



CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

Thursday, April 10, 2008

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

AT THE CHINO BASIN WATERMASTER OFFICES

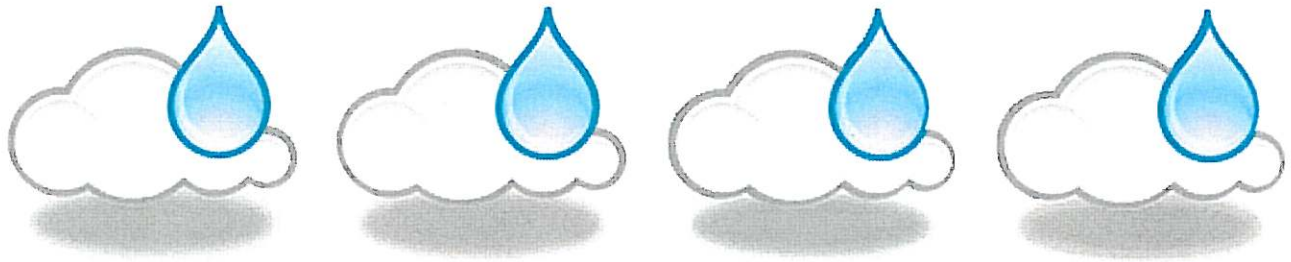
*9641 San Bernardino Road
Rancho Cucamonga, CA 91730
(909) 484-3888*

Tuesday, April 15, 2008

9:00 a.m. – Agricultural Pool Meeting

AT THE INLAND EMPIRE UTILITIES AGENCY OFFICES

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



CHINO BASIN WATERMASTER

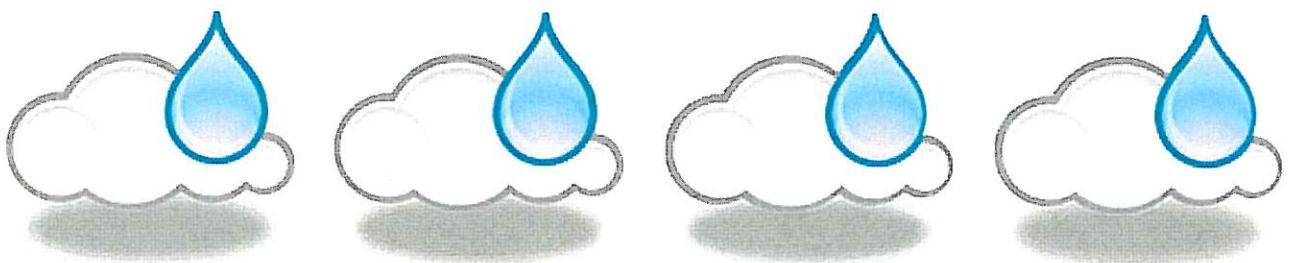
Thursday, April 10, 2008

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

Tuesday, April 15, 2008

9:00 a.m. – Agricultural Pool Meeting

AGENDA PACKAGE



CHINO BASIN WATERMASTER
JOINT APPROPRIATIVE & NON-AGRICULTURAL POOL MEETING

10:00 a.m. – April 10, 2008

At The Offices Of

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

AGENDA

CALL TO ORDER

AGENDA - ADDITIONS/REORDER

I. ELECTIONS - ACTION

A. Calendar Year 2008 Appropriative Pool Officers

Nominations will be heard for the Appropriative Pool Chair to serve during calendar year 2008.

Chair	_____
Vice-Chair	_____
Secretary/Treasurer	<u>Watermaster Chief Executive Officer</u>

I. CONSENT CALENDAR

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

A. MINUTES

1. Minutes of the Joint Appropriative & Non-Agricultural Pool Meeting held March 13, 2008
(Page 1)

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of March 2008 (Page 11)
2. Watermaster Visa Check Detail (Page 15)
3. Combining Schedule for the Period July 1, 2007 through February 29, 2008 (Page 17)
4. Treasurer's Report of Financial Affairs for the Period February 1, 2008 through February 29, 2008 (Page 19)
5. Budget vs. Actual July 2007 through January 2008 (Page 21)

C. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – The Cucamonga Valley Water District has an agreement with West Valley Water District, formerly known as West San Bernardino County Water District, whereby Cucamonga Valley Water District will purchase 500 acre-feet of West valley Water District's stored Chino Basin groundwater. Date of Application: March 13, 2008 (Page 23)

II. BUSINESS ITEMS

A. NON-AGRICULTURAL WATER SALE

This is being held as a placeholder.

B. PROPOSED BUDGET TRANSFER REQUEST

Approve Budget Transfer Request in the Amount of \$35,000 (*Page 39*)

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Hanson Aggregates
2. Peace II Signatures

B. ENGINEERING UPDATES

1. Engineering Update

C. FINANCIAL REPORT

1. Financial Update

D. CEO/STAFF REPORT

1. Legislative Update
2. Recharge Update
3. May Appropriative and Non-Agricultural Pool Meeting

IV. INFORMATION

1. Newspaper Articles (*Page 43*)

V. POOL MEMBER COMMENTS

VI. OTHER BUSINESS

VII. FUTURE MEETINGS

April 10, 2008	10:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
April 15, 2008	9:00 a.m.	Agricultural Pool Meeting @ IEUA
April 16, 2008	9:00 a.m.	GRCC Meeting
April 24, 2008	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
April 24, 2007	9:00 a.m.	Advisory Committee Meeting
April 24, 2007	11:00 a.m.	Watermaster Board Meeting

Meeting Adjourn

**CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING**

9:00 a.m. – April 15, 2008

At The Offices Of

Inland Empire Utilities Agency

6075 Kimball Ave., Bldg. A, Board Room

Chino, CA 91710

AGENDA

CALL TO ORDER

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

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A. MINUTES

1. Minutes of the Agricultural Pool Meeting held March 18, 2008 *(Page 7)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of March 2008 *(Page 11)*
2. Watermaster Visa Check Detail *(Page 13)*
3. Combining Schedule for the Period July 1, 2007 through February 29, 2008 *(Page 17)*
4. Treasurer's Report of Financial Affairs for the Period February 1, 2008 through February 29, 2008 *(Page 19)*
5. Budget vs. Actual July 2007 through January 2008 *(Page 21)*

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1. Hanson Aggregates
2. Peace II Signatures

B. ENGINEERING UPDATES

1. Engineering Update

C. FINANCIAL REPORT

1. Financial Update

D. CEO/STAFF REPORT

1. Legislative Update
2. Recharge Update

IV. INFORMATION

1. Newspaper Articles (*Page 43*)

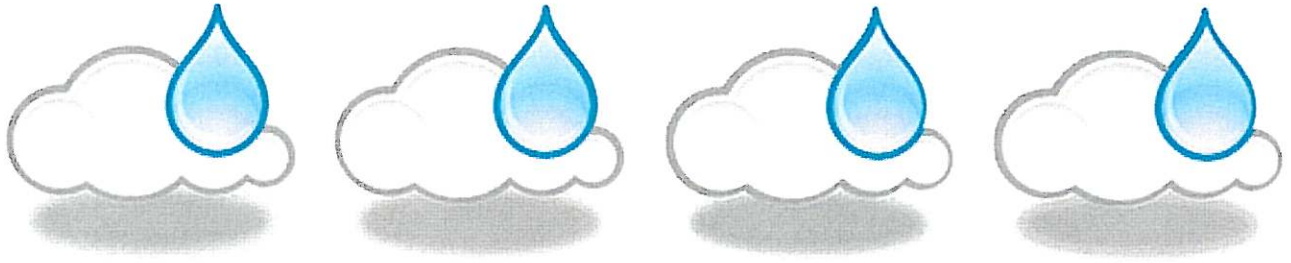
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Meeting Adjourn

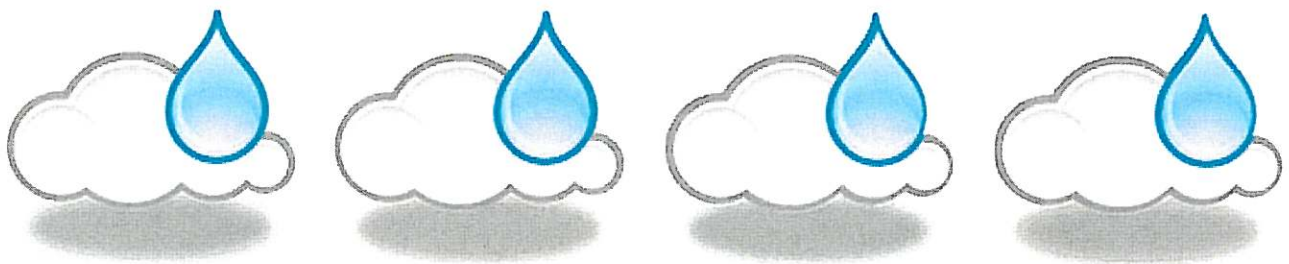


CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Joint Appropriative and Non-Agricultural Pool Meeting – March 13, 2008



Draft Minutes
CHINO BASIN WATERMASTER
JOINT APPROPRIATIVE & NON-AGRICULTURAL POOL MEETING
March 13, 2008

The Annual Appropriative Pool election meeting and the Joint Annual Appropriative and Non-Agricultural Pool Meeting were held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on March 13, 2008 at 10:00 a.m.

APPROPRIATIVE POOL MEMBERS PRESENT

Rosemary Hoerning, Chair	City of Upland
Raul Garibay	City of Pomona
Robert DeLoach	Cucamonga Valley Water District
Dave Crosley	City of Chino
Mike McGraw	Fontana Water Company
Robert Young	Fontana Union Water Company
Mark Kinsey	Monte Vista Water District
Charles Moorrees	San Antonio Water Company
J. Arnold Rodriguez	Santa Ana River Water Company
Ken Jeske	City of Ontario
Robert Tock	Jurupa Community Services District

NON-AGRICULTURAL POOL MEMBERS PRESENT

Kevin Sage	Vulcan Materials Company (Calmat Division)
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Watermaster Staff Present

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

Watermaster Consultants Present

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

Others Present

Dean Martin	Inland Empire Utilities Agency
Sandra Rose	Monte Vista Water District
Eunice Ulloa	Chino Basin Water Conservation District

Chair Hoerning called the Joint Appropriative and Non-Agricultural Pool Meeting to order at 10:05 a.m.

AGENDA - ADDITIONS/REORDER

It was noted this will be Chair Hoerning's last meeting because she has accepted another position with the City of Redlands. The parties wished Ms. Hoerning the very best at her new job. Chair Hoerning stated she had previously spoken to Mr. Jeske who is the Appropriative Pool Vice-Chair to see if he wanted to assume the Chair position. It was noted a vote will be taken at the April Pool meeting for the new Chair and Vice-Chair positions.

I. CONSENT CALENDAR**A. MINUTES**

1. Minutes of the Joint Appropriative & Non-Agricultural Pool Meeting held February 14, 2008

B. FINANCIAL REPORTS

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

*Motion by DeLoach, second by McGraw, and by unanimous vote – Non-Ag concurred
Moved to approve Consent Calendar Item A through B, as presented*

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

Mr. Manning stated this item was in the meeting packet last month as an information item in order to receive comments on the report prior to it being placed on the agenda for action. This Semi-Annual Status Report covers the periods from July 2007 to December 2007. Once this report is approved it will be filed with the court. A brief discussion ensued.

*Motion by DeLoach, second by Kinsey, and by unanimous vote – Non-Ag concurred
Moved to approve the Semi-Annual Status Report and to file the report with the court, as presented*

B. BUDGET TRANSFER REQUEST

Mr. Manning stated this item was on the agenda last month as a business item and there were discussions at each Pool, Advisory Committee, and Watermaster Board meetings; at those meetings various motions were made. It is being placed on the agenda today as a placeholder pending the decision made by the joint group meeting which is not being held until later today. Mr. Manning noted this budget transfer request is to cover future anticipated legal and technical invoices for the Agricultural Pool. Counsel Fife stated Watermaster staff has been instructed by the court to implement this agreement by paying all assessments and expenses of the Agricultural Pool and then billing that to the Appropriative Pool. A lengthy discussion ensued and it was decided this item will be deferred until next month in anticipation of the outcome of the joint group meeting.

*Motion by DeLoach, second by Kinsey, and by unanimous vote – Non-Ag concurred
Moved to approve deferral of this item for a month for further analysis, as presented*

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. Non-Agricultural Water Proposal**

Mr. Manning handed out a memorandum regarding Overlying Non-Agricultural Pool Stored Water Sale Options. Mr. Manning stated staff has asked legal counsel to put together this memo to begin the thinking process regarding this matter. Counsel Fife reviewed the memo which briefly recaps three avenues generally available to directly market approximately 40,000 acre-feet of groundwater presently held in storage within the basin and available to Watermaster under the court approved agreement effect, create a storage and recovery opportunity. The three options are as follows: 1) Request for Proposal, which will pursue a selective request for proposals, 2) No Reserve Auction, which would provide for a no reserve auction, and 3) Price Floor Auction, which could auction some or all of the stored water – all three options were reviewed/discussed in detail.

2. SWRCB Permits

Counsel Fife stated a meeting did take place with the State Board regarding Watermaster's Water Rights Permit last week and a follow up communication will take place on a continued basis until the permit process is complete. Counsel Fife stated next Tuesday the State Board will hold their board meeting and will have a closed session item regarding the first of the Santa Ana's permits. The State Board will be taking into consideration the City of Riverside's permit first and counsel does not know why the State Board is taking this one separately. Counsel Fife will keep the parties up to date on this matter.

3. Hanson Aggregates

Counsel Fife stated this is the item regarding the dispute over the Lower Day Basin. Counsel and staff have agreed with Hanson Aggregates to take this to a mediation session which will begin on April 3, 2008.

4. Condition Subsequent Number 4

Counsel Fife stated by April 1, 2008 Watermaster needs to file a pleading which updates the court on our CEQA process on all the Peace II items. A draft of this document will be provided to the parties as soon as it is complete.

B. ENGINEERING UPDATES

1. Condition Subsequent No. 3 Report

Mr. Wildermuth stated on March 1, 2008 the Condition Subsequent No. 3 Report was filed with the court.

2. Condition Subsequent No. 6 Report

Mr. Wildermuth stated this report was requested by the court and due July 1, 2008 in which the definition of Hydraulic Control be formally stated with the concurrence of the Regional Board. Discussions have begun with the Regional Board. Mr. Wildermuth stated it is anticipated Watermaster will be receiving a letter from the Regional Board that will be filed in court substantiating our definition of Hydraulic Control.

3. Hydraulic Control Monitoring Program Report for 2007

Mr. Wildermuth stated this is a requirement from the Regional Board. Mr. Wildermuth reviewed a map which depicted the surface water monitoring locations; this map was evaluated in detail. A lengthy discussion ensued with regard to Hydraulic Control.

C. FINANCIAL REPORT

1. Financial Update

Ms. Rojo stated there is a handout available on the back counter submitted by Dean Martin from Inland Empire Utilities Agency regarding the 2002 Variable Rate Demand Bond Refinancing. This memo was submitted to the IEUA board on March 5, 2008 asking them to move forward expeditiously with the refinancing of the variable rate demand bonds and to update all the necessary documents including the Installment Purchase Agreements, the Preliminary and Final Official Statements, and all related documents. Ms. Rojo stated staff has been working with IEUA staff to get them the paperwork they needed to do their refinancing. A brief discussion ensued with regard to refinancing and debt service.

Ms. Rojo stated Watermaster staff has been working on the 2008/2009 budget. Ms. Rojo noted the MZ1 Technical Committee met this morning and that committee is working on their goals and action items that might be presented for possible inclusion in the 08/09 budget.

Ms. Rojo referenced the handout Watermaster Replenishment Calculation – Assessment Year 2007-2008 (Production Year 2006-2007). Ms. Rojo noted during a recent reevaluation of the Assessment Package this particular calculation has been updated for easier review. Ms. Rojo reviewed the newly revised page in detail.

D. CEO/STAFF REPORT1. Legislative Update

Mr. Manning stated bill AB2046 Jones which is a water supply assessment groundwater bill would require that water supply assessment and urban water management plans exclude the amount of groundwater projected to be pumped if the source of the groundwater has not been determined by the State Department of Health to have been treated in a treatment standard applicable to the proposed purpose. What they are doing is restricting the use for urban water management plans to use water that is impaired; this could have a real impact on groundwater basins. Mr. Manning discussed Prop 98 which is on the ballot in June this proposition essentially eliminates emanating domain from the availability of water for agencies water supply projects; this proposition also contains a portion regarding rent control. Mr. Manning stated he will be in Washington DC next week and will get more information regarding legislative issues.

2. Recharge Activities, Plume Investigation/Remediation, and Conservation

Mr. Treweek gave the presentation "Preparing for 2020" which covered the past work done on the recharge basins in the Chino Basin to improve various water types/sources of recharge. Mr. Treweek updated the parties on the plumes and the progress that is being made in their cleanup efforts. A brief discussion ensued with regard to the presentation.

IV. INFORMATION1. New Water Bond Unveiled to Restart Legislative Negotiations

No comment was made regarding this item.

2. Newspaper Articles

No comment was made regarding this item.

V. POOL MEMBER COMMENTS

Mr. Kinsey thanked Ms. Hoerning for her work in the Peace II process and wished her the best for her new job. Mr. Kinsey made mention of the three operational ASR wells at Monte Vista Water District.

All the parties thanked Mr. Treweek for a job well done in the areas of recharge and all his endeavors while at Chino Basin Watermaster and wished him the very best in his retirement.

VI. OTHER BUSINESS

No comment was made regarding this item.

VII. FUTURE MEETINGS

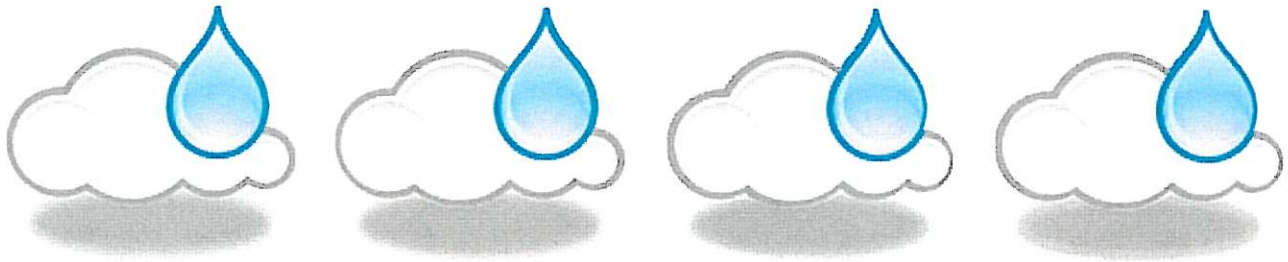
March 13, 2008	8:00 a.m.	MZ1 Technical Committee Meeting
March 13, 2008	10:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
March 18, 2008	9:00 a.m.	Agricultural Pool Meeting @ IEUA
March 27, 2008	8:00 a.m.	IEUA Dry Year Yield Meeting
March 27, 2007	9:00 a.m.	Advisory Committee Meeting
March 27, 2007	11:00 a.m.	Watermaster Board Meeting

The joint Appropriative and Non-Agricultural Pool meeting was dismissed by Chair Hoerning at 11:49 a.m.

Secretary: _____

Minutes Approved: _____

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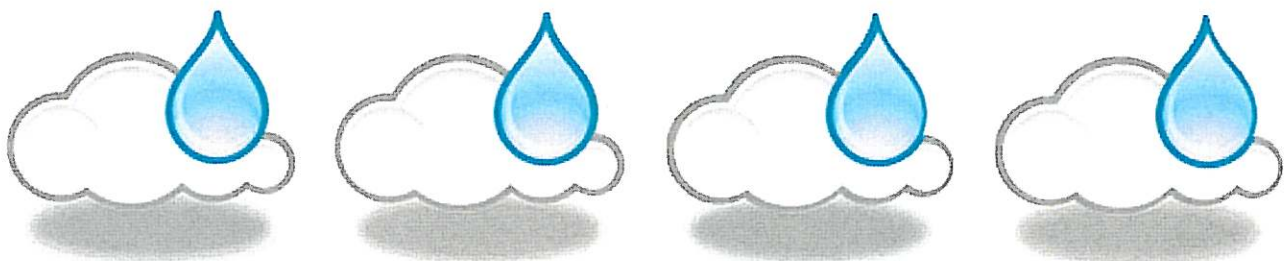


CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Agricultural Pool Meeting – March 18, 2008



Draft Minutes
CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING

March 18, 2008

The Annual Agricultural Pool Meeting was held at the offices of the Inland Empire Utilities Agency, 6075 Kimball Avenue, Chino, CA, on March 18, 2008 at 9:00 a.m.

Agricultural Pool Members Present

Bob Feenstra, Chair	Dairy
Nathan deBoom	Dairy
Jeff Pierson	Crops
Glen Durrington	Crops
Gene Koopman	Milk Producers Council
John Huitsing	Dairy
Pete Hettinga	Dairy
Jennifer Novak	State of California Department of Justice for CIM

Watermaster Board Members Present

Paul Hofer	Ag Pool - Crops
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Watermaster Staff Present

Kenneth R. Manning	Chief Executive Officer
Gordon Treweek	Project Engineer
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

Watermaster Consultants Present

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

Others Present

Steven Lee	Reid & Hellyer
Sandra Rose	Monte Vista Water District
Eunice Ulloa	Chino Basin Water Conservation District

Chair Feenstra called the Agricultural Pool meeting to order at 9:05 a.m.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Agricultural Pool Meeting held February 19, 2008

B. FINANCIAL REPORTS

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

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

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

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

Mr. Manning stated this item was in the meeting packet last month as an information item in order to receive comments on the report prior to it being placed on the agenda for action. This Semi-Annual Status Report covers the periods from July 2007 to December 2007. Once this report is approved it will be filed with the court. A brief discussion ensued.

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

Moved to approve the Semi-Annual Status Report and to file the report with the court, as presented

B. BUDGET TRANSFER REQUEST

Mr. Manning stated this item was on the agenda last month as a business item and there were discussions at each Pool, Advisory Committee, and Watermaster Board meetings; at those meetings various motions were made. A discussion ensued with regard to the various motions made at other Watermaster meetings. Mr. Manning noted this budget transfer request is to cover future anticipated legal and technical invoices for the Agricultural Pool. Counsel Fife stated Watermaster staff has been instructed by the court to implement this agreement by paying all assessments and expenses of the Agricultural Pool and then billing that to the Appropriate Pool. A lengthy discussion ensued and it was decided the motion at the last Agricultural Pool meeting to transfer \$50,000 into the needed category still stands. It was noted Chair Feenstra will go back one year to review submitted bills and will review bills from this point forward on a monthly basis.

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. Non-Agricultural Water Proposal**

Mr. Manning handed out a memorandum regarding Overlying Non-Agricultural Pool Stored Water Sale Options. Mr. Manning stated staff has asked legal counsel to put together this memo to begin the thinking process regarding this matter. Counsel Fife reviewed the memo which briefly recaps three avenues generally available to directly market approximately 40,000 acre-feet of groundwater presently held in storage within the basin and available to Watermaster under the court approved agreement to create a storage and recovery opportunity. The three options are as follows: 1) Request for Proposal, which will pursue a selective request for proposals, 2) No Reserve Auction, which would provide for a no reserve auction, and 3) Price Floor Auction, which could auction some or all of the stored water – all three options were reviewed/discussed in detail. Counsel Fife stated staff's recommendation is to use the price floor auction which has been used successfully in other regions. A lengthy discussion ensued and it was noted this item will be on the agenda next month for action.

2. SWRCB Permits

Counsel Fife stated a meeting did take place with the State Board regarding Watermaster's Water Rights Permit last week and a follow up communication will take place on a continued basis until the permit process is complete. Counsel Fife stated next Tuesday the State Board will hold their board meeting and will have a closed session item regarding the first of the Santa Ana's permits. The State Board will be taking into consideration the City of Riverside's permit first and counsel does not know why the State Board is taking this one separately. Counsel Fife will keep the parties up to date on this matter.

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4. Condition Subsequent Number 4

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B. ENGINEERING UPDATES

1. Condition Subsequent No. 3 Report

Mr. Malone stated on March 1, 2008 the Condition Subsequent No. 3 Report was filed with the court. This report is an extension of an existing documentation that the court wanted to complete the record.

2. Condition Subsequent No. 6 Report

Mr. Malone stated this report was requested by the court and due July 1, 2008 in which the definition of Hydraulic Control be formally stated with the concurrence of the Regional Board. Discussions have begun with the Regional Board. Mr. Malone stated it is anticipated Watermaster will be receiving a letter from the Regional Board that will be filed in court substantiating our definition of Hydraulic Control. Mr. Malone reviewed a map which depicted the surface water monitoring locations; this map was evaluated in detail. A lengthy discussion ensued with regard to Hydraulic Control.

3. Hydraulic Control Monitoring Program Report for 2007

This item was discussed under the Condition Subsequent No. 6 Report.

C. FINANCIAL REPORT

1. Financial Update

Mr. Manning stated a full financial update will be given at the Advisory Committee meeting on March 27, 2008.

D. CEO/STAFF REPORT

1. Legislative Update

Mr. Manning stated bill AB2046 Jones which is a water supply assessment groundwater bill would require that water supply assessment and urban water management plans exclude the amount of groundwater projected to be pumped if the source of the groundwater has not been determined by the State Department of Health to have been treated in a treatment standard applicable to the proposed purpose. What they are doing is restricting the use for urban water management plans to use water that is impaired; this could have a real impact on groundwater basins. Mr. Manning discussed Prop 98 which is on the ballot in June this proposition essentially eliminates emanating domain from the availability of water for agencies water supply projects; this proposition also contains a portion regarding rent control. Mr. Manning stated he will be in Washington DC next week and will get more information regarding legislative issues.

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Mr. Treweek gave the presentation "Preparing for 2020" which covered the past work done on the recharge basins in the Chino Basin to improve various water types/sources of recharge. Mr. Treweek updated the parties on the plumes and the progress that is being made in their cleanup efforts. A brief discussion ensued with regard to the presentation.

IV. INFORMATION

1. New Water Bond Unveiled to Restart Legislative Negotiations

No comment was made regarding this item.

2. Newspaper Articles

No comment was made regarding this item.

V. POOL MEMBER COMMENTS

All the Agricultural Pool thanked Mr. Treweek for a job well done in the areas of recharge and all his endeavors while at Chino Basin Watermaster and wished him the very best in his retirement.

VI. OTHER BUSINESS

No comment was made regarding this item.

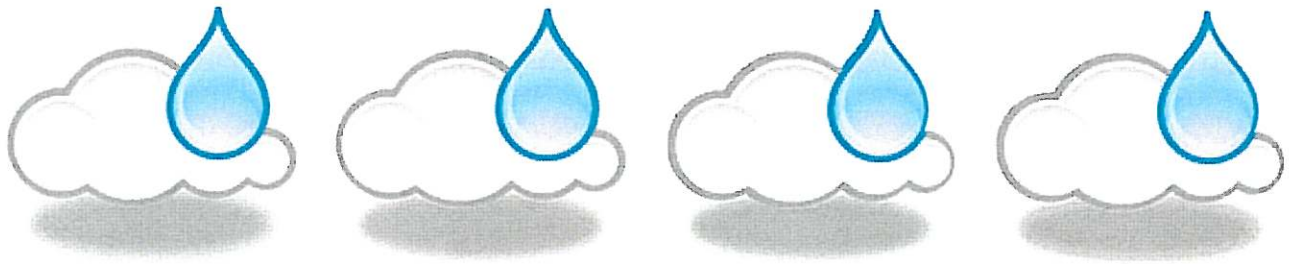
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March 27, 2007	9:00 a.m.	Advisory Committee Meeting
March 27, 2007	11:00 a.m.	Watermaster Board Meeting

The Agricultural Pool meeting was dismissed by Chair Feenstra at 10:40 a.m.

Secretary: _____

Minutes Approved: _____

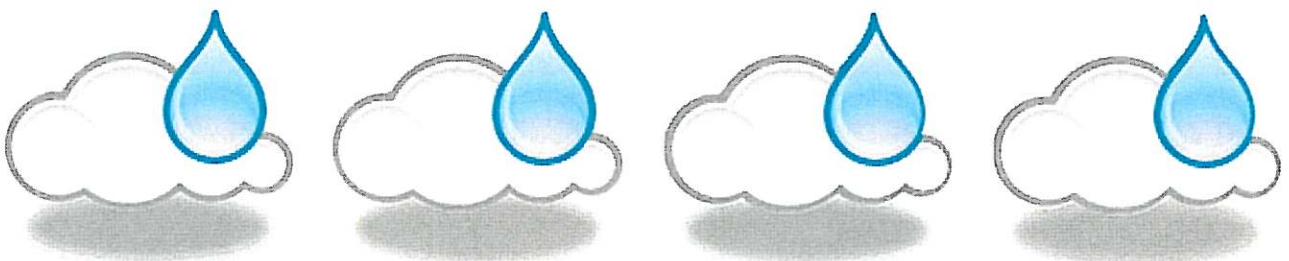


CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of March 2008
2. Watermaster Visa Check Detail
3. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2007 through February 29, 2008
4. Treasurer's Report of Financial Affairs for the Period February 1, 2008 through February 29, 2008
5. Profit & Loss Budget vs. Actual July 2007 through February 2008





CHINO BASIN WATERMASTER

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

KENNETH R. MANNING
Chief Executive Officer

STAFF REPORT

DATE: April 10, 2008
April 15, 2008
April 24, 2008

TO: Committee Members
Watermaster Board Members

SUBJECT: Cash Disbursement Report – March 2008

SUMMARY

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

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

Fiscal Impact – Funds disbursed were included in the FY 2007-08 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 March 2008 were \$403,444.67. The most significant expenditures during the month were Wildermuth Environmental Inc. in the amount of \$192,367.00, Brownstein, Hyatt, Farber & Schreck in the amount of \$48,855.61, and Ellison, Schneider & Harris, LLP in the amount of \$11,266.20.

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CHINO BASIN WATERMASTER
Cash Disbursement Detail Report
March 2008

Type	Date	Num	Name	Amount
Mar 08				
Bill Pmt -Check	3/5/2008	12135	APPLIED COMPUTER TECHNOLOGIES	-3,071.30
Bill Pmt -Check	3/5/2008	12136	ARROWHEAD MOUNTAIN SPRING WATER	-43.43
Bill Pmt -Check	3/5/2008	12137	BOWMAN, JIM	-125.00
Bill Pmt -Check	3/5/2008	12138	DIRECTV	-74.98
Bill Pmt -Check	3/5/2008	12139	GROUNDWATER RESOURCES ASSOCIATION	-75.00
Bill Pmt -Check	3/5/2008	12140	HSBC BUSINESS SOLUTIONS	-268.29
Bill Pmt -Check	3/5/2008	12141	INLAND EMPIRE UTILITIES AGENCY	-127.31
Bill Pmt -Check	3/5/2008	12142	JAMES JOHNSTON	-945.00
Bill Pmt -Check	3/5/2008	12143	KONICA MINOLTA BUSINESS SOLUTIONS	-447.95
Bill Pmt -Check	3/5/2008	12144	KUHN, BOB	-125.00
Bill Pmt -Check	3/5/2008	12145	LOS ANGELES TIMES	-44.40
Bill Pmt -Check	3/5/2008	12146	OFFICE DEPOT	-660.84
Bill Pmt -Check	3/5/2008	12147	PARK PLACE COMPUTER SOLUTIONS, INC.	-5,100.00
Bill Pmt -Check	3/5/2008	12148	PAYCHEX	-183.36
Bill Pmt -Check	3/5/2008	12149	PETTY CASH	-946.21
Bill Pmt -Check	3/5/2008	12150	PUMP CHECK	-1,575.00
Bill Pmt -Check	3/5/2008	12151	RAUCH COMMUNICATION CONSULTANTS, LLC	-1,155.86
Bill Pmt -Check	3/5/2008	12152	REID & HELLYER	-3,569.50
Bill Pmt -Check	3/5/2008	12153	SAFETY CLEAN JANITORIAL SERVICES	-590.00
Bill Pmt -Check	3/5/2008	12154	SAGE, KEVIN	-125.00
Bill Pmt -Check	3/5/2008	12155	SOUTHERN CALIFORNIA WATER COMMITTEE	-850.00
Bill Pmt -Check	3/5/2008	12156	STANDARD INSURANCE CO.	-570.03
Bill Pmt -Check	3/5/2008	12157	STATE COMPENSATION INSURANCE FUND	-991.21
Bill Pmt -Check	3/5/2008	12158	STAULA, MARY L	-136.61
Bill Pmt -Check	3/5/2008	12159	THE STANDARD INSURANCE COMPANY	-156.56
Bill Pmt -Check	3/5/2008	12160	TLC STAFFING	-617.41
Bill Pmt -Check	3/5/2008	12161	VANDEN HEUVEL, GEOFFREY	-125.00
Bill Pmt -Check	3/5/2008	12162	VERIZON	-410.21
Bill Pmt -Check	3/5/2008	12163	VISION SERVICE PLAN	-36.11
Bill Pmt -Check	3/5/2008	12164	W.C. DISCOUNT MOBILE AUTO DETAILING	-100.00
Bill Pmt -Check	3/5/2008	12165	WILLIS, KENNETH	-125.00
Bill Pmt -Check	3/5/2008	12166	YUKON DISPOSAL SERVICE	-142.88
Bill Pmt -Check	3/5/2008	12167	GROUNDWATER RESOURCES ASSOCIATION	-1,000.00
General Journal	3/8/2008	80303	PAYROLL	-7,246.65
General Journal	3/8/2008	80303	PAYROLL	-24,597.19
General Journal	3/22/2008	80305	PAYROLL	-7,774.94
General Journal	3/22/2008	80305	PAYROLL	-24,728.82
Bill Pmt -Check	3/25/2008	12168	ACWA SERVICES CORPORATION	-257.27
Bill Pmt -Check	3/25/2008	12169	AGWA	-4,920.00
Bill Pmt -Check	3/25/2008	12170	ARROWHEAD MOUNTAIN SPRING WATER	-48.63
Bill Pmt -Check	3/25/2008	12171	BANC OF AMERICA LEASING	-3,186.17
Bill Pmt -Check	3/25/2008	12172	BANK OF AMERICA	-4,030.31
Bill Pmt -Check	3/25/2008	12173	BLACK & VEATCH CORPORATION	-1,532.50
Bill Pmt -Check	3/25/2008	12174	BROWNSTEIN HYATT FARBER SCHRECK	-48,855.61
Bill Pmt -Check	3/25/2008	12175	CALPERS	-3,243.09
Bill Pmt -Check	3/25/2008	12176	CAROLLO ENGINEERS	-8,732.86
Bill Pmt -Check	3/25/2008	12177	COMPUTER NETWORK	-1,438.46
Bill Pmt -Check	3/25/2008	12178	CUCAMONGA VALLEY WATER DISTRICT	-150.00
Bill Pmt -Check	3/25/2008	12179	DIRECTV	-74.98
Bill Pmt -Check	3/25/2008	12180	ELLISON, SCHNEIDER & HARRIS, LLP	-11,266.20
Bill Pmt -Check	3/25/2008	12181	FIRST AMERICAN REAL ESTATE SOLUTIONS	-125.00
Bill Pmt -Check	3/25/2008	12182	GEOTECHNICAL SERVICES	-2,253.87
Bill Pmt -Check	3/25/2008	12183	KONICA MINOLTA BUSINESS SOLUTIONS	-315.76
Bill Pmt -Check	3/25/2008	12184	MCI	-1,169.95
Bill Pmt -Check	3/25/2008	12185	PRE-PAID LEGAL SERVICES, INC.	-103.60
Bill Pmt -Check	3/25/2008	12186	PREMIERE GLOBAL SERVICES	-59.01
Bill Pmt -Check	3/25/2008	12187	PUMP CHECK	-2,090.00
Bill Pmt -Check	3/25/2008	12188	R&D PEST SERVICES	-85.00
Bill Pmt -Check	3/25/2008	12189	RAUCH COMMUNICATION CONSULTANTS, LLC	-5,327.66
Bill Pmt -Check	3/25/2008	12190	RICOH BUSINESS SYSTEMS-Lease	-888.94
Bill Pmt -Check	3/25/2008	12191	SAFEGUARD DENTAL & VISION	-13.32
Bill Pmt -Check	3/25/2008	12192	STANDARD INSURANCE CO.	-591.61
Bill Pmt -Check	3/25/2008	12193	STAULA, MARY L	-136.61
Bill Pmt -Check	3/25/2008	12194	THE STANDARD INSURANCE COMPANY	-156.56
Bill Pmt -Check	3/25/2008	12195	TLC STAFFING	-1,597.41
Bill Pmt -Check	3/25/2008	12196	TRUCK STUFF USA	-1,089.98
Bill Pmt -Check	3/25/2008	12197	UNION 76	-177.56
Bill Pmt -Check	3/25/2008	12198	UNITED PARCEL SERVICE	-673.40

CHINO BASIN WATERMASTER
Cash Disbursement Detail Report
March 2008

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
Bill Pmt -Check	3/25/2008	12199	VERIZON WIRELESS	-430.50
Bill Pmt -Check	3/25/2008	12200	VISION SERVICE PLAN	-36.11
Bill Pmt -Check	3/25/2008	12201	W.C. DISCOUNT MOBILE AUTO DETAILING	-50.00
Bill Pmt -Check	3/25/2008	12202	WEST VALLEY ELECTRIC	-971.57
Bill Pmt -Check	3/25/2008	12203	WESTERN DENTAL SERVICES, INC.	-23.25
Bill Pmt -Check	3/25/2008	12204	WILDERMUTH ENVIRONMENTAL INC	-192,367.00
Bill Pmt -Check	3/25/2008	12205	CITISTREET	-2,850.78
Bill Pmt -Check	3/25/2008	12206	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-5,451.93
Bill Pmt -Check	3/25/2008	12207	CITISTREET	-1,800.00
Bill Pmt -Check	3/25/2008	12208	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-5,492.01
Bill Pmt -Check	3/28/2008	12209	PETTY CASH	-518.15
				-403,444.67

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CHINO BASIN WATERMASTER
Check Detail
March 2008

Type	Num	Date	Name	Account	Paid Amount
Bill Pmt -Check	12172	3/25/2008	BANK OF AMERICA	1012 · Bank of America Gen'l Ckg	
Bill	402442...	2/28/2008		6909.1 · OBMP Meetings	-102.63
				6212 · Meeting Expense	-155.70
				6312 · Meeting Expenses	-155.70
				6191 · Conferences	-2,795.24
				6192 · Training & Seminars	-179.00
				7104.6 · Grdwtr Level-Supplies	-213.17
				6031.7 · Other Office Supplies	-128.87
				6141.3 · Admin Meetings	-300.00
TOTAL					-4,030.31

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CHINO BASIN WATERMASTER
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL
 FOR THE
 PERIOD JULY 1, 2007 THROUGH FEBRUARY 29, 2008

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL APPROPRIATIVE	POOL ADMINISTRATION AND SPECIAL AGRICULTURAL NON-AGRIC.	POOL PROJECTS	GROUNDWATER REPLENISHMENT	GROUNDWATER OPERATIONS SB222	EDUCATION FUNDS	GRAND TOTALS	BUDGET 2007-2008
Administrative Revenues										
Administrative Assessments			7,480,691		122,298				7,602,989	\$7,540,370
Interest Revenue			86,117	12,090	2,469			40	100,716	181,500
Mutual Agency Project Revenue		41,667							41,667	145,500
Grant Income									-	0
Miscellaneous Income									-	0
Total Revenues	-	41,667	7,566,808	12,090	124,767	-	-	40	7,745,372	7,867,370
Administrative & Project Expenditures										
Watermaster Administration	291,589								291,589	627,797
Watermaster Board-Advisory Committee	39,709								39,709	60,645
Pool Administration			12,829	92,438	4,553				109,820	127,333
Optimum Basin Mgmt Administration		1,928,768							1,928,768	1,857,337
OBMP Project Costs		3,125,503							3,125,503	5,183,883
Education Funds Use								375	375	
Mutual Agency Project Costs		10,000							10,000	10,000
Total Administrative/OBMP Expenses	331,298	5,064,271	12,829	92,438	4,553			375	5,505,764	7,867,370
Net Administrative/OBMP Income	(331,298)	(5,022,604)							-	-
Allocate Net Admin Income To Pools			252,739	72,050	6,509				-	-
Allocate Net OBMP Income To Pools			3,831,626	1,092,305	98,673				-	-
Agricultural Expense Transfer			1,248,834	(1,248,834)					-	-
Total Expenses			5,346,028	7,959	109,735			375	5,505,764	7,867,370
Net Administrative Income			2,220,780	4,131	15,032			(335)	2,239,608	-
Other Income/(Expense)										
Replenishment Water Assessments						3,402,393			3,402,393	0
MZ1 Supplemental Water Assessments									-	0
Water Purchases									-	0
MZ1 Imported Water Purchase									-	0
Groundwater Replenishment						(2,328,727)			(2,328,727)	0
Net Other Income						1,073,666			1,073,666	0
Net Transfers To/(From) Reserves								(335)	3,313,274	-
Working Capital, July 1, 2007										
Working Capital, End Of Period										
	4,222,862		475,604	156,528	294,397		158,251	1,655	5,309,297	
	6,443,642		479,735	171,560	1,368,063		158,251	1,320	8,622,571	
06/07 Assessable Production	130,826,204		37,295,410	3,369,080					171,490,694	
06/07 Production Percentages	76.288%		21.748%	1.965%					100.000%	

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**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
FEBRUARY 1 THROUGH FEBRUARY 29, 2008**

DEPOSITORIES:		
Cash on Hand - Petty Cash	\$	500
Bank of America		
Governmental Checking-Demand Deposits	\$	904,411
Zero Balance Account - Payroll		
Local Agency Investment Fund - Sacramento		<u>4,404,987</u>
TOTAL CASH IN BANKS AND ON HAND		\$ 5,309,898
TOTAL CASH IN BANKS AND ON HAND		3,520,872
		\$ <u>1,789,026</u>

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets:		
Accounts Receivable	\$	50,000
Assessments Receivable		1,936,375
Prepaid Expenses, Deposits & Other Current Assets		119,513
(Decrease)/Increase in Liabilities		74,860
Accounts Payable		6,934
Accrued Payroll, Payroll Taxes & Other Current Liabilities		(398,656)
Transfer to/(from) Reserves		
PERIOD INCREASE (DECREASE)		\$ <u>1,789,026</u>

SUMMARY OF FINANCIAL TRANSACTIONS:

	Petty Cash	Gov'tl Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 1/31/2008	\$ 500	\$ 1,115,385	\$ -	\$ 2,404,987	\$ 3,520,872
Deposits	-	2,111,481	-	-	2,111,481
Transfers	-	(2,060,899)	60,899	2,000,000	-
Withdrawals/Checks	-	(261,556)	(60,899)	-	(322,455)
Balances as of 2/29/2008	\$ 500	\$ 904,411	\$ -	\$ 4,404,987	\$ 5,309,898
PERIOD INCREASE OR (DECREASE)	-	\$ (210,974)	-	\$ 2,000,000	\$ <u>1,789,026</u>

**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
FEBRUARY 1 THROUGH FEBRUARY 29, 2008**

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
2/22/2008	Deposit	L.A.I.F.	\$ 2,000,000				
TOTAL INVESTMENT TRANSACTIONS			\$ 2,000,000				

* The earnings rate for L.A.I.F. is a daily variable rate; 4.96% was the effective yield rate at the Quarter ended December 31, 2007

**INVESTMENT STATUS
February 29, 2008**

Financial Institution	Principal Amount	Number of Days	Interest Rate	Maturity Date
Local Agency Investment Fund	\$ 4,404,987			
TOTAL INVESTMENTS	\$ 4,404,987			

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

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

Respectfully submitted,



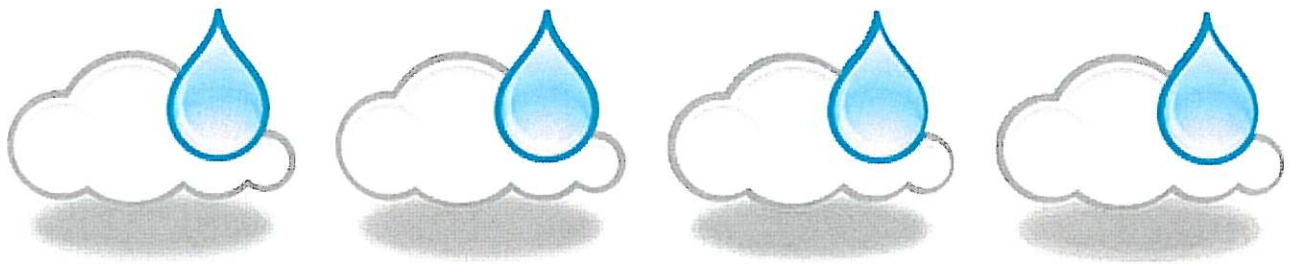
Sheri M. Rojo, CPA
Chief Financial Officer & Assistant General Manager
Chino Basin Watermaster

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

	<u>Jul '07 - Feb 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4010 · Local Agency Subsidies	41,667	145,500	-103,833	28.64%
4110 · Admin Asmnts-Approp Pool	7,480,691	7,423,878	56,813	100.77%
4120 · Admin Asmnts-Non-Agri Pool	122,298	116,492	5,806	104.98%
4700 · Non Operating Revenues	100,716	181,500	-80,784	55.49%
Total Income	7,745,372	7,867,370	-121,998	98.45%
Gross Profit	7,745,372	7,867,370	-121,998	98.45%
Expense				
6010 · Salary Costs	320,322	477,247	-156,925	67.12%
6020 · Office Building Expense	63,016	101,580	-38,564	62.04%
6030 · Office Supplies & Equip.	12,576	46,500	-33,924	27.05%
6040 · Postage & Printing Costs	59,235	83,000	-23,765	71.37%
6050 · Information Services	88,527	132,000	-43,473	67.07%
6060 · Contract Services	52,025	117,500	-65,475	44.28%
6080 · Insurance	4,160	18,210	-14,050	22.85%
6110 · Dues and Subscriptions	14,855	16,750	-1,895	88.69%
6140 · WM Admin Expenses	1,606	4,650	-3,044	34.54%
6150 · Field Supplies	116	2,500	-2,384	4.63%
6170 · Travel & Transportation	9,416	25,000	-15,584	37.67%
6190 · Conferences & Seminars	14,024	22,500	-8,476	62.33%
6200 · Advisory Comm - WM Board	12,090	18,931	-6,841	63.86%
6300 · Watermaster Board Expenses	27,619	41,714	-14,095	66.21%
8300 · Appr PI-WM & Pool Admin	12,829	24,001	-11,172	53.45%
8400 · Agri Pool-WM & Pool Admin	14,848	24,004	-9,156	61.86%
8467 · Ag Legal & Technical Services	69,631	60,000	9,631	116.05%
8470 · Ag Meeting Attend -Special	7,959	12,000	-4,041	66.33%
8500 · Non-Ag PI-WM & Pool Admin	4,553	7,328	-2,775	62.13%
6500 · Education Funds Use Expens	375	375	0	100.0%
9500 · Allocated G&A Expenditures	-348,288	-419,640	71,352	83.0%
Subtotal Administrative Expenses	441,493	816,150	-374,657	54.1%
6900 · Optimum Basin Mgmt Plan	1,798,892	2,746,138	-947,246	65.51%
6950 · Mutual Agency Projects	10,000	10,000	0	100.0%
9501 · G&A Expenses Allocated-OBMP	129,876	141,199	-11,323	91.98%
Subtotal OBMP Expenses	1,938,768	2,897,337	-958,569	66.92%
7101 · Production Monitoring	66,181	101,709	-35,528	65.07%
7102 · In-line Meter Installation	11,300	17,791	-6,491	63.52%
7103 · Grdwtr Quality Monitoring	76,481	117,104	-40,623	65.31%
7104 · Gdwtr Level Monitoring	160,757	182,667	-21,910	88.01%
7105 · Sur Wtr Qual Monitoring	6,748	15,553	-8,805	43.38%
7107 · Ground Level Monitoring	130,906	270,465	-139,559	48.4%
7108 · Hydraulic Control Monitoring	135,594	199,232	-63,638	68.06%
7109 · Recharge & Well Monitoring Prog	18,842	102,827	-83,985	18.32%
7200 · PE2- Comp Recharge Pgm	646,111	945,827	-299,716	68.31%
7300 · PE3&5-Water Supply/Desalte	33,312	159,509	-126,197	20.88%
7400 · PE4- Mgmt Plan	125,475	159,674	-34,199	78.58%

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

	<u>Jul '07 - Feb 08</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
7500 · PE6&7-CoopEfforts/SaltMgmt	73,970	138,533	-64,563	53.4%
7600 · PE8&9-StorageMgmt/Conj Use	59,827	82,660	-22,833	72.38%
7690 · Recharge Improvement Debt Pymt	1,368,373	1,377,552	-9,179	99.33%
7700 · Inactive Well Protection Prgm	0	4,339	-4,339	0.0%
9502 · G&A Expenses Allocated-Projects	211,626	278,441	-66,815	76.0%
Subtotal Special Project Expenses	3,125,503	4,153,883	-1,028,380	75.24%
Total Expense	5,505,764	7,867,370	-2,361,606	69.98%
Net Ordinary Income	2,239,608		2,239,608	100.0%
Other Income/Expense				
Other Income				
4210 · Approp Pool-Replenishment	3,393,137			
4220 · Non-Ag Pool-Replenishment	9,256			
Total Other Income	3,402,393			
Other Expense				
5010 · Groundwater Replenishment	2,328,727			
9999 · To/(From) Reserves	3,313,274			
Total Other Expense	5,642,001			
Net Other Income	-2,239,608			
Net Income				

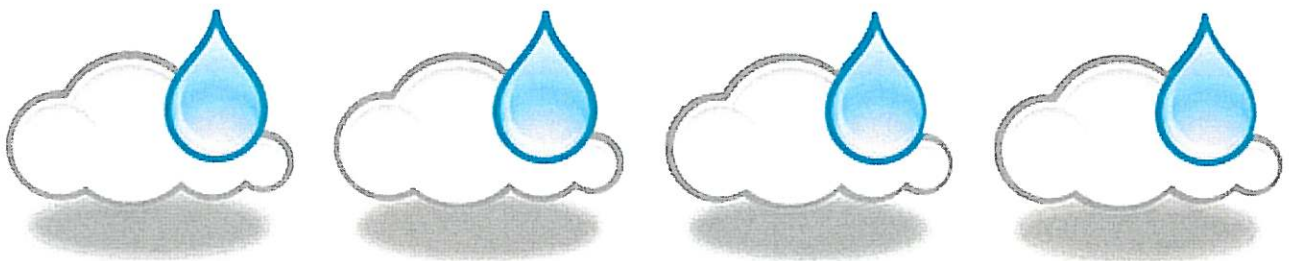


CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

C. WATER TRANSACTION

1. Notice of Sale or Transfer – The Cucamonga Valley Water District has an agreement with West Valley Water District, formerly known as West San Bernardino County Water District, whereby CVWD will purchase 500 acre-feet of WWWD's stored Chino Basin groundwater.



CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

March 20, 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: **March 13, 2008**

Date of this notice: **March 20, 2008**

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

- A. Notice of Sale or Transfer – The Cucamonga Valley Water District (“CVWD”) has an agreement with West Valley Water District (“WVWD”), formerly known as West San Bernardino County Water District (“WSBCWD”), whereby CVWD will purchase 500 acre-feet of WVWD’s stored Chino Basin groundwater.

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

Appropriative Pool:	April 10, 2008
Non-Agricultural Pool:	April 10, 2008
Agricultural Pool:	April 15, 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: March 20, 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: March 20, 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 – The Cucamonga Valley Water District (“CVWD”) has an agreement with West Valley Water District (“WVWD”), formerly known as West San Bernardino County Water District (“WSBCWD”), whereby CVWD will purchase 500 acre-feet of WVWD’s stored Chino Basin groundwater.

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.

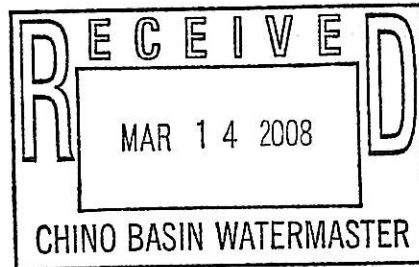
- Notice of Sale or Transfer – The Cucamonga Valley Water District (“CVWD”) has an agreement with West Valley Water District (“WVWD”), formerly known as West San Bernardino County Water District (“WSBCWD”), whereby CVWD will purchase 500 acre-feet of WVWD’s stored Chino Basin groundwater.

Notice of the water transaction identified above was mailed on March 20, 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



March 13, 2008

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

Dear Mr. Manning:

The Cucamonga Valley Water District ("CVWD") has an agreement with West San Bernardino County Water District ("WSBCWD") whereby CVWD will purchase 500 acre feet of WSBCWD's stored Chino Basin groundwater. Please credit the 500 acre feet to CVWD's local storage account.

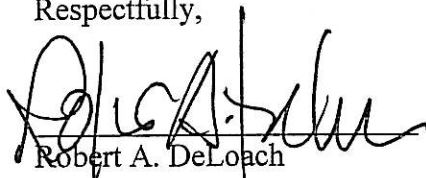
Enclosed please find:

- 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
- Form 5 – Application to Transfer Annual Production Right or Safe Yield Map of CVWD's Chino Basin Wells

CVWD requests that this transfer be agendized for the next available Appropriative Pool meeting.

Should you have any questions, please contact me. Thank you.

Respectfully,


Robert A. DeLoach
General Manager/CEO

Enclosures

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

TRANSFER FROM LOCAL STORAGE AGREEMENT # _____

West San Bernardino County Water District
Name of Party

March 7, 2008
Date Requested Date Approved

855 W. Baseline Road
Street Address

500 Acre-feet
Amount Requested Amount Approved

Rialto CA 92376
City State Zip Code

Telephone: (909) 875-1804

Facsimile: (909) 875-7284

Anthony W. Araiza
Applicant

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 434' to 575'. Of the wells routinely pumped, nitrate levels vary from a low of 3.7 ppm to a high of 45 ppm.

MATERIAL PHYSICAL INJURY

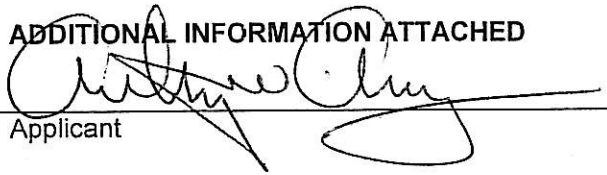
Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes [] No [X]

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]


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

Cucamonga Valley Water District
Name of Party

March 7, 2008
Date Requested

Date Approved

10440 Ashford Street
Street Address

500 Acre-feet
Amount Requested

Acre-feet
Amount Approved

Rancho Cucamonga CA 91730
City State Zip Code

Varies
Projected Rate of Recapture

July 1, 2007 - June 30, 2008
Projected Duration of Recapture

Telephone: (909) 987-2591

Facsimile: (909) 476-8032

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: West San Bernardino County Water District

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

Within Cucamonga County 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 434' to 575. Of the wells routinely pumped, nitrate levels vary from a Low of 3.7 ppm to a high of 45 ppm.

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]


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
TO
TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD

Fiscal Year 2007 - 2008

Commencing on July 1, 2007 and terminating on June 30, 2008, West San Bernardino County Water District ("Transferor") hereby transfers to Cucamonga Valley Water District ("Transferee") the quantity of 500 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 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?

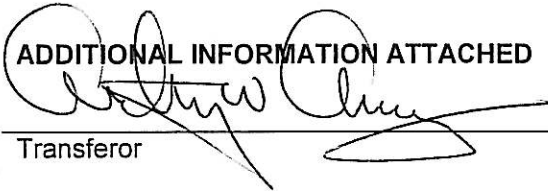
Static water levels vary from 434' to 575'. Of the wells routinely pumped, nitrate levels vary from a low of 3.7 ppm to a high of 45 ppm.


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

Transferor

Yes [] No [X]

Transferee

TO BE COMPLETED BY WATERMASTER:

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

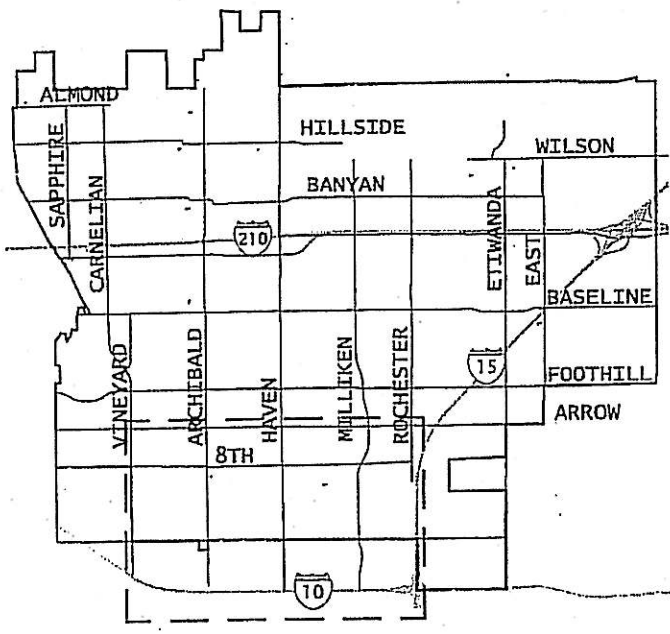
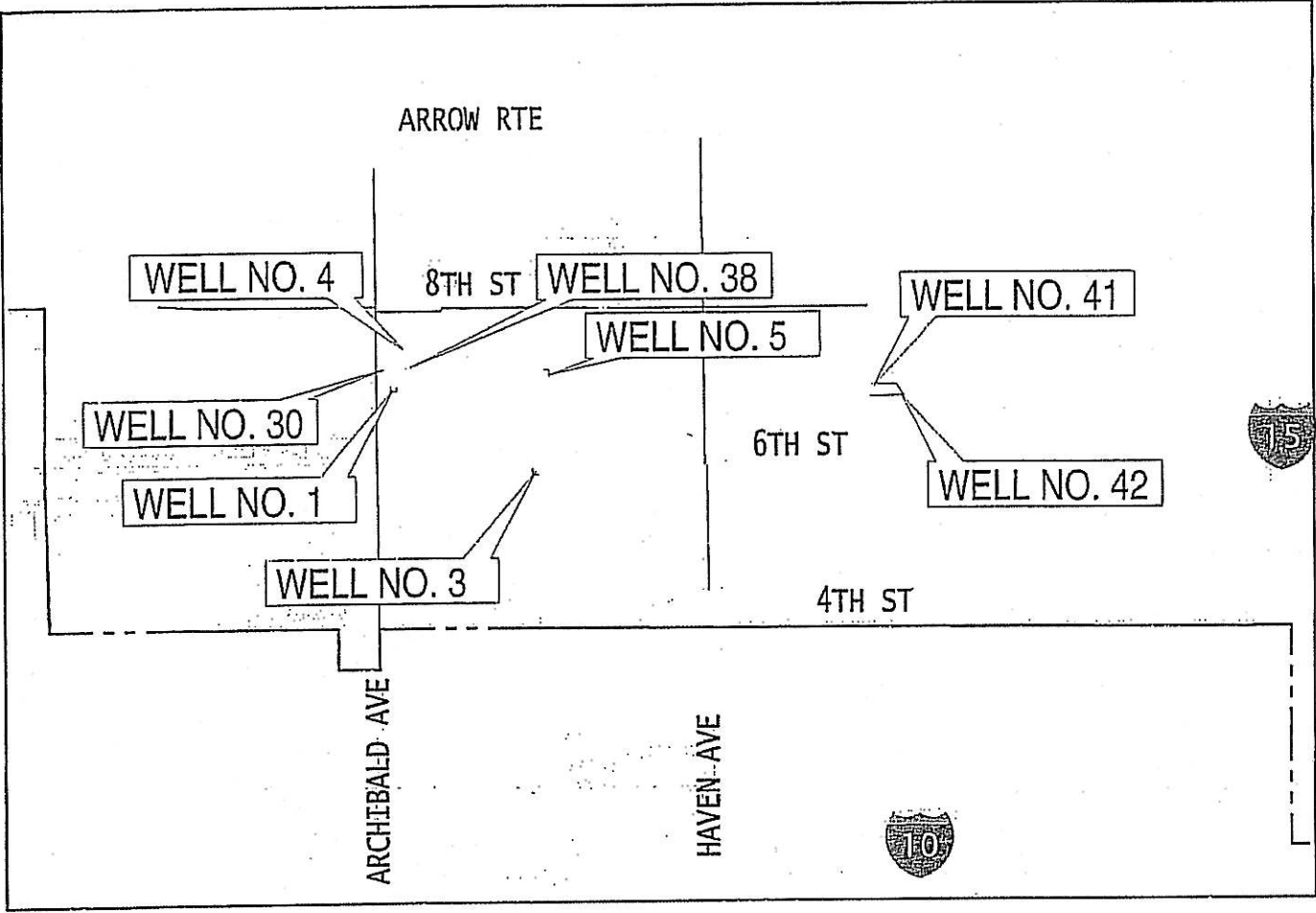
DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____ Agreement # _____

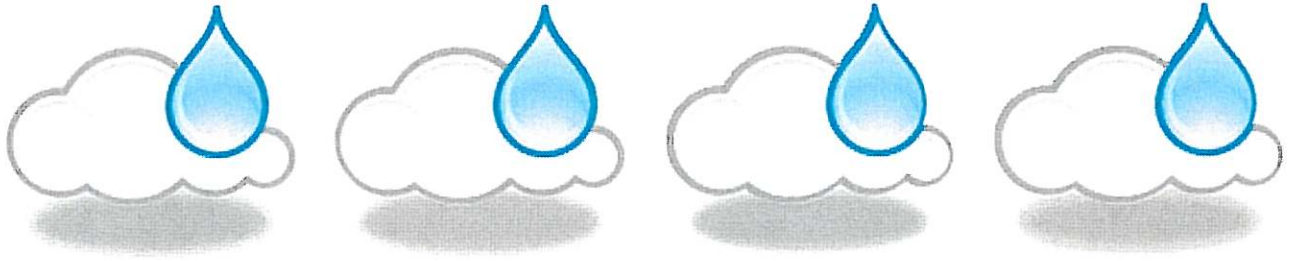


NOT TO SCALE

Cucamonga Valley
Water District

CHINO BASIN WELLS

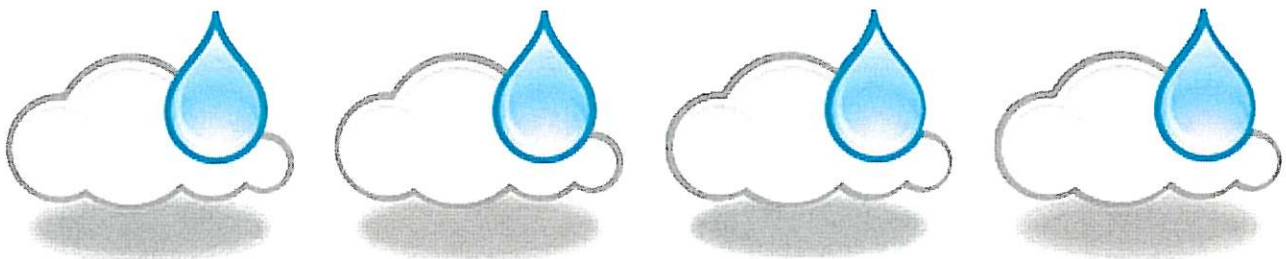
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CHINO BASIN WATERMASTER

II. BUSINESS ITEMS

B. PROPOSED BUDGET TRANSFER





CHINO BASIN WATERMASTER

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

KENNETH R. MANNING
Chief Executive Officer

STAFF REPORT

DATE: April 10, 2008
April 15, 2008
April 24, 2008

TO: Committee Members
Watermaster Board Members

SUBJECT: Proposed Budget Transfer Request

SUMMARY

Recommendation - Staff recommends that the Pools, Advisory Committee, and Board approve a Budget Transfer request in the amount of \$35,000.

DISCUSSION:

At the time of the budget preparation, it was assumed that Peace II would be resolved before or shortly into the new fiscal year and therefore, the budget reflected expected and anticipated costs. Peace II took longer to reach a resolution – with more time and expense than was originally budgeted.

At the February Pool meetings, this budget transfer request was brought forward to the Pools for consideration. The Advisory Committee asked to have this item pulled pending further discussions among the members prior to approving the transfer.

The amount of the original transfer request was \$50,000 to be transferred to the Ag Legal & Technical line item in the budget. Based upon the fact that there has been resolution regarding Peace II, the amount of the current Ag Legal & Technical invoices have reduced in amount and staff anticipates that a budget transfer of \$35,000 will probably cover the majority of time and costs that will be incurred by the end of the fiscal year. Staff is recommending a budget transfer request in the amount of \$35,000.

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**CHINO BASIN WATERMASTER
BUDGET TRANSFERS**

Fiscal Year 2007-2008
T-08-04-01

To: **All Parties**

From: Sheri Rojo Date: April, 2008

Describe reason for the transfer between budget categories here: To transfer funds to cover anticipated cost overages in accounts referenced below.

Budgetary account reduction

<i>Line Item Description</i>	<i>Account Number</i>	<i>Amount</i>
OBMP	6900	\$ (35,000)

Budgetary account addition

Ag Legal & Technical	8467	\$ 35,000
		\$ -

Should be zero

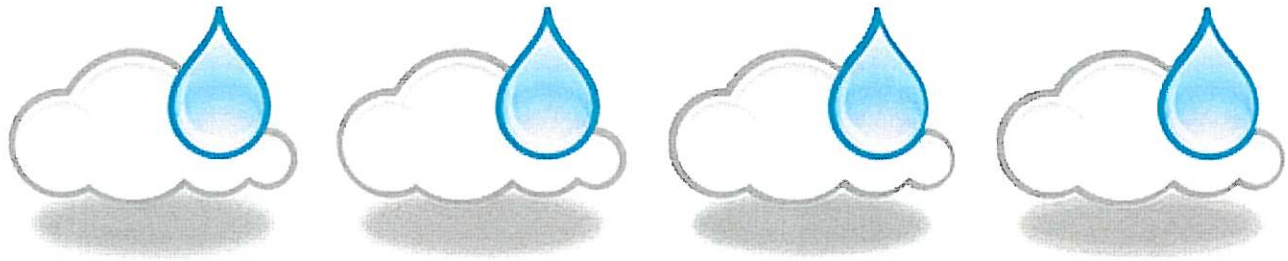
Transfer Procedure

1. Staff brings the transfer request to the Appropriate Pool for information purposes if the transfer is under \$25,000. Transfers over \$25,000 within the same budget category require Pools, Advisory Committee and Board approval. Transfers between budget categories, regardless of amount must be approved by the Pools, Advisory Committee and Board
2. Once the form has been completed by the CFO, and approved by the board if required, the Chief Financial Officer will prepare and process the budget transfer in the accounting system.
3. A log will be maintained by the CFO detailing the transfer.
4. A fiscal year file will also be kept to hold all budget amendment forms for auditor review.

Finance Use Only

Date Board Approved _____
Date Posted _____
Posted By _____
Approved by _____
Date approved _____

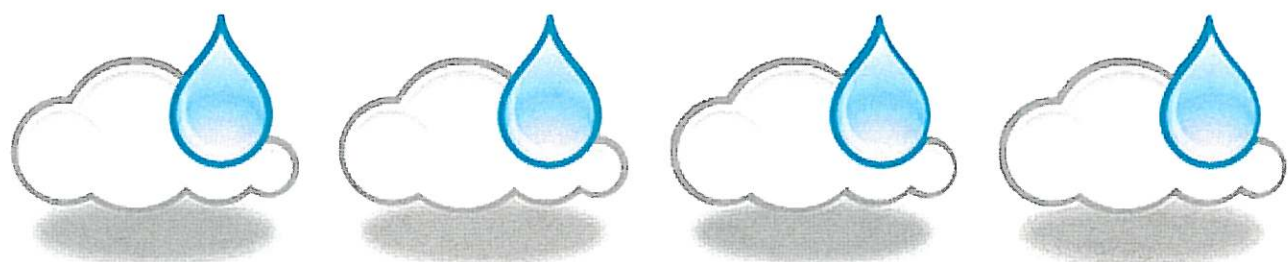
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CHINO BASIN WATERMASTER

IV. INFORMATION

1. Newspaper Articles



dailybulletin.com

As costs rise, water agency mergers debated

Jennifer McLain, Staff Writer

Article Created: 03/15/2008 08:58:58 PM PDT

An increase in water rates by a major Southern California water supplier last week has officials asking whether it's time to revamp water agencies in the region.

The rate hike by the Metropolitan Water District of Southern California will increase the average household water bill by \$1.50 a month, affecting millions of consumers.

Many officials say water districts should be looking for ways to save money rather than simply increasing rates.

"In the San Gabriel Valley, we have 47 water entities that govern water, and that is obscene," said Tony Fellow, an Upper San Gabriel Valley Municipal Water District board member. "It is time now, the way the economy is moving, and with the recent rate increase at MWD, to look at how can we make things better for ratepayers."

Each water district, some of which overlap in coverage area and responsibility, requires a staff, infrastructure and an elected board. Most board members receive benefits such as meeting stipends, health care, car allowances and retirement perks.

Many officials believe consolidating water agencies would result in greater efficiency, reduced costs, better service and lower rates.

Consolidation has been proposed by state officials, grand juries and watchdog groups throughout the state since the 1990s. Efforts to merge agencies, however, have been largely unsuccessful.

"There is a lot of political fighting in the water agencies," said Los Angeles County Supervisor Don Knabe. "There is so much money, and they just want to protect their own fiefdoms."

One example of politics trumping savings is the Central Basin and West Basin municipal water districts.

The two water agencies, which cover 41 cities from Rolling Hills Estates to Monterey Park, worked under the same roof for 15 years before splitting up in 2006.

"You've got Central and West Basin fighting among themselves," said Gary Morse, a former Central Basin Municipal Water District board member. "It is all about attitudes among the directors and turf wars that are real and perceived. And those fights will happen over and over and over again."

The two districts merged in 1990, sharing staff and an office building - which was later sold by Central to West Basin for \$2.4 million. Central Basin then bought a building in Commerce for \$4.3 million.

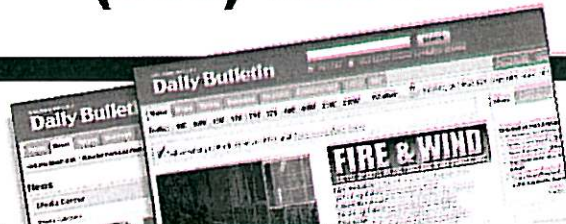
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Representatives of both districts said subsequent rate increases were not attributable to the split, even though operating expenses rose.

In 2005-06, the year before the split, Central Basin's operating expenses were \$46million and West Basin's were \$119million. In 2006-07, operating expenses at Central Basin were \$53million, and at West Basin, \$122million.

"The idea behind combining staff and operating jointly was to save cost and to streamline the process," said Central Basin spokeswoman Valerie Howard. "It was a great idea and worked out for a while, but it became clearer and clearer that service areas had different needs and interests."

Since 2004, administrative costs at West Basin have decreased from \$1million to \$931,000, while costs at Central have increased from \$961,000 to \$1.4million.

"Where consolidation may serve one area, it may not be in the best interest for another," said Richard Nagel, general manager of West Basin. "It is a very complex question."

Knabe said his office tried to help the water agencies resolve their differences.

"What I don't want to see is agencies warring down here at the expense of longterm needs," he said.

A 2000 report issued by the Little Hoover

Commission concluded that despite positive impacts of consolidation, agencies would not pursue it because they did not know how to proceed and didn't want to lose power.

The report also stated that because the public doesn't understand how water agencies and districts work, there was no outside pressure.

Consolidation is doable, said Alfonso Contreras, an Upper San Gabriel Valley Municipal Water District board member.

"The problem is, honestly, we don't want to give up our powers," he said.

Contreras also said many board members don't want to lose their perks.

Twelve San Gabriel Valley districts paid out nearly \$1.6million in meeting and travel costs to their board members over a two-year period. Of that, nearly \$100,000 was for conference and travel expenses.

This year, Central Basin budgeted \$542,000 for expense, travel, per diem and benefit payments for five board members. West Basin expects to spend \$702,840.

"When it gets to the point when it is easier and better to get a government job and have government perks than it is in the public aspect of the world, then we've got a problem," said state Sen. Bob Margett, R-Glendora.

The Hoover Commission report concluded that

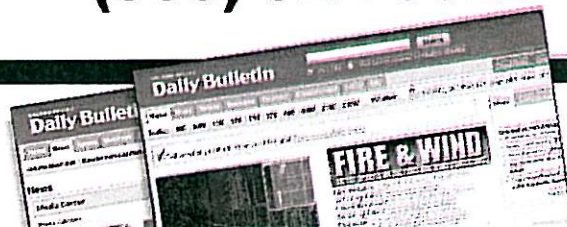
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where consolidations have occurred, services improved and costs fell.

In Los Angeles County, there have been several attempts - all unsuccessful - to consolidate water agencies.

In 2002, Fellow recommended merging his water district with the San Gabriel Valley Municipal Water District and Three Valleys Municipal Water District.

Timothy Jochem, general manager of the Upper San Gabriel Valley Municipal Water District, said it was concluded that "there wouldn't be any public benefit for any consolidations to occur."

Nearly 10 years ago, Knabe wanted the Water Replenishment District of Southern California turned over to Los Angeles County. The WRD manages groundwater for Central and West basins.

"I kept looking into WRD and whether the county could perform the same function," Knabe said. "I just saw a lot of overlapping."

Former state Sen. Richard Polanco, D-Los Angeles, introduced legislation to merge the WRD with Central and West basins.

"There was an effort at one time to bring them together as a superagency," said Robb Whittaker, WRD general manager. "That idea didn't go very far."

Local water agencies proliferated from the 1920s to the 1950s, when urban sprawl in the county was just beginning, according to the California Special Districts Association. Residents needed utilities, including water, and formed agencies to serve communities beyond the reach of cities.

In the San Gabriel Valley, there are now nearly 50 water agencies. Some are wholesalers, such as Claremont-based Three Valleys, which has a \$50million budget, and some are retailers, such as Walnut Valley, which has 26,000 connections and a budget of nearly \$25million.

"California water is very unique," said Jennifer Persicke, spokeswoman for the Association of California Water Agencies. "Most of the water is in the snow pack of the north, and most of the population is in the southern part of the state. The challenge has always been to move the water where the demand is."

But today, some argue that districts needed 50 years ago are no longer necessary.

"Let's not forget where we live. This is a semi-arid area," said Albert Robles, a Water Replenishment District of Southern California board member. "Ninety-five percent of what you see would not exist if it weren't for the imported water. But should we be more efficient? Yes."

Consolidating districts does not always create efficiency and is not always cheaper for ratepayers, said Sandor Winger, executive

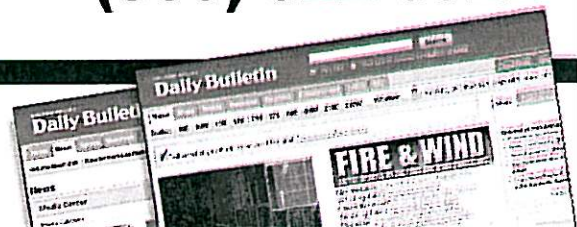
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officer of Los Angeles County's Local Agency Formation Commission.

"If you have two equal water companies," Winger said, "the services they may provide if they merge may make a lot of people unhappy."

"We can merge all these things if we find it necessary, but the law does not encourage it as, 'Hey, go and start merging,'" Winger said. "If things are running well and serving the community, there is no reason to do that."

"I am not saying that consolidation is the answer for all districts," Knabe said. "But at some point, we need a major legislative review of what water agencies do and how they perform."

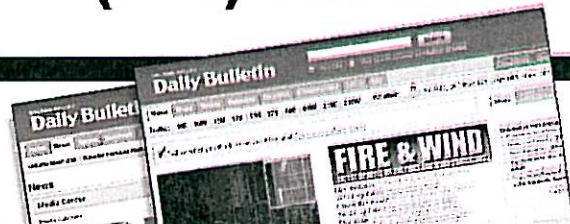
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