga Valley Water District
Rich Atwater	Inland Empire Utilities Agency
Hank Stoy	Visitor
David DeJesus	Three Valleys Municipal Water District
Eldon Horst	Jurupa Community Services District
Ron Craig	RBF Consulting/Chino Hills
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 July 24, 2008
2. Minutes of the Watermaster Board Conference Call held August 8, 2008
3. Minutes of the Watermaster Board Conference Call held August 13 & 14, 2008

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of July 2008
2. Watermaster Visa Check Detail
3. Combining Schedule 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
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10. Budget vs. Actual July 2007 through July 2008

**C. INTERVENTION**

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

*Motion by Bowman, second by Pierson, and by unanimous vote*

*Moved to approve Consent Calendar Items A, B, and C as presented*

**II. BUSINESS ITEMS****A. SEMI-ANNUAL STATUS REPORT**

Ms. Rojo stated this report will be filed with the court. The Semi-Annual Status Report will give the court an update on all the aspects of the basin over a six month period. This report used to be a quarterly report; however, the court requested that it be changed to a semi-annual report. Ms. Rojo stated staff is looking at different ways to change the formatting on the report which will make it easier to read. Staff is seeking approval to receive and file this report. Mr. Catlin noted that he appreciated the history on this item.

*Motion by Catlin, second by Willis, and by unanimous vote*

*Moved to receive and file the Semi-Annual Status Report with the court, as presented*

**B. BUDGET AMENDMENT**

Ms. Rojo stated this item is in conformance with the new policies adopted recently regarding budget amendments. This item pertains to the debt services paid to Inland Empire Utilities Agency which was previously budgeted for the Phase I aspect of the Recharge Master Plan project. Watermaster provides that money to IEUA and at the end of the year IEUA uses that money to pay our portion of the debt service. This year the amount was originally budgeted at \$360,000 which was the amount that IEUA told Watermaster would be the amount necessary to cover the debt service; however, the invoice was received at \$560,000 also noting a \$45,000 credit, which would then require a budget amendment of \$151,594 for approval. A discussion regarding this item ensued. Mr. Atwater stated this item originated in 2002 and was set up with a variable rate. IEUA staff estimated the payment is based on estimates of the variable interest rate which is currently at 1.5% and IEUA staff is estimating, a rate for the year, of 3% which is how the \$500,000+ number came to be. A discussion regarding this matter ensued.

*Motion by Curatalo, second by Bowman, and by unanimous vote*

*Moved to approve Budget Amendment, as presented*

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

Mr. Atwater gave the Updated Water Demand & Supply Forecasts and Dry Year Yield Status presentation. Mr. Atwater reviewed the updated demand and supply forecasts through the year 2035 in detail along with the forecasted production trends. Mr. Atwater reviewed the implications for groundwater replenishment options which included alternative options to construct new recharge facilities. The current and additional Chino Basin recharge capacities were reviewed for the basins, in-lieu, and ASR wells. The summary of initial and expanded DYY Program "puts" and "takes" per acre-foot was examined. Mr. Atwater reviewed the summary of program participants and facility requirements in detail along with reviewing the "condensed" project work plan and schedule. A discussion regarding Mr. Atwater's presentation and building trends ensued.

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

**III. REPORTS/UPDATES****A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. Santa Ana River Water Right Final Decision**

Counsel Slater stated the Watermaster application was unanimously approved on September 2, 2008. Counsel Fife noted the Orange County Water District and Western Municipal Water District's applications are still in the process of being reviewed and counsel will keep an eye on those. Counsel Slater thanked all the parties for the work put into getting this permit finalized.

**2. LRP Funding Agreement**

Counsel Slater stated this item begins on page 103 of the meeting packet as part of the agreement with MWD concerning the LRP Funding. There are commitments made to MWD about the expansion of the Dry Year Yield Program and those commitments must be fulfilled by September 1, 2009; a process will be gone through to accomplish completion by this date. On page 103 it states that by September 1, 2009 Watermaster needs to have approval of expansion of the DYY Program and Watermaster must waive losses on the MWD Storage Account; both for the original 100,000 acre-feet and this additional expansion. These are conditions which will allow us to hold onto the LRP money. A discussion regarding milestones ensued.

**3. Report on the Issue of Governance**

Counsel Slater stated this item is in the Legal Counsel portion of the agenda for clarification. Counsel Slater stated this item came up due to a joint pleading filed by the City of Chino Hills, City of Chino, and Monte Vista Water those discussions District about the Special Referee issue and although Watermaster is not participating in one of the issues those parties raised was the issue of governance. The allegation states that Watermaster has failed to fulfill its duties listed in the original stipulation. In August, a Watermaster Board conference call took place and MVWD who was on that call asserted to the board that Watermaster and Watermaster staff had not adequately addressed the governance issue. Counsel and staff's understanding was that at the last Strategic Planning Conference in 2007, the issue of governance was covered and the parties participating at that time felt that the issue had been adequately covered and Watermaster had fulfilled its responsibilities under the stipulations that it entered into and that the matter could be tabled. Chair Willis suggested that to take a look at governance, we should have somebody outside the Board with experience in governance come in and due a survey they would be able to tell us what the strong points are and points that are not so strong; which would then allow us to make a decision about going further with that process. Counsel Slater stated that this decision is within the province of the Board at any time to indulge in self examination and that is up to the Board members. Counsel Slater stated counsel and staff will follow the direction of the Board members on this matter. Chair Willis stated the Board members need to submit suggestions regarding this matter in writing so that an accurate record can be kept and at

some point in time have another discussion on this. Counsel Slater stated at the Appropriative Pool meeting, the committee asked that this item be brought back as an action item in October with a detailed staff letter outlining events.

4. Status of Judge Selection

Counsel Slater stated Chino Basin Watermaster has been assigned a new judge, Judge Wade. That assignment was made on September 15, 2008; notice to the parties was sent out on September 16, 2008. Judge Wade serves at the San Bernardino Court. Counsel Slater stated if no preemptory challenge is filed by the close of business tomorrow, we will have a judge for all purposes. A hearing is scheduled for October 21, 2008 to consider several various items that have been placed on hold while the judge selection has been taking place over the past few months. Counsel Slater stated in the context of the Conditions Subsequent, is our progress on implementing Hydraulic Control. The 400,000 acre-feet that we can access is dependent on making progress; there are some Max Benefit issues with Regional Board. Part of that issue involves the CDA expansion because the Peace II Agreement contemplates Western Municipal Water District (WMWD) joining CDA and contributing funding for the expansion of the desalters. That effort resulted in the negotiation of the Term Sheet and there will be a closed session today to go over the conceptual approval of picking up the prosecution responsibility for the contamination. This was agreed upon conceptually pending a presentation on budget and strategy which will be discussed in closed session today. If this Board is in agreement counsel will report out of closed session that you have authorized that action and at which point that would bring your responsibility in the context of the CDA effort to admit WMWD as a member; this would then bring this Board's responsibilities to a close. After that is done, counsel would turn to the parties themselves, who are in the process of approving the agreements. Counsel Slater stated all parties are presently poised to act within the October time frame; hopefully prior to October 21<sup>st</sup> hearing date. Counsel Slater stated it is his understanding that the City of Chino Hills is engaged in a due diligence process and they are reaching to each of the participants in the CDA process and the expansion group. A discussion regarding this matter ensued.

5. MOU of Water Accounting Procedures in Chino Basin

Counsel Slater stated this is an information item only and will be brought back next month as an agenda item.

**B. ENGINEERING REPORT**

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

Mr. Wildermuth stated this item will be on the agenda monthly as an update on the engineering activities. Mr. Wildermuth stated he is currently working with Black & Veatch and the Dodson Group on the Dry Year Yield Expansion tasks. Mr. Wildermuth stated improvements to the groundwater model are being made. In the last two months, the Recharge Master Plan project schedule has been implemented based on the outline which was sent to the court. There has been a lot of work being done in the MZ1 area for repairs and maintenance of equipment. For MZ3 we were successful in getting another AB303 grant to look at specific water quality issues and work has been done in that area. Mr. Wildermuth reviewed the list of tasks performed by Wildermuth staff in July and August. Preparation has begun on the State of the Basin Report. Condition Subsequent Report no. 7 is being worked on and is due at the end of 2008. Mr. Wildermuth stated Wildermuth Environmental no longer supports Data X and that has been replaced by D.A.V.E. which is called Hydro DAVE. Watermaster staff has now has Hydro DAVE installed on their systems and if any of the Watermaster parties want this software installed, arrangements can be made to do so. Mr. Vanden Heuvel inquired into a recent meeting that Mr. Thibeault attended regarding taking Max Benefit away; if that did happen would we then go back to the Basin Plan that was in place prior to Max Benefit? Mr. Wildermuth stated "no" it would fall back to the Anti-Degradation Objectives for Management Zones 1, 2, and 3 that were established in 2004. A lengthy discussion regarding Mr. Vanden Heuvel's comments

ensued. Mr. Vanden Heuvel inquired into the court process for approval of the 400,000 acre-feet that was approved on a go forward basis. Counsel Slater stated the issue was mentioned on the groundwater storage agreement; however, there are other conditions that still exist related to the December order from last year. One of those conditions related to the reconciliation by the end of this year which is an extremely important topic for the parties to begin discussing in the month of October/November if we are to have a resolution to the court by December. A discussion regarding this issue ensued.

### C. CEO/STAFF REPORT

#### 1. Legislative Update

Ms. Rojo stated the State budget has finally passed.

#### 2. Financial Audit Update

Ms. Rojo stated Watermaster recently went through its financial audit and this presentation is going to be presented to the Watermaster Board today. As a result of new auditing standards that have passed; there is a requirement that auditors will have to do a lot more work in doing their financial statement audits. This will require increased communications with those charged with governance. Ms. Rojo discussed governing boards and audit committees. Mr. Rojo noted in an audit committee there needs to be at least one person who understands/knows financial knowledge. Those standards did affect Watermaster this year in that the auditors did a lot of increased internal control testing along with assessment and documentation of Watermaster's internal controlled procedures. The auditors did increase risk assessments. They not only spoke to the CEO, they also spoke with the CFO, Board members, and Watermaster staff. Ms. Rojo noted staff is expanding our current internal control systems documentation to codify what we are already doing and assist the auditors in their testing. Staff will be exploring the establishment of an audit committee. Staff will be continuously performing risk assessments to seek ways to improve our process. Watermaster will be looking into forming an audit committee. A discussion regarding the audit committee ensued.

#### 3. Recharge Update

Ms. Rojo stated the most recent recharge spreadsheet is available as a handout on the back table for review.

#### 4. MWD Groundwater Conjunctive Use Study

Ms. Rojo stated staff has participated since December, 2005 MWD has put together member agency representatives, and basin managers to formulate a groundwater assessment study. That committee is looking at formulating a report that would include an assessment of the overall basin management, the existing facilities and operations, historical production, recharge and water levels, water quality, and groundwater storage opportunities in their service area. Ms. Rojo stated that Mr. Pak from Watermaster staff has been attending those meetings with Mr. Manning. Mr. Rossi offered comment on what that committee is doing.

#### 5. Report on Anticipated Board Closed Session Items

Ms. Rojo stated there will be a closed Board session held at the Watermaster Board meeting today regarding Hanson Aggregates, Tongva American Indian tribe, and the two airport plumes.

#### 6. Strategic Planning Conference Update

Ms. Rojo stated the Strategic Planning Conference in Lake Arrowhead will be held this weekend.

#### 7. Regional Board Meeting on Max Benefit

Ms. Rojo stated this item was reported on by Mr. Manning at the Pool meetings. A series of letters were received a few months ago about our schedule with regard to compliance with



Max Benefit. The Regional Board expressed its displeasure at the pace of the development of our achievement of Hydraulic Control; we are about one year behind. In summary of those letters was that the executive director of the Regional Board did plan to ask the Board to schedule a hearing to consider whether the Max Benefit objectives should be removed from Chino Basin. Mr. Manning and Mr. Atwater attended that board meeting which was held on September 5, 2008 and assured the board that we were in fact moving forward. After discussions at that board meeting, that board directed Jerry Thibeault to hold off on the item but that if this process was not completed by October then they would schedule a hearing again to consider whether Chino Basin could still have access to the Max Benefit Objectives.

8. November and December Meeting Dates

Ms. Rojo noted as in previous years the Advisory Committee and the Watermaster Board meetings will need to be moved up one week to accommodate Thanksgiving Day and Christmas Day. The committee members agreed to move the meeting up one week in November and December.

**IV. INFORMATION**

1. Chino Basin Recycled Water Groundwater Recharge Program Quarterly Monitoring Report for April Through June 2008  
No comment was made regarding this item.
2. Senator Dianne Feinstein Secures Senate Committee Approval of Key Water Supply Legislation for the Chino Basin  
No comment was made regarding this item.
3. Newspaper Articles  
No comment was made regarding this item.

**V. BOARD MEMBER COMMENTS**

No comment was made regarding this item.

**VI. OTHER BUSINESS**

No comment was made regarding this item.

**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

Counsel Slater stated the Watermaster Board took action to reaffirm its conceptual decision and it will assume its primary responsibility for prosecuting the airport plume contamination.

**VIII. 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

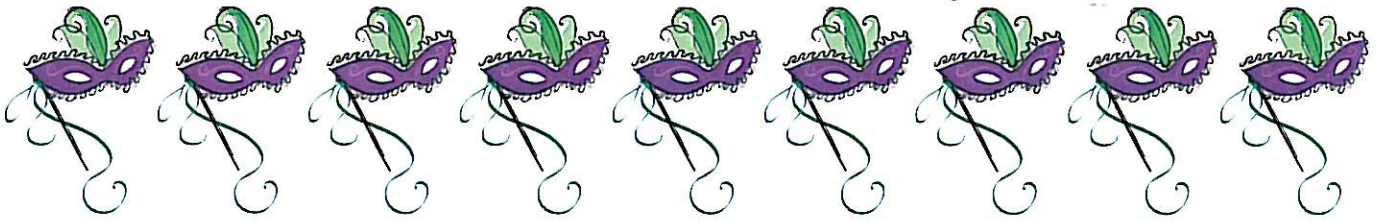
October 23, 2008	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
October 23, 2008	9:00 a.m.	Advisory Committee Meeting
October 23, 2008	11:00 a.m.	Watermaster Board Meeting

The Watermaster Board meeting was dismissed by Chair Willis at 1:46 p.m.

Secretary: \_\_\_\_\_

Minutes Approved: \_\_\_\_\_

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# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### B. FINANCIAL REPORTS

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







# CHINO BASIN WATERMASTER

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

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**KENNETH R. MANNING**  
Chief Executive Officer

## STAFF REPORT

**DATE:** October 9, 2008  
October 21, 2008  
October 23, 2008

**TO:** Committee Members  
Watermaster Board Members

**SUBJECT:** Cash Disbursement Report

### SUMMARY

**Issue** – Record of cash disbursements for the month of September 2008.

**Recommendation** – Staff recommends the Cash Disbursements for September 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 September 2008 were \$404,223.89. The most significant expenditures during the month were the Wildermuth Environmental Inc. in the amount of 162,632.29, Brownstein, Hyatt, Farber & Schreck in the amount of \$68,702.81, and Reid & Hellyer in the amount of \$13,455.19,

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**CHINO BASIN WATERMASTER**  
**Cash Disbursement Detail Report**  
**September 2008**

Type	Date	Num	Name	Amount
Sep 08				
Bill Pmt -Check	9/2/2008	12611	APPLIED COMPUTER TECHNOLOGIES	-3,092.10
Bill Pmt -Check	9/2/2008	12612	ARROWHEAD MOUNTAIN SPRING WATER	-41.17
Bill Pmt -Check	9/2/2008	12613	BOWCOCK, ROBERT	-750.00
Bill Pmt -Check	9/2/2008	12614	BOWMAN, JIM	-500.00
Bill Pmt -Check	9/2/2008	12615	DCSE	-5,048.33
Bill Pmt -Check	9/2/2008	12616	DIRECTV	-76.98
Bill Pmt -Check	9/2/2008	12617	KONICA MINOLTA BUSINESS SOLUTIONS	-745.76
Bill Pmt -Check	9/2/2008	12618	KUHN, BOB	-375.00
Bill Pmt -Check	9/2/2008	12619	NIGRO NIGRO & WHITE, PC	-550.50
Bill Pmt -Check	9/2/2008	12620	OFFICE DEPOT	-574.14
Bill Pmt -Check	9/2/2008	12621	PARK PLACE COMPUTER SOLUTIONS, I...	-6,150.00
Bill Pmt -Check	9/2/2008	12622	PUBLIC EMPLOYEES' RETIREMENT SYS...	-5,903.50
Bill Pmt -Check	9/2/2008	12623	PURCHASE POWER	-39.99
Bill Pmt -Check	9/2/2008	12624	STANDARD INSURANCE CO.	-575.76
Bill Pmt -Check	9/2/2008	12625	STATE COMPENSATION INSURANCE FU...	-1,114.33
Bill Pmt -Check	9/2/2008	12626	TLC STAFFING	-464.00
Bill Pmt -Check	9/2/2008	12627	VANDEN HEUVEL, GEOFFREY	-250.00
Bill Pmt -Check	9/2/2008	12628	W.C. DISCOUNT MOBILE AUTO DETAILI...	-75.00
Bill Pmt -Check	9/2/2008	12629	WILLIS, KENNETH	-1,000.00
Bill Pmt -Check	9/2/2008	12630	PUBLIC EMPLOYEES' RETIREMENT SYS...	-5,734.20
Bill Pmt -Check	9/2/2008	12631	CITISTREET	-2,595.66
Bill Pmt -Check	9/2/2008	12632	CITISTREET	-1,300.00
Bill Pmt -Check	9/2/2008	12633	JAMES JOHNSTON	-855.00
General Journal	9/6/2008	08/09/04	PAYROLL	-7,300.97
General Journal	9/6/2008	08/09/04	PAYROLL	-25,135.03
Bill Pmt -Check	9/17/2008	12634	ACWA SERVICES CORPORATION	-222.91
Bill Pmt -Check	9/17/2008	12635	AUTOMOBILE CLUB OF SOUTHERN CAL...	-47.00
Bill Pmt -Check	9/17/2008	12636	BANC OF AMERICA LEASING	-4,117.72
Bill Pmt -Check	9/17/2008	12637	BANK OF AMERICA	-2,334.31
Bill Pmt -Check	9/17/2008	12638	BROWNSTEIN HYATT FARBER SCHRECK	-68,702.81
Bill Pmt -Check	9/17/2008	12639	CAROLLO ENGINEERS	-4,860.00
Bill Pmt -Check	9/17/2008	12640	CUCAMONGA VALLEY WATER DISTRICT	-5,495.00
Bill Pmt -Check	9/17/2008	12641	FIRST AMERICAN REAL ESTATE SOLUTI...	-125.00
Bill Pmt -Check	9/17/2008	12642	HSBC BUSINESS SOLUTIONS	-534.79
Bill Pmt -Check	9/17/2008	12643	INLAND EMPIRE UTILITIES AGENCY	-250.50
Bill Pmt -Check	9/17/2008	12644	LAKE ARROWHEAD RESORT	-3,000.00
Bill Pmt -Check	9/17/2008	12645	MCI	-1,169.95
Bill Pmt -Check	9/17/2008	12646	OFFICE DEPOT	-737.33
Bill Pmt -Check	9/17/2008	12647	PAYCHEX	-202.70
Bill Pmt -Check	9/17/2008	12648	POWERS ELECTRIC PRODUCTS CO.	-9.11
Bill Pmt -Check	9/17/2008	12649	PREMIERE GLOBAL SERVICES	-1,212.67
Bill Pmt -Check	9/17/2008	12650	PRINTING RESOURCES	-42.88
Bill Pmt -Check	9/17/2008	12651	PUMP CHECK	-190.00
Bill Pmt -Check	9/17/2008	12652	REID & HELLYER	-13,455.19
Bill Pmt -Check	9/17/2008	12653	RICOH BUSINESS SYSTEMS-Lease	-888.94
Bill Pmt -Check	9/17/2008	12654	SAFEGUARD DENTAL & VISION	-57.68
Bill Pmt -Check	9/17/2008	12655	SAFETY CLEAN JANITORIAL SERVICES	-678.20
Bill Pmt -Check	9/17/2008	12656	STAULA, MARY L	-136.61
Bill Pmt -Check	9/17/2008	12657	THE STANDARD INSURANCE COMPANY	-156.56
Bill Pmt -Check	9/17/2008	12658	TLC STAFFING	-1,448.00
Bill Pmt -Check	9/17/2008	12659	UNION 76	-299.65
Bill Pmt -Check	9/17/2008	12660	UNITED PARCEL SERVICE	-592.32
Bill Pmt -Check	9/17/2008	12661	USA-FACT INC	-362.40
Bill Pmt -Check	9/17/2008	12662	VERIZON	-463.70
Bill Pmt -Check	9/17/2008	12663	VERIZON WIRELESS	-539.87
Bill Pmt -Check	9/17/2008	12664	VISION SERVICE PLAN	-78.24
Bill Pmt -Check	9/17/2008	12665	W.C. DISCOUNT MOBILE AUTO DETAILI...	-75.00
Bill Pmt -Check	9/17/2008	12666	WESTERN DENTAL SERVICES, INC.	-26.50
Bill Pmt -Check	9/17/2008	12667	YUKON DISPOSAL SERVICE	-142.88
General Journal	9/20/2008	08/09/07	PAYROLL	-7,781.60
General Journal	9/20/2008	08/09/07	PAYROLL	-26,842.79
Bill Pmt -Check	9/25/2008	12669	WILDERMUTH ENVIRONMENTAL INC	-162,632.29
Bill Pmt -Check	9/25/2008	12670	CA-NV-AWWA	-500.00
Bill Pmt -Check	9/25/2008	12671	CALPERS	-3,906.43
Bill Pmt -Check	9/25/2008	12672	COMPUTER NETWORK	-161.63
Bill Pmt -Check	9/25/2008	12673	ESRI	-1,061.65
Bill Pmt -Check	9/25/2008	12674	INLAND EMPIRE UTILITIES AGENCY	-250.50
Bill Pmt -Check	9/25/2008	12675	NORDBAK'S PROMOTIONAL PRODUCTS	-632.66

**CHINO BASIN WATERMASTER**  
**Cash Disbursement Detail Report**  
**September 2008**

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
Bill Pmt -Check	9/25/2008	12676	OFFICE DEPOT	-395.92
Bill Pmt -Check	9/25/2008	12677	PITNEY BOWES CREDIT CORPORATION	-39.64
Bill Pmt -Check	9/25/2008	12678	PRE-PAID LEGAL SERVICES, INC.	-103.60
Bill Pmt -Check	9/25/2008	12679	STANDARD INSURANCE CO.	-575.76
Bill Pmt -Check	9/25/2008	12680	STATE COMPENSATION INSURANCE FU...	-726.76
Bill Pmt -Check	9/25/2008	12681	TLC STAFFING	-480.00
Bill Pmt -Check	9/25/2008	12682	W.C. DISCOUNT MOBILE AUTO DETAILI...	-50.00
Bill Pmt -Check	9/25/2008	12683	WHEELER METER MAINTENANCE	-600.00
Bill Pmt -Check	9/25/2008	12684	INLAND EMPIRE UTILITIES AGENCY	-3,338.81
Bill Pmt -Check	9/25/2008	12685	LAKE ARROWHEAD RESORT	-11,040.01
Bill Pmt -Check	9/25/2008	12686	STATE OF CA - DEPT OF CONSUMER A...	-200.00
<b>Sep 08</b>				<b><u>-404,223.89</u></b>



5:15 PM  
10/02/08

CHINO BASIN WATERMASTER  
Check Detail  
September 2008

Type	Num	Date	Name	Account	Paid Amount
Bill Pmt -C...	12637	9/17/2008	BANK OF AMERICA	1012 · Bank of America Gen'l Ckg	
Bill	4024...	8/31/2008		6909.1 · OBMP Meetings	-258.22
				6022 · Telephone	-58.16
				6191 · Conferences	-1,871.71
				6054 · Computer Software	-146.22
TOTAL					-2,334.31

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

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL APPROPRIATIVE	POOL AGRICULTURAL	POOL NON-AGRIC.	GROUNDWATER REPLENISHMENT	GROUNDWATER OPERATIONS	EDUCATION FUNDS	GRAND TOTALS	BUDGET 2008-2009
Administrative Revenues										
Administrative Assessments										\$7,841,054
Interest Revenue			1,798						1,798	174,368
Mutual Agency Project Revenue										148,410
Grant Income										0
Miscellaneous Income										0
Total Revenues			1,798						1,798	8,163,832
Administrative & Project Expenditures										
Watermaster Administration	117,275								117,275	619,960
Watermaster Board-Advisory Committee	10,015								10,015	61,201
Pool Administration			2,484	22,727	399				25,610	166,523
Optimum Basin Mgmt Administration		197,642							197,642	1,913,484
OBMP Project Costs		1,178,552		13,474					1,192,026	5,392,289
Education Funds Use										375
Mutual Agency Project Costs										10,000
Total Administrative/OBMP Expenses	127,290	1,376,194	2,484	36,201	399				1,542,568	8,163,832
Net Administrative/OBMP Income	(127,290)	(1,376,194)								
Allocate Net Admin Income To Pools	127,290		97,107	27,683	2,501					
Allocate Net OBMP Income To Pools		1,376,194	1,049,866	299,292	27,036					
Agricultural Expense Transfer			363,175	(363,175)						
Total Expenses	1,512,632				29,936				1,542,568	8,163,832
Net Administrative Income	(1,510,834)				(29,936)				(1,540,770)	
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			(1,510,834)		(29,936)				(1,540,770)	

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

<b>DEPOSITORIES:</b>		
Cash on Hand - Petty Cash	\$	500
Bank of America		
Governmental Checking-Demand Deposits	\$	269,769
Zero Balance Account - Payroll		-
Local Agency Investment Fund - Sacramento		4,490,455
		<hr/>
<b>TOTAL CASH IN BANKS AND ON HAND</b>		<b>\$ 4,760,724</b>
<b>TOTAL CASH IN BANKS AND ON HAND</b>		<b>5,735,251</b>
		<hr/>
<b>PERIOD INCREASE (DECREASE)</b>		<b>\$ (974,527)</b>

8/31/2008  
7/31/2008

**CHANGE IN CASH POSITION DUE TO:**

Decrease/(Increase) in Assets: Accounts Receivable	\$	-
Assessments Receivable		37,894
Prepaid Expenses, Deposits & Other Current Assets		(847)
(Decrease)/Increase in Liabilities		(36,597)
Accounts Payable		-
Accrued Payroll, Payroll Taxes & Other Current Liabilities		(974,977)
Transfer to/(from) Reserves		<hr/>
<b>PERIOD INCREASE (DECREASE)</b>		<b>\$ (974,527)</b>

	Petty Cash	Gov'tl Checking Demand	Zero Balance Account		Local Agency Investment Funds	Totals
			Payroll	Investment Funds		
\$	500	\$ 194,296	\$ -	\$ 5,540,455	\$	5,735,251
Deposits	-	44,921	-	-	-	44,921
Transfers	-	980,855	69,145	(1,050,000)	-	-
Withdrawals/Checks	-	(950,303)	(69,145)	-	-	(1,019,448)
		<hr/>				<hr/>
Balances as of 8/31/2008	\$ 500	\$ 269,769	\$ -	\$ 4,490,455	\$	4,760,724
<b>PERIOD INCREASE OR (DECREASE)</b>	\$ -	\$ 75,473	\$ -	\$ (1,050,000)	\$	<b>(974,527)</b>

**SUMMARY OF FINANCIAL TRANSACTIONS:**

Balances as of 7/31/2008	\$	5,735,251
Deposits		44,921
Transfers		(1,050,000)
Withdrawals/Checks		(1,019,448)
Balances as of 8/31/2008		<hr/>
<b>PERIOD INCREASE OR (DECREASE)</b>		<b>(974,527)</b>



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

**INVESTMENT TRANSACTIONS**

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
8/4/2008	Withdrawal	L.A.I.F.	\$ (500,000)				
8/26/2008	Withdrawal	L.A.I.F.	\$ (550,000)				
<b>TOTAL INVESTMENT TRANSACTIONS</b>			<b>\$ (1,050,000)</b>				

\* 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.

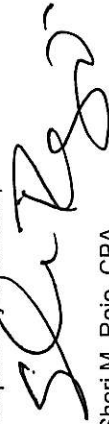
**INVESTMENT STATUS  
August 31, 2008**

Financial Institution	Principal Amount	Number of Days	Interest Rate	Maturity Date
Local Agency Investment Fund	\$ 4,490,455			
<b>TOTAL INVESTMENTS</b>	<b>\$ 4,490,455</b>			

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

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

Respectfully submitted,



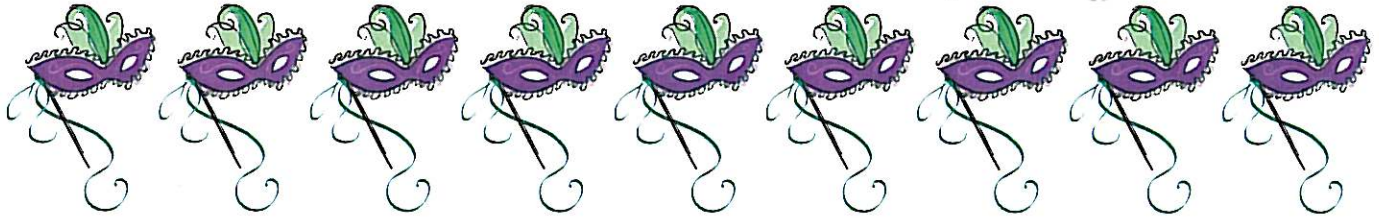
Sheri M. Rojo, CPA  
Chief Financial Officer & Assistant General Manager  
Chino Basin Watermaster

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

	<u>Jul - Aug 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
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%
<b>Total Income</b>	<u>1,798</u>	<u>8,163,832</u>	<u>-8,162,034</u>	<u>0.02%</u>
<b>Gross Profit</b>	1,798	8,163,832	-8,162,034	0.02%
<b>Expense</b>				
6010 · Salary Costs	92,971	484,302	-391,331	19.2%
6020 · Office Building Expense	10,038	102,000	-91,962	9.84%
6030 · Office Supplies & Equip.	4,668	46,500	-41,832	10.04%
6040 · Postage & Printing Costs	12,191	87,380	-75,189	13.95%
6050 · Information Services	26,986	144,000	-117,014	18.74%
6060 · Contract Services	11,876	98,000	-86,125	12.12%
6080 · Insurance	15,706	17,730	-2,024	88.58%
6110 · Dues and Subscriptions	46	16,750	-16,704	0.28%
6140 · WM Admin Expenses	350	4,000	-3,650	8.76%
6150 · Field Supplies	633	2,500	-1,867	25.31%
6170 · Travel & Transportation	4,349	39,200	-34,851	11.1%
6190 · Conferences & Seminars	-380	26,500	-26,880	-1.44%
6200 · Advisory Comm - WM Board	2,012	19,181	-17,169	10.49%
6300 · Watermaster Board Expenses	8,003	42,020	-34,017	19.05%
8300 · Appr PI-WM & Pool Admin	2,484	24,008	-21,524	10.35%
8400 · Agri Pool-WM & Pool Admin	2,039	24,820	-22,781	8.21%
8467 · Ag Legal & Technical Services	20,688	98,000	-77,312	21.11%
8470 · Ag Meeting Attend -Special	0	12,000	-12,000	0.0%
8500 · Non-Ag PI-WM & Pool Admin	399	7,695	-7,296	5.19%
6500 · Education Funds Use Expens	209	375	-166	55.81%
9500 · Allocated G&A Expenditures	-62,368	-448,902	386,534	13.89%
	<u>152,901</u>	<u>848,059</u>	<u>-695,158</u>	<u>18.03%</u>
6900 · Optimum Basin Mgmt Plan	179,126	1,775,525	-1,596,399	10.09%
6950 · Mutual Agency Projects	0	10,000	-10,000	0.0%
9501 · G&A Expenses Allocated-OBMP	18,516	137,959	-119,443	13.42%
	<u>197,642</u>	<u>1,923,484</u>	<u>-1,725,842</u>	<u>10.28%</u>
7101 · Production Monitoring	23,885	107,515	-83,630	22.22%
7102 · In-line Meter Installation	2,188	87,931	-85,743	2.49%
7103 · Grdwtr Quality Monitoring	27,938	210,458	-182,520	13.28%
7104 · Gdwtr Level Monitoring	43,606	342,538	-298,932	12.73%
7105 · Sur Wtr Qual Monitoring	255	46,717	-46,462	0.55%

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

	<u>Jul - Aug 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
7107 · Ground Level Monitoring	39,437	651,468	-612,031	6.05%
7108 · Hydraulic Control Monitoring	90,107	743,476	-653,369	12.12%
7200 · PE2- Comp Recharge Pgm	208,440	1,115,883	-907,443	18.68%
7300 · PE3&5-Water Supply/Desalte	31,659	148,477	-116,818	21.32%
7400 · PE4- Mgmt Plan	17,587	217,371	-199,784	8.09%
7500 · PE6&7-CoopEfforts/SaltMgmt	10,933	216,307	-205,374	5.06%
7600 · PE8&9-StorageMgmt/Conj Use	140,246	76,909	63,337	182.35%
7690 · Recharge Improvement Debt Pymt	511,894	1,110,000	-598,106	46.12%
7700 · Inactive Well Protection Prgm	0	6,296	-6,296	0.0%
9502 · G&A Expenses Allocated-Projects	43,852	310,943	-267,091	14.1%
	<u>1,192,026</u>	<u>5,392,289</u>	<u>-4,200,263</u>	<u>22.11%</u>
 Total Expense	<u>1,542,569</u>	<u>8,163,832</u>	<u>-6,621,263</u>	<u>18.9%</u>
 Net Ordinary Income	-1,540,771		-1,540,771	100.0%
 Other Income/Expense				
Other Expense				
9999 · To/(From) Reserves	<u>-1,540,771</u>			
Total Other Expense	<u>-1,540,771</u>			
 Net Other Income	<u>1,540,771</u>			
 Net Income	<u><u>                    </u></u>	<u><u>                    </u></u>	<u><u>                    </u></u>	<u><u>                    </u></u>



# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### D. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – Fontana Water Company has agreed to purchase from The Nicholson Trust annual production right in the amount of 8.185 acre-feet
2. **Consider Approval for Notice of Sale or Transfer** – Cucamonga Valley Water District is purchasing 2,500 acre-feet of water from Marygold Mutual Water Company
3. **Consider Approval for Notice of Sale or Transfer** – The City of Ontario (as an Overlying Non-Agricultural Party) is purchasing- from Sunkist Growers, Inc. all of the amount of Sunkist's water in storage as of June 30, 2008. In addition, Sunkist's annual safe yield production rights in the amount of 1,851.402 acre-feet will be permanently transferred to the City of Ontario (as an Overlying Non-Agricultural Party)



***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

May 16, 2008

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



**NOTICE OF APPLICATION(S) RECEIVED**

Date of Application: **April 30, 2008**

Date of this notice: **May 16, 2008**

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

- A. Notice of Sale or Transfer – Fontana Water Company (“Company”) has agreed to purchase from The Nicholson Trust annual production right in the amount of 8.185 acre-feet.

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

Appropriative Pool:	June 12, 2008
Non-Agricultural Pool:	June 12, 2008
Agricultural Pool:	June 17, 2008

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

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

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

Watermaster address:

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

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

# **CHINO BASIN WATERMASTER**

## **NOTICE OF TRANSFER OF WATER**

Notification Dated: May 16, 2008

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

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# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: (909) 484.3888 Fax: (909) 484-3890 www.cbwm.org

**KENNETH R. MANNING**  
**CHIEF EXECUTIVE OFFICER**

**DATE:** May 16, 2008  
**TO:** Watermaster Interested Parties  
**SUBJECT:** Summary and Analysis of Application for Water Transaction

#### Summary –

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

#### Issue –

- Notice of Sale or Transfer – Fontana Water Company (“Company”) has agreed to purchase from The Nicholson Trust annual production right in the amount of 8.185 acre-feet.

#### Recommendation –

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

#### Fiscal Impact –

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

#### Background

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

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

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

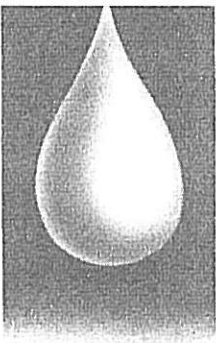
- Notice of Sale or Transfer – Fontana Water Company (“Company”) has agreed to purchase from The Nicholson Trust annual production right in the amount of 8.185 acre-feet..

Notice of the water transaction identified above was mailed on May 16, 2008 along with the materials submitted by the requestors.

**DISCUSSION**

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





# FONTANA WATER COMPANY

A DIVISION OF SAN GABRIEL VALLEY WATER COMPANY

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



April 30, 2008

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

Subject: Purchase of Annual Production Right  
Chino Basin-Fiscal Year 2007/2008

Dear Mr. Manning:

Please take notice that Fontana Water Company ("Company") has agreed to purchase from The Nicholson Trust annual production right in the amount of 8.185 acre-feet to satisfy a portion of the Company's anticipated Chino Basin replenishment obligation for Fiscal Year 2007/2008.

Enclosed is a fully executed Chino Basin Watermaster Form No. 5, along with the company's Recapture Plan for consideration by Watermaster. Please agendize this proposed transfer at the earliest possible opportunity.

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

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael J. McGraw".

Michael J. McGraw  
General Manager

MJM:yn  
Enclosures

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APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD

Fiscal Year 2007 - 2008

Commencing on July 1, 2007 and terminating on June 30, 2008, The Nicholson Trust ("Transferor") hereby transfers to Fontana Water Company ("Transferee") the quantity of 8.185 acre-feet of corresponding Annual Production Right (Appropriative Pool) or Safe Yield (Non-Agricultural Pool) adjudicated to Transferor or its predecessor in interest in the Judgment rendered in the Case of "CHINO BASIN MUNICIPAL WATER DISTRICT vs. CITY OF CHINO, et al.," RCV 51010 (formerly Case No. SCV 164327).

Said Transfer shall be conditioned upon:

- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment and the Peace Agreement and for the period described above. The first water production in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
(2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
(3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
(4) Any Transferee not already a party must intervene and become a party to the Judgment.

TO BE EXECUTED by both Transferor and Transferee, and to be accomplished by a general description of the area where the Transferred water was to be Produced and used prior to the Transfer, and where it will be Produced and used after the Transfer. This general description can be in the form of a map.

WATER QUALITY AND WATER LEVELS

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

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

MATERIAL PHYSICAL INJURY?

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

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

N/A

ADDITIONAL INFORMATION ATTACHED

Yes [ ] No [X]

*Robert H. Nicholson, Jr., Trustee*  
The Nicholson Trust  
Robert H. Nicholson, Jr., Trustee

*Michael J. McGraw*  
Michael J. McGraw, General Manager  
Fontana Water Company

TO BE COMPLETED BY WATERMASTER:

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: \_\_\_\_\_

DATE OF APPROVAL FROM AGRICULTURAL POOL: \_\_\_\_\_

DATE OF APPROVAL FROM APPROPRIATIVE POOL: \_\_\_\_\_

HEARING DATE, IF ANY: \_\_\_\_\_

DATE OF ADVISORY COMMITTEE APPROVAL: \_\_\_\_\_

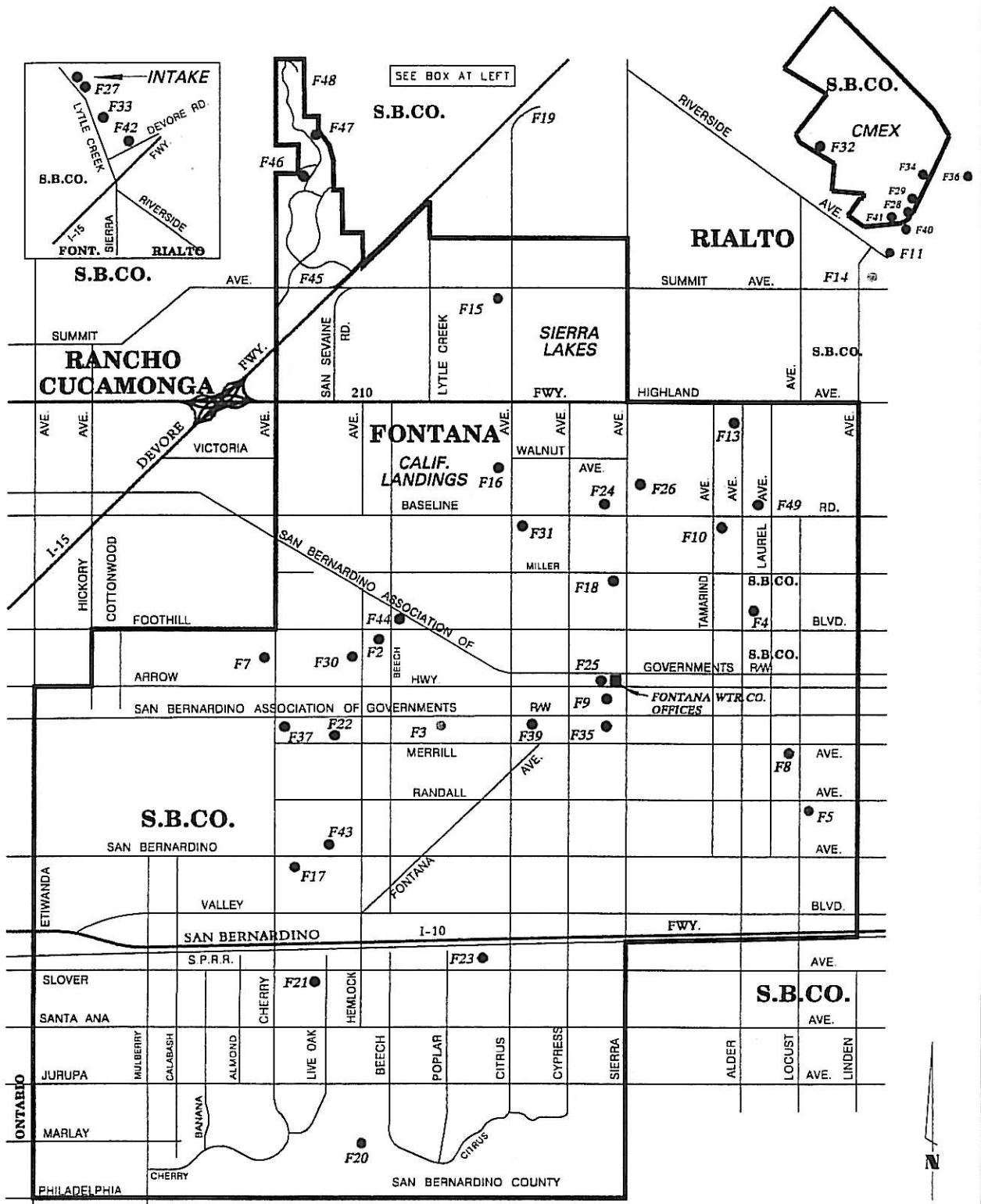
DATE OF BOARD APPROVAL: \_\_\_\_\_ Agreement # \_\_\_\_\_

**FONTANA WATER COMPANY**  
**Recapture Plan**

The subject water is a transfer of annual production right from The Nicholson Trust to Fontana Water Company (FWC) of 8.185 acre-feet to satisfy a portion of FWC's replenishment obligation for FY 2007/2008. Recapture of the stored water is accomplished by the production of any or all of the 15 wells owned and operated by FWC within Management Zone 3 of the Chino Groundwater Basin. The approximate daily production capacity of these wells is as follows:

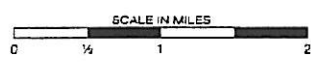
<u>Well</u>	-	<u>Production Acre-Feet/Day</u>
F23A	-	10.6
F21A	-	5.7
F7A	-	11.0
F7B		10.2
F22A	-	8.2
F24A	-	8.4
F26A	-	8.6
F31A	-	7.3
F2A	-	10.6
F30A	-	5.1
F44A	-	11.0
F44B	-	10.6
F44C	-	10.6
F17B	-	5.7
F17C	-	7.1
Daily Total		<u>126.2</u>

The attached map shows the location of these wells within FWC's service area. Prior to 1992, water produced from the majority of these wells was pumped within Management Zone 3 by Fontana Union Water Company with safe yield rights in the Chino Groundwater Basin. However, as a result of a bankruptcy settlement agreement dated February 7, 1992 all of Fontana Union's Chino Groundwater Basin water, including overlying (agricultural) pool reallocation, is annually transferred to Cucamonga Valley Water District's storage account. Pursuant to the same 1992 bankruptcy settlement agreement, Fontana Water Company acquired Fontana Union's water production wells and continues to produce water from Management Zone 3, in the same manner and for the same purpose as had been done prior to 1992.



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

**FONTANA WATER COMPANY**  
SYSTEM NO. 3610041





***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

September 4, 2008

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

**NOTICE OF APPLICATION(S) RECEIVED**

Date of Application: **August 13, 2008**

Date of this notice: **September 4, 2008**

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

- A. Notice of Sale or Transfer – Cucamonga Valley Water District (CVWD) is purchasing 2,500 acre-feet of water from Marygold Mutual Water Company,

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

Appropriative Pool: September 11, 2008

Non-Agricultural Pool: September 11, 2008

Agricultural Pool: September 16, 2008

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

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

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

Watermaster address:

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

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

# **CHINO BASIN WATERMASTER**

## **NOTICE OF TRANSFER OF WATER**

Notification Dated: September 4, 2008

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

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# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: (909) 484.3888 Fax: (909) 484-3890 www.cbwm.org

**KENNETH R. MANNING**  
**CHIEF EXECUTIVE OFFICER**

**DATE:** September 4, 2008  
**TO:** Watermaster Interested Parties  
**SUBJECT:** Summary and Analysis of Application for Water Transaction

#### Summary –

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

#### Issue –

- **Notice of Sale or Transfer** – Cucamonga Valley Water District (CVWD) is purchasing 2,500 acre-feet of water from Marygold Mutual Water Company.

#### Recommendation –

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

#### Fiscal Impact –

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

#### Background

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

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

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

- Cucamonga Valley Water District (CVWD) is purchasing 2,500 acre-feet of water from Marygold Mutual Water Company.

Notice of the water transaction identified above was mailed on September 4, 2008 along with the materials submitted by the requestors.

**DISCUSSION**

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

Robert A. DeLoach  
General Manager  
Chief Executive Officer

August 13, 2008

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

**Re: Water transfer from Marygold Mutual Water Company to Cucamonga Valley  
Water District**

Dear Mr. Manning:

This letter is to notify Watermaster that Cucamonga Valley Water District (CVWD) is purchasing 2,500 acre-feet of water from Marygold Water Company (SAWCO). This purchase is made from Marygold's water in storage. Please place this water into CVWD's Excess Carryover Account.

Executed copies of Forms 3 and 4 (Application for Sale or Transfer of Right to Produce Water from Storage and Application or Amendment to Application to Recapture Water in Storage) are attached. If you have any question or need additional information please call me.

Yours truly,



Martin E. Zvirbulis  
Deputy General Manager

Attachment: Form 5 (Application to Transfer Annual Production Right or Safe Yield)



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

TRANSFER FROM LOCAL STORAGE AGREEMENT # \_\_\_\_\_

Marygold Mutual Water Company  
Name of Party

July 23, 2008  
Date Requested                      \_\_\_\_\_  
Date Approved

9715 Alder Avenue  
Street Address

2.500 Acre-feet                      \_\_\_\_\_ Acre-feet  
Amount Requested                      Amount Approved

Fontana                      CA                      92335  
City                                      State                      Zip Code

Telephone: (909) 877-0516                      Facsimile: \_\_\_\_\_

*Justin Buehler*  
Applicant: Marygold Mutual Water Company

**TRANSFER TO:**

Cucamonga Valley Water District

**Attach Recapture Form 4**

Name of Party  
10440 Ashford Street  
Street Address

Rancho Cucamonga                      CA                      91730  
City                                      State                      Zip Code

Telephone: (909) 987-2591                      Facsimile: (909) 476-8032

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

**WATER QUALITY AND WATER LEVELS**

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

Static water levels vary from 462' to 583'. Of the wells routinely pumped, nitrate levels vary from 4 mg/l to 35 mg/l.

**MATERIAL PHYSICAL INJURY**

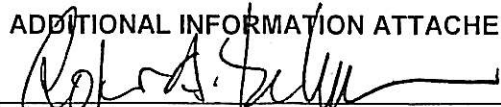
Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin  
that may be caused by the action covered by the application?      Yes [ ]      No [X]

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

N/A  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ADDITIONAL INFORMATION ATTACHED

Yes [ ] No [X]

  
Robert A. DeLoach, General Manager/CEO  
Cucamonga Valley Water District

**TO BE COMPLETED BY WATERMASTER:**

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: \_\_\_\_\_

DATE OF APPROVAL FROM AGRICULTURAL POOL: \_\_\_\_\_

DATE OF APPROVAL FROM APPROPRIATIVE POOL: \_\_\_\_\_

HEARING DATE, IF ANY: \_\_\_\_\_

DATE OF ADVISORY COMMITTEE APPROVAL: \_\_\_\_\_

DATE OF BOARD APPROVAL: \_\_\_\_\_ Agreement # \_\_\_\_\_

APPLICATION OR AMENDMENT TO APPLICATION  
TO  
RECAPTURE WATER IN STORAGE

**APPLICANT**

Cucamonga Valley Water District  
Name of Party

July 23, 2008  
Date Requested

\_\_\_\_\_  
Date Approved

10440 Ashford Street  
Street Address

2,500 Acre-feet  
Amount Requested

\_\_\_\_\_  
Acre-feet  
Amount Approved

Rancho Cucamonga      CA      91730  
City                      State              Zip Code

Varies  
Projected Rate of  
Recapture

July 1, 2008–June 30, 2009  
Projected Duration of  
Recapture

Telephone: (909) 987-2591

Facsimile: (909) 476-8032

IS THIS AN AMENDMENT TO A PREVIOUSLY APPROVED APPLICATION?     YES     NO

**IF YES, ATTACH APPLICATION TO BE AMENDED**

IDENTITY OF PERSON THAT STORED THE WATER: Marygold Mutual Water Company

**PURPOSE OF RECAPTURE**

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain \_\_\_\_\_

**METHOD OF RECAPTURE (if by other than pumping) (e.g. exchange)**

N/A

**PLACE OF USE OF WATER TO BE RECAPTURED**

Within Cucamonga Valley Water District's service area (see attached map), Management Zone 2.

**LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES).**

N/A

**WATER QUALITY AND WATER LEVELS**

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

Static water levels vary from 462' to 583'. Of the wells routinely pumped, nitrate levels vary from 4 mg/l to 35 mg/l.

**MATERIAL PHYSICAL INJURY**

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

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

N/A

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ADDITIONAL INFORMATION ATTACHED

Yes [ ] No [X]

  
Applicant

**TO BE COMPLETED BY WATERMASTER**

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: \_\_\_\_\_

DATE OF APPROVAL FROM AGRICULTURAL POOL: \_\_\_\_\_

DATE OF APPROVAL FROM APPROPRIATIVE POOL: \_\_\_\_\_

HEARING DATE, IF ANY: \_\_\_\_\_

DATE OF ADVISORY COMMITTEE APPROVAL: \_\_\_\_\_

DATE OF BOARD APPROVAL: \_\_\_\_\_ Agreement # \_\_\_\_\_

***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

September 4, 2008

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

**NOTICE OF APPLICATION(S) RECEIVED**

Date of Application: **August 19, 2008**

Date of this notice: **September 4, 2008**

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

- A. Notice of Sale or Transfer – On August 19, 2008, Watermaster received Forms 3, 4, and 5 water transfer applications, with Sunkist Growers, Inc. as Transferor and the City of Ontario (as Overlying Non-Agricultural party) as Transferee in the amount of all of Sunkist’s water in storage as of June 30, 2008, and a permanent transfer of its share of safe yield. Simultaneous with these applications, Watermaster received a request for Intervention into the Overlying Non-Agricultural) Pool from the City of Ontario.

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

Appropriative Pool:	September 11, 2008
Non-Agricultural Pool:	September 11, 2008
Agricultural Pool:	September 16, 2008

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

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

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

Watermaster address:

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

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



# **CHINO BASIN WATERMASTER**

## **NOTICE OF TRANSFER OF WATER**

Notification Dated: September 4, 2008

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

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## CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: (909) 484.3888 Fax: (909) 484-3890 www.cbwm.org

**KENNETH R. MANNING**  
**CHIEF EXECUTIVE OFFICER**

**DATE:** September 4, 2008  
**TO:** Watermaster Interested Parties  
**SUBJECT:** Summary and Analysis of Application for Water Transaction

### SUMMARY

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

#### Issue -

Notice of Sale or Transfer – On August 19, 2008, Watermaster received Forms 3, 4, and 5 water transfer Applications, with Sunkist Growers, Inc. as Transferor and the City of Ontario (as Overlying Non-Agricultural party) as Transferee in the amount of all of Sunkist's water in storage as of June 30, 2008, and a permanent transfer of its share of safe yield. Simultaneous with these applications, 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 transfer.

#### Recommendation –

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

#### Fiscal Impact –

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

### BACKGROUND

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

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

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

- Notice of Sale or Transfer – On August 19, 2008, Watermaster received Forms 3, 4, and 5 water transfer Applications, with Sunkist Growers, Inc. as Transferor and the City of Ontario (as Overlying Non-Agricultural party) as Transferee in the amount of all of Sunkist's water in storage as of June 30, 2008, and a permanent transfer of its share of safe yield. Simultaneous with these applications, 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 transfer.

Notice of the water transaction identified above was mailed on September 4, 2008 along with the materials submitted by the requestors.

## DISCUSSION

Under Exhibit G, paragraph 6, of the Judgment: "Rights herein decreed are appurtenant to that land and are only assignable with the land for overlying use thereon; provided however, . . . (b) the members of the Pool shall have the right to Transfer or lease their quantified production rights within the Pool or to Watermaster in conformance with the procedures described in the Peace Agreement between the Parties therein, dated June 29, 2000 for the term of the Peace Agreement." The Peace Agreement and Peace II Agreement thus modified the strict appurtenancy requirement to allow Transfers of the water rights under certain conditions.

In the 1978 Judgment, Sunkist Growers, Inc. was adjudicated rights of 1,873.403 acre-feet within the Overlying (Non-Agricultural) Pool. 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.

Sunkist and the City of Ontario have submitted Form 3 (Application for Sale or Transfer of Right to Produce Water from Storage), Form 4 (Application or Amendment to Application to Recapture Water in Storage), and Form 5 (Application to Transfer Annual Production Right or Safe Yield). The Applications indicate that the amount of water rights to be permanently transferred is 1,851.402 acre-feet. In addition, Sunkist is transferring to the City (as an Overlying Non-Agricultural party) all of its water in storage as of June 30, 2008. According to the City of Ontario's request for Intervention, the groundwater extracted will be solely utilized for uses authorized in the Judgment including providing water service to properties in Ontario, which have been sold or still are retained by Sunkist.

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of additional extensometers are planned. The Applications indicate that the Applicant is not aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the transfer. Wildermuth Environmental, Inc. performed a Material Physical Injury analysis (attached). Watermaster agrees that under the Transfer as proposed in the Applications, there will be no change that will result in Material Physical Injury.



August 19, 2008

Charles L. Woltmann  
Senior Vice President  
Law and General Counsel

Sunkist Growers  
14130 Riverside Drive  
Sherman Oaks, CA 91423-2313  
Tel: (818) 379-7532  
Fax: (818) 379-7381  
cwoltmann@sunkistgrowers.com

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

Re. Permanent Transfer of Safe Yield and Water in Storage

Dear Mr. Manning:

This is to notify the Watermaster that Sunkist Growers, Inc. ("Transferor") is hereby requesting the permanent transfer to the City of Ontario ("Transferee") all of its groundwater in storage and all of its remaining groundwater production rights (Safe Yield, net of the 22AF annual rights previously transferred to KCO, Inc.), adjudicated to Transferor or its predecessor-in-interest in the Judgment rendered in the Case of "CHINO BASIN MUNICIPAL WATER DISTRICT vs. CITY OF CHINO, et al." RCV 51010 (formerly Case No. SCV 164327).

Executed original Watermaster forms and all supporting documentation shall be provided under separate cover. Please put the proposed purchase on the agenda for the next Watermaster meetings.

Sincerely,

Charles L. Woltmann  
Sr. Vice President Law and  
General Counsel

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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

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

TRANSFER FROM LOCAL STORAGE AGREEMENT # \_\_\_\_\_

Charles L. Woltmann, Sunkist General Counsel

Name of Party

7/28/2008

Date Requested

Date Approved

14130 Riverside Drive

Street Address

13,633.504 (\*) Acre-  
feet

\_\_\_\_\_ Acre-feet

Amount Requested

Amount Approved

(\*) As of 6/30/2007,  
plus stored water from  
FY 2007-08

Sherman Oaks

CA

91423

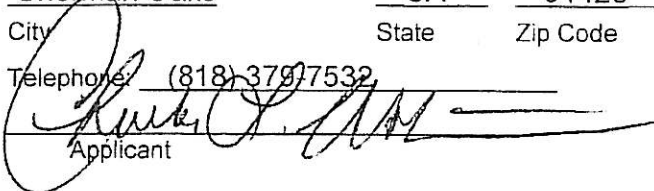
City

State

Zip Code

Telephone: (818) 379-7532

Facsimile: (818) 379-7381

  
Applicant

TRANSFER TO:

City of Ontario

Name of Party

Attach Recapture Form 4

1425 S. Bon View

Street Address

Ontario

CA

91761

City

State

Zip Code

Telephone: 909-395-2681

Facsimile: 909-395-2601

Have any other transfers been approved by Watermaster  
between these parties covering the same fiscal year?

Yes [ ]

No [ X ]

WATER QUALITY AND WATER LEVELS

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

None

MATERIAL PHYSICAL INJURY

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

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

ADDITIONAL INFORMATION ATTACHED

Yes [ ] No [ X ]

  
\_\_\_\_\_  
Applicant

**TO BE COMPLETED BY WATERMASTER:**

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: \_\_\_\_\_

DATE OF APPROVAL FROM AGRICULTURAL POOL: \_\_\_\_\_

DATE OF APPROVAL FROM APPROPRIATIVE POOL: \_\_\_\_\_

HEARING DATE, IF ANY: \_\_\_\_\_

DATE OF ADVISORY COMMITTEE APPROVAL: \_\_\_\_\_

DATE OF BOARD APPROVAL: \_\_\_\_\_ Agreement # \_\_\_\_\_

APPLICATION OR AMENDMENT TO APPLICATION  
TO  
RECAPTURE WATER IN STORAGE

APPLICANT

<u>City Of Ontario</u>			<u>August 19, 2008</u>	
Name of Party			Date Requested	Date Approved
<u>1425 S. Bon View Avenue</u>			<u>13,633.504 (*)</u> Acre-feet	<u>                    </u> Acre-feet
Street Address			Amount Requested	Amount Approved
<u>Ontario</u>	<u>CA</u>	<u>91761</u>	<u>Varies</u>	<u>July 1, 2008 – June 30, 2028</u> <u>(Amount varies each year)</u>
City	State	Zip Code	Projected Rate of Recapture	Projected Duration of Recapture
Telephone: <u>909-395-2600</u>			Facsimile: <u>909-395-2601</u>	

(\*) Amount requested is 13,633.504 as of June 30, 2007, plus Sunkist stored water from FY 2007-08.

IS THIS AN AMENDMENT TO A PREVIOUSLY APPROVED APPLICATION? [ ] YES [X] NO  
IF YES, ATTACH APPLICATION TO BE AMENDED

IDENTITY OF PERSON THAT STORED THE WATER: Sunkist

PURPOSE OF RECAPTURE

- [ ] Pump when other sources of supply are curtailed
- [X] Pump to meet current or future demand over and above production right
- [ ] Pump as necessary to stabilize future assessment amounts
- [ ] Other, explain \_\_\_\_\_

METHOD OF RECAPTURE (if by other than pumping) (e.g. exchange)

N/A

PLACE OF USE OF WATER TO BE RECAPTURED

Management zones 2 and 3

N/A

LOCATION OF RECAPTURE FACILITIES (IF  
DIFFERENT FROM REGULAR PRODUCTION  
FACILITIES).

WATER QUALITY AND WATER LEVELS

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

Static level varies from 272 feet to 524 feet. Of the wells routinely pumped, nitrate levels vary form less than 5 to 40 mg/L.

**MATERIAL PHYSICAL INJURY**

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

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

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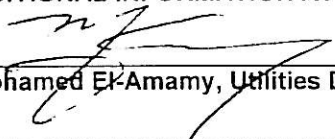
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**ADDITIONAL INFORMATION ATTACHED**

Yes [X] No [ ]  
See attached Recapture Plan

  
Mohamed El-Amamy, Utilities Director

**TO BE COMPLETED BY WATERMASTER**

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: \_\_\_\_\_  
DATE OF APPROVAL FROM AGRICULTURAL POOL: \_\_\_\_\_  
DATE OF APPROVAL FROM APPROPRIATIVE POOL: \_\_\_\_\_  
HEARING DATE, IF ANY: \_\_\_\_\_  
DATE OF ADVISORY COMMITTEE APPROVAL: \_\_\_\_\_  
DATE OF BOARD APPROVAL: \_\_\_\_\_ Agreement # \_\_\_\_\_

## CITY OF ONTARIO

### Recapture Plan

The subject water is a permanent transfer from Sunkist Growers, Inc. property located in the City of Ontario within Management Zone 2 to the City of Ontario. This transfer includes Sunkist's 1,851.402 acre-feet per year of corresponding Safe Yield (Non-Agricultural Pool), and Sunkist stored water (13,633.5.4 acre-feet of Sunkist stored water as of June 30, 2007, plus Sunkist stored water from FY 20087-08). Recapture of the this water is accomplished by the production of any of the wells listed below which are owned and operated by the City within Management Zones 2 and 3 of the Chino Groundwater Basin. The recaptured water will be utilized for uses authorized in the Judgment including providing water service to properties in Ontario, which have been sold or still are retained by Sunkist. The approximate daily production capacity of these wells is as follows:

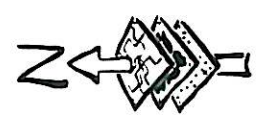
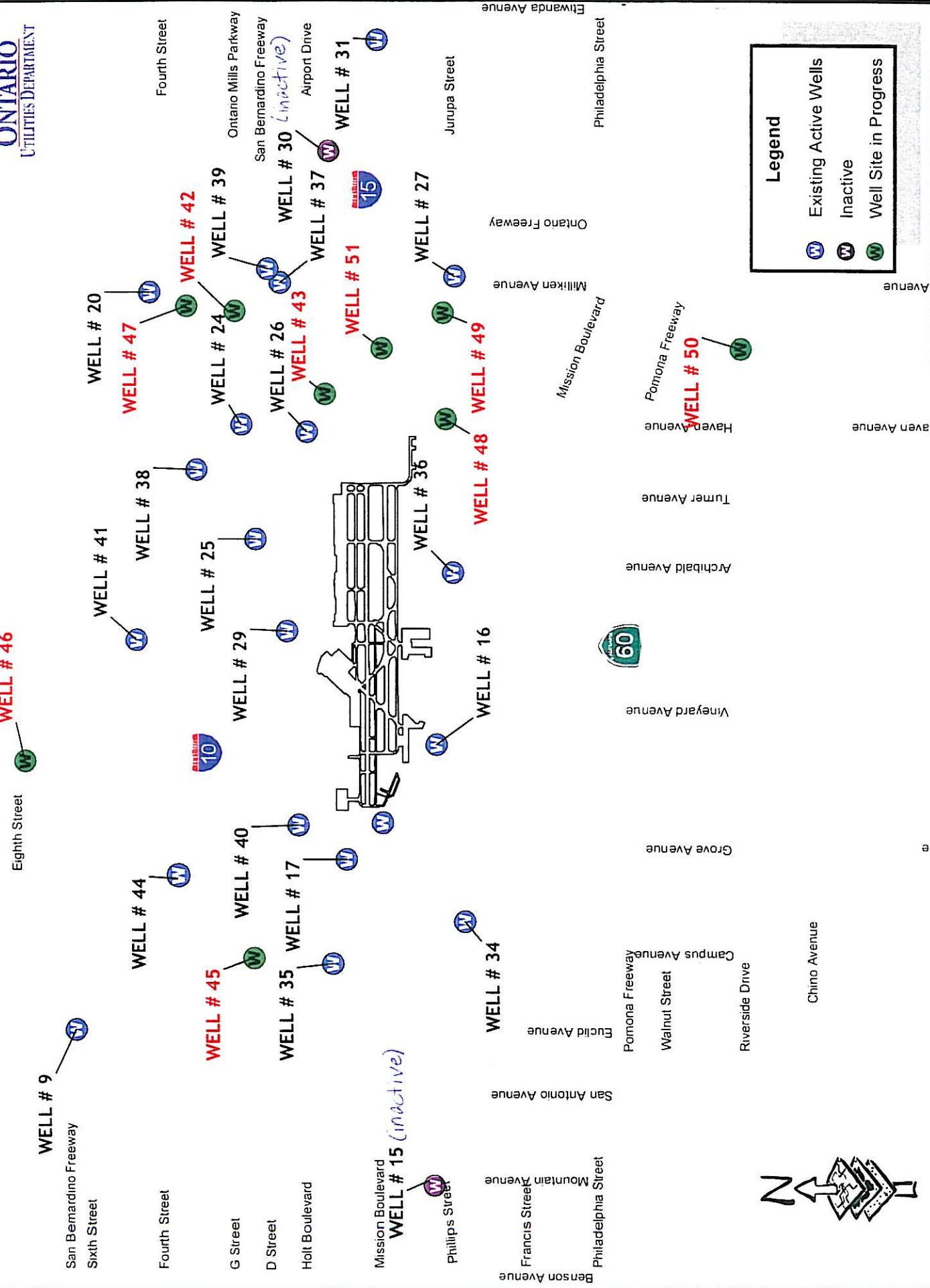
Well No.	Capacity acre-feet/day
17	7.2
20	3.4
24	8.4
25	6.2
26	5.7
27	4.9
29	11.2
30	14.1
31	13.1
35	8.6
36	8.3
37	13.4
38	11.4
39	8.6
40	13.4
41	11.0

149.1

A map showing the locations of these wells is attached. The rate of extraction can vary significantly, depending upon system demand and seasonal changes.



# WELL SITE STATUS MAP



**Legend**

- Existing Active Wells
- Inactive
- Well Site in Progress

1 inch equals 4,591,138,388 feet



APPLICATION  
TO  
TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD

Effective July 1, 2008, Sunkist Growers, Inc. ("Transferor") hereby requests a permanent transfer to the City of Ontario ("Transferee") the quantity of 1,851.402 acre-feet per year of corresponding Safe Yield (Non-Agricultural Pool) adjudicated to Transferor or its predecessor in interest in the Judgment rendered in the Case of "CHINO BASIN MUNICIPAL WATER DISTRICT vs. CITY OF CHINO, et al." RCV 51010 (formerly Case No. SCV 164327).

Said Transfer shall be conditioned upon:

- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment and the Peace Agreement and for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
- (2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
- (3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
- (4) Any Transferee not already a party must intervene and become a party to the Judgment.

**TO BE EXECUTED** by both Transferor and Transferee, and to be accompanied by a general description of the area where the Transferred water was to be Produced and used prior to the Transfer, and where it will be Produced and used after the Transfer. This general description can be in the form of a map.

**WATER QUALITY AND WATER LEVELS**

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

None

**MATERIAL PHYSICAL INJURY**

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

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

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ADDITIONAL INFORMATION ATTACHED

Yes [ ] No [ X ]

Charles L. Woltmann, Sunkist General Counsel

Mohamed El-Amamy, Ontario Utilities Director

Transferor

Transferee

TO BE COMPLETED BY WATERMASTER:

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL \_\_\_\_\_

DATE OF APPROVAL FROM AGRICULTURAL POOL: \_\_\_\_\_

DATE OF APPROVAL FROM APPROPRIATIVE POOL: \_\_\_\_\_

HEARING DATE, IF ANY: \_\_\_\_\_

DATE OF ADVISORY COMMITTEE APPROVAL: \_\_\_\_\_

DATE OF BOARD APPROVAL: \_\_\_\_\_ Agreement # \_\_\_\_\_



## CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: (909) 484.3888 Fax: (909) 484-3890 www.cbwm.org

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**KENNETH R. MANNING**  
**CHIEF EXECUTIVE OFFICER**

**DATE:** September 4, 2008

**TO:** Watermaster Interested Parties

**SUBJECT:** Analysis of Material Physical Injury – City of Ontario August 19, 2008 Intervention into the Overlying Non-agricultural Pool and the Sale of the Sunkist's Water Right to the City of Ontario.

### SUMMARY

**Issue** – On August 19, 2008, The City of Ontario sent a letter to the Chino Basin Watermaster requesting to intervene in the *Chino Basin Municipal Water District v, City of Chino, et al*, San Bernardino Superior Court Case No. RCV 51010 (formerly Case No. 164327) as a member of the overlying non-agricultural pool. This request included the appropriate Watermaster forms to convey all of the remaining adjudicated rights and water in storage from Sunkist, a party to the Judgment and a member of the overlying non-agricultural pool. In total the transaction conveys to the City 1,851.402 acre-ft/yr of adjudicated pumping rights, and all the Sunkist water in storage as of June 30, 2007 (13,633.504 acre-ft) plus any additional Sunkist stored water for fiscal year 2007-08. Upon receipt of such an application, Watermaster must conduct an analysis of Material Physical Injury, pursuant to the Peace Agreement and Watermaster's Rules and Regulations. Watermaster CEO directed staff to complete the analysis of Material Physical Injury pursuant to the Peace Agreement and Watermaster's Rules and Regulations. Wildermuth Environmental Inc. (WEI) completed this analysis and their results are summarized below. The requested intervention by itself will not cause material physical injury. Therefore only the proposed sale of Sunkist's water right and water in storage to the City of Ontario is analyzed herein. Based on WEI's analysis, Watermaster staff concludes that no material physical injury will occur from the proposed sale of Sunkist's water right and water in storage to the City of Ontario and the City's subsequent use of that water pursuant to its August 19, 2008 letter.

**Recommendation** – Provided that the Watermaster approves the City of Ontario's intervention into the overlying non-agricultural pool, Watermaster staff recommends that the Watermaster approve the transfer of water right and stored water from Sunkist to the City of Ontario as described in the City's August 19, 2008 letter.

### BACKGROUND

Sunkist is a party to the Judgment and a member of the overlying non-agricultural pool. When the Judgment was entered in 1978, Sunkist was allocated 1873.402 acre-ft/yr of overlying groundwater pumping rights in the Chino Basin. Sunkist's current right is 1,851.402 acre-ft/yr.



Sunkist has sold 11.1 acres of their land that was associated with this overlying right and all their current overlying rights to the City of Ontario. Sunkist has also sold to the City its water in storage as of June 30, 2007 (13,633.504 acre-ft) plus any additional Sunkist water stored during fiscal year 2007-08: based on recent years Sunkist pumping this will provide the City about 15,000 acre-ft of stored water. The City intends to use the water right and stored water "for uses authorized in the Judgment including providing water service to properties in Ontario, which have been sold or still are retained by Sunkist" (paragraph F in the August 19, 2008 letter). In order to use this water right the City must intervene in the Judgment as a member of the overlying non-agricultural pool. The City intends to serve these properties from its wells as described in the recapture plan in their August 19, 2008 letter to the Watermaster.

Included in the August 19, 2008 submittal are the following Watermaster forms:

Form 3 *Application for Sale or Transfer of Right to Produce Water from Storage*, completed by Charles L. Woltmann, Sunkist General Counsel and Mohamed El-Amamy, City of Ontario, on July 28, 2008

Form 4 *Application or Amendment to Application to Recapture Water in Storage*, completed by Mohamed El-Amamy, City of Ontario Utilities Director on August 19, 2008

Recapture Plan for the City of Ontario that indicates that this water will be recaptured by City wells in Management Zone 2.

Form 5 *Application to Transfer Annual Production Right or Safe Yield*, completed by Charles L. Woltmann, Sunkist General Counsel and Mohamed El-Amamy, City of Ontario, effective July 1, 2008

Watermaster staff has reviewed these forms and concurs that these forms have been accurately completed by Sunkist and the City.

## DISCUSSION

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

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

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

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

Watermaster staff analysis of material physical injury is summarized below.

**Groundwater Level Impacts (liquefaction, land subsidence and increases in pump lift).** This type of transfer was anticipated in the Peace II modeling work conducted by WEI for the Watermaster and reported in WEI's November 2007 report. WEI assumed in their modeling projections that unproduced water rights, regardless of party, would be used to satisfy replenishment obligations each year. The changes in groundwater levels from this transaction compared the changes projected in the WEI modeling work are negligible. WEI concluded that there would be no material injury from the activities permitted in the Peace II agreement and therefore the use of the Sunkist overlying Right by the City would have result in no material physical injury. Sunkist's stored water on June 30, 2008 is about 15,000 acre-ft and in magnitude is about 3.8 percent of the water allocated to reoperation. The groundwater level change from this 15,000 acre-ft reduction in storage will be negligible.

**Balance of Recharge and Discharge in Every Area and Subarea.** The City is proposing to serve this water to properties in Ontario, which have been sold or still are retained by Sunkist from City wells. Its recapture plan suggests that it will do so from wells predominantly in Management Zone 2, but also in Management Zone 3. Management Zone 2 is the same management zone that Sunkist historically pumped from. The City has historically served water to the Sunkist properties in lieu of Sunkist fully producing its rights: the magnitude of which was about 1,450 acre-ft/yr and 1,317 acre-ft/yr in 1999/00

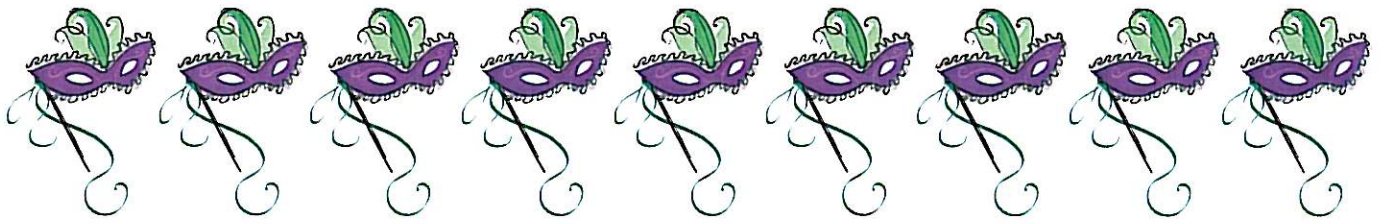
and 2000/01 respectively. There will be will be negligible change in the balance of recharge and discharge from the proposed transaction.

**Water Quality Impacts on Other Pumpers.** Given that there will be negligible changes in groundwater level and the balance of recharge and discharge there will be negligible change in groundwater quality from the proposed transaction.

#### **CONCLUSION**

The water transactions described in the City's August 19, 2008 intervention letter (and supported by the forms) were included in the material physical injury analysis of the activities permitted by Peace II agreement. In WEI's professional opinion there will be no material physical injury from the groundwater level changes due to this transaction.

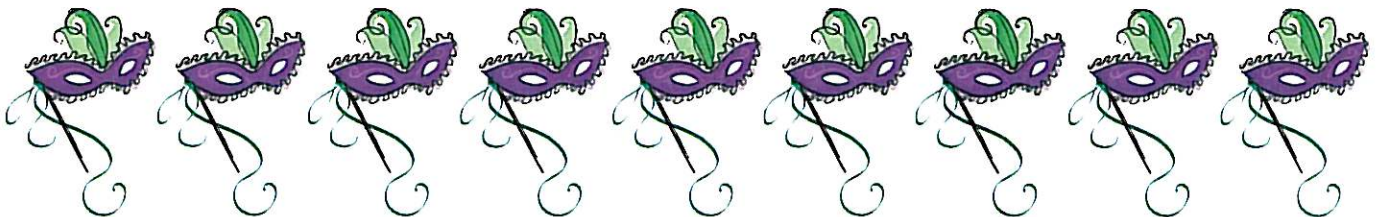
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# CHINO BASIN WATERMASTER

## II. BUSINESS ITEMS

### A. GOVERNANCE







## CHINO BASIN WATERMASTER

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

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**KENNETH R. MANNING**  
Chief Executive Officer

### STAFF REPORT

**DATE:** October 9, 2008  
October 21, 2008  
October 23, 2008

**TO:** Committee Members  
Watermaster Board Members

**SUBJECT:** Governance Committee

#### SUMMARY

A December 2005 Watermaster Board action directed staff to convene a Governance Committee to address certain issues by December 2007. Watermaster staff believed it had fulfilled its responsibilities pursuant to these directions. Staff seeks guidance as to whether further actions are required.

**Recommendation:** Watermaster staff recommends that the Pool Committees recommend to the Board that staff be directed either to take no further action on this item or to proceed to form a Governance Committee to address the issues described in the December 2005 Board motion.

In late 2005 the parties were engaged in negotiation of the Peace II measures and also faced the pending expiration of the appointment of the nine-member Board which had been reappointed for a five year term in 2000. While governance issues were not a part of the Peace II discussions, issues relating to membership on the Board were a part of the discussions and became relevant as Watermaster counsel sought approval from the Board to submit a Motion to reappoint the Board.

In December 2005 Watermaster sought approval from the various committees and from the Board to submit a pleading requesting reappointment of the Board for a further five-year term. As part of the discussions of this pleading, the parties reached an agreement whereby legal counsel would be directed to file a motion for reappointment so long as Watermaster would convene a Governance Committee by December 2007. The motion for approval at both the Advisory Committee and Board meetings of December 15, 2005 read as follows:



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

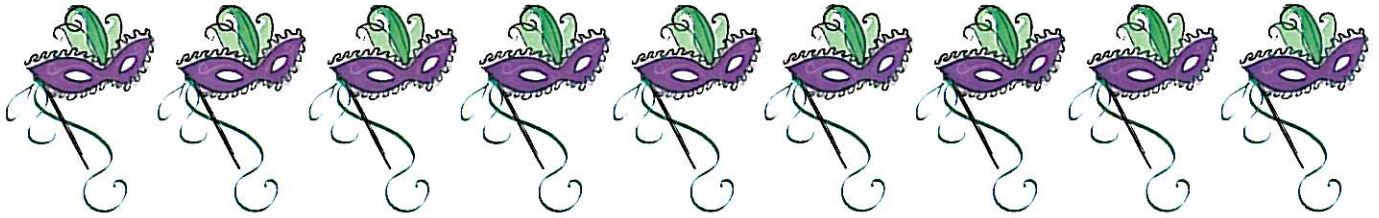
The lengthy period before which this committee was to be formed was intended to allow the parties to complete the Peace II negotiations before moving on to the issue of governance. At the October 2, 2007 Strategic Planning Conference Follow-Up Meeting, the issue of governance was agendized as a discussion topic. Peace II was nearly complete (the Peace II Measures were ultimately approved in December 2007), and the October conference was a fitting venue to begin the discussions about the governance issue and to initiate the formation of the required committee.

The discussion at the conference was facilitated by Watermaster General Counsel. No minutes of this discussion were kept, but it is the recollection of staff that the conference attendees agreed that the governance issue was no longer a pressing concern and that the issue could be tabled. In the year since, no party has complained that Watermaster failed to adequately address the Board's December 2005 direction.

However, in an August 11, 2008 pleading filed by the cities of Chino and Chino Hills and the Monte Vista Water District, these parties noted that, "Watermaster has not reported on its review and recommendations concerning its governing structure. It is [these parties'] understanding that Watermaster has not undertaken any steps to accomplish this review, including forming a separate committee as planned." (August 11, 2008 Pleading 9:24-27.) This was described by these parties as a, "failure to address this express condition of [Watermaster's] reappointment . . ." (August 11, 2008 Pleading 9:28.)

In response to this allegation, Watermaster raised the issue at the September committee and Board meetings. The Appropriative Pool requested that Watermaster prepare a staff report and request formal guidance from the parties as to whether the issue has been satisfactorily resolved or whether a Governance Committee should be formed.

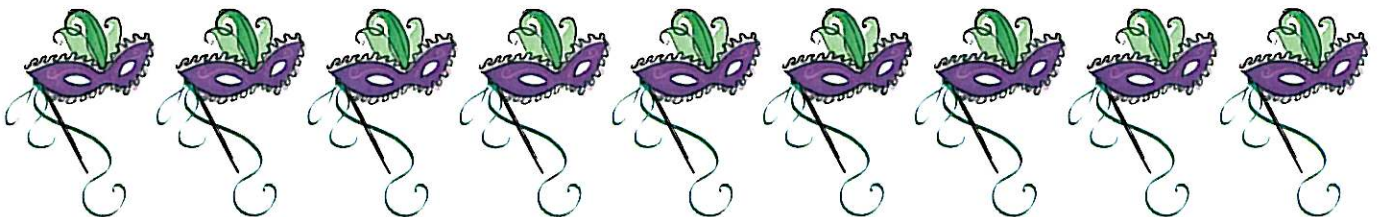
Watermaster staff recommends that the Pool Committees recommend to the Board that staff be directed either to take no further action on this item or to proceed to form a Governance Committee to address the issues described in the December 2005 Board motion.



# CHINO BASIN WATERMASTER

## II. BUSINESS ITEMS

### B. WAIVER OF INTEREST CHARGES





# CHINO BASIN WATERMASTER

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

**SHERI ROJO**  
Chief Financial Officer  
Assistant General Manager

## STAFF REPORT

**DATE:** October 9, 2008  
October 21, 2008  
October 23, 2008

**TO:** Committee Members  
Watermaster Board Members

**SUBJECT:** Consider request for waiver of interest charges  
\$ 4,828.53 Arrowhead Mountain Spring Water  
\$31,582.97 Monte Vista Water District

### SUMMARY

**Issue** – Waiver of interest charges

**Recommendation** - The Watermaster CEO is recommending that the fees be waived

### BACKGROUND:

Watermaster has been actively attempting to pursue in-house collection efforts from assessments that were invoiced to parties of the judgment. Watermaster's collection efforts involve first sending out an initial invoice to the parties. That invoice indicates a date the payment is due to Watermaster, and once that date has passed, staff mails out a second invoice. Once the second invoices have been sent out, staff follows up with phone calls to the delinquent parties. Should there still be outstanding receivables, staff faxes and/or places phone calls to the delinquent parties in an effort to resolve our collection efforts. In some cases, invoices are sent out certified/registered mail in addition to the routine phone calls. During the course of those collection efforts, interest charges were assessed to the delinquent accounts as allowed in the judgment. The actual amount of the assessments was received by Watermaster, but the interest charges have not been received by all of the delinquent payees. The Watermaster delinquent policy is stated in the judgment as follows:

*Any delinquent assessment shall bear interest at 10% per annum (or such greater rate as shall equal the average cost of borrowed funds to the Watermaster) from the due date thereof. Such delinquent assessment and interest may be collected in a show-cause proceeding herein instituted by the Watermaster, in which case the Court may allow Watermaster its reasonable costs of collection, including attorney fees.*

There have been seven instances of interest charges being assessed to Overlying Non-Agricultural members and Appropriators. In all cases, the entire amount of the assessment has been received by Watermaster and, in all cases except for two; the interest charges assessed were remitted to Watermaster.

Currently, Arrowhead Mountain Spring Water has past due finances charges in the amount of \$4,828.53 and Monte Vista Water District owes \$31,582.97 in interest for delinquent remittance of their assessment payment.

**DISCUSSION:**

Watermaster currently lacks a policy for writing off or forgiving interest charges once they are assessed, and currently, Arrowhead Mountain Spring Water has remitted a letter requesting that their finance charges be waived.

Watermaster staff is currently working on the development of several policies, including one that would provide more clarity on late fees. We expect that those policies will be ready for Watermaster review in early 2009.

The Watermaster CEO has spoken with both parties and has asked that they submit a letter requesting a waiver of late fees with an acknowledgement that they will comply with future payment schedules.



# Integrated Resource Management, LLC

September 16, 2008

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

RE: Arrowhead Mountain Spring Water Past Due Finance Charges Invoice FC37, FC41  
Waiver of Finance Charge Assessment

Dear Mr. Manning:

I am writing to you in my capacity as the representative of Arrowhead Mountain Spring Water. I am their local water resources consultant. In said capacity I am seeking your forgiveness of the above referenced invoices for finance charges.

Approximately eighteen months ago, Arrowhead Mountain Spring Water consolidated its finance department accounts payable operation and lost track of the unique/non-routine invoices from entities like Watermaster.

Arrowhead Mountain Spring Water deeply regrets missing its payment to Watermaster, and commits herein that it should not fall delinquent again. In order to make sure this does not happen again, can you please have your accounting department copy my office with duplicate invoices. As you are aware we facilitate groundwater production reporting for Arrowhead Mountain Spring Water.

Sincerely,

Mr. Robert W. Bowcock  
Integrated Resource Management, LLC



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Mark N. Kinsey  
GENERAL MANAGER

October 3, 2008

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

Re: Request for Waiver of Fees Assessed

Dear Ken:

This letter is a request for a waiver of fees assessed to Monte Vista Water District in the amount of \$31,982.57 reflected on your statement dated 7/24/2008 received by the District on 8/4/2008 (see attached copy).

A letter signed by Sheri Rojo, CFO/Assistant General Manager explaining Watermaster's provision under the Judgment to assess interest on any delinquent assessment dated 4/25/2008 was received by the District on 4/28/2008. The penalty and interest assessed was based upon the District original assessment invoice in the amount of \$1,808,368.92 dated 1/22/2008. Monte Vista Water District paid the assessment on 4/24/2008 with check no. 44137 which cleared our bank on 4/30/2008.

We apologize for the delay in forwarding this year's assessment payment and will make every effort possible to ensue that future payments are made in a timely manner going forward.

Respectfully,

Ray L. Harton,  
Manager of Finance & Administration



10575 Central Avenue, Post Office Box 71 • Montclair, CA 91763 • (909) 624-0035 • FAX (909) 624-4725 • [www.mvwd.org](http://www.mvwd.org)

Sandra S. Rose  
PRESIDENT

Maynard B. Lenhert  
VICE PRESIDENT

Tony Lopez  
DIRECTOR

Philip L. Erwin  
DIRECTOR

G. Michael Milhiser  
DIRECTOR

# Statement

CHINO BASIN WATERMASTER  
 9641 San Bernardino Road  
 Rancho Cucamonga, CA 91730

Date
7/24/2008

To:

MONTE VISTA WATER DISTRICT  
 ATTN MARK KINSEY  
 PO BOX 71  
 MONTCLAIR CA 91763-0071



		Amount Due	Amount Enc.		
		\$31,982.57			
Date	Transaction	Amount	Balance		
04/25/2008	INV #FC 40. Due 04/25/2008. Orig. Amount \$31,212.94. Finance Charge	31,212.94	31,212.94		
07/24/2008	INV #FC 42. Due 07/24/2008. Orig. Amount \$769.63. Finance Charge	769.63	31,982.57		
<p><b>Approved By:</b> _____</p> <p><b>Date:</b> _____</p> <p><b>GL Account Code:</b> _____</p> <p>_____</p> <p>_____</p> <p>_____</p>					
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	Amount Due
769.63	0.00	0.00	31,212.94	0.00	\$31,982.57