



CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

Thursday, September 24, 2009

9:00 a.m. – Advisory Committee Meeting

AT THE CHINO BASIN WATERMASTER OFFICES

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





CHINO BASIN WATERMASTER

Thursday, September 24, 2009

9:00 a.m. – Advisory Committee Meeting

AGENDA PACKAGE



**CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING**

WITH

*Mr. Gene Koopman, Chair, Agricultural Pool
Mr. Robert DeLoach, Vice-Chair, Appropriative Pool*

9:00 a.m. – September 24, 2009

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 August 27, 2009 *(Page 1)*

B. FINANCIAL REPORTS

1. Watermaster Visa Check Detail for the month of July 2009 *(Page 7)*
2. Combining Schedule for the Period July 1, 2009 through July 31, 2009 *(Page 9)*
3. Treasurer's Report of Financial Affairs for the Period July 1, 2009 through July 31, 2009 *(Page 11)*
4. Budget vs. Actual July 2009 *(Page 13)*

II. BUSINESS ITEM

**A. COMPREHENSIVE SOLUTION FOR THE SACRAMENTO-SAN JOAQUIN DELTA –
POLICY POSITION**

Request for Support for Southern California Water Committee Position on the "Comprehensive Solution for the Sacramento-San Joaquin Delta" *(Page 15)*

Consider the Request to Have Chino Basin Watermaster Take a Position in Support of the Southern California Water Committee's Position on a "Comprehensive Solution for the Sacramento-San Joaquin Delta"

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Auction Update
2. Court Transition Process

B. FINANCIAL REPORT

1. Financial Changes
2. Assessment Package Workshop

C. CEO/STAFF REPORT

1. Legislative Update
2. Recharge Update
3. Watermaster Policy Manual
4. Auction Update

D. INLAND EMPIRE UTILITIES AGENCY

1. IEUA Recycled Water Program Update - oral
2. IEUA's Drought Plan Update - oral
3. Water Resources & Conservation Programs Monthly Report *(Page 35)*
4. Monthly Water Use Report *(Page 45)*
5. Recycled Water Newsletter *(Page 57)*
6. State and Federal Legislative Reports *(Page 61)*
7. Community Outreach/Public Relations Report *(Page 98)*
8. Peace II Schedule *(Page 101)*

F. OTHER METROPOLITAN MEMBER AGENCY REPORTS

IV. INFORMATION

1. Newspaper Articles *(Page 103)*

V. COMMITTEE MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Pursuant to the Advisory Committee Rules & Regulations, a Confidential Session may be held during the Advisory Committee meeting for the purpose of discussion and possible action.

VIII. FUTURE MEETINGS

September 22, 2009	10:00 a.m.	Water Quality Meeting @ CBWM
September 24, 2009	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
September 24, 2009	9:00 a.m.	Advisory Committee Meeting @ CBWM
September 24, 2009	11:00 a.m.	Watermaster Board Meeting @ CBWM
September 28, 2009	11:00 a.m.	Golf Tournament @ Oak Quarry
September 28, 2009	5:00 p.m.	Strategic Planning Kick-Off Reception @ Oak Quarry
September 29, 2009	7:30 a.m.	Strategic Planning Conference @ Etiwanda Gardens
<u>NEW CHINO BASIN WATERMASTER MEETING SCHEDULE TAKES EFFECT IN OCTOBER:</u>		
October 1, 2009	1:00 p.m.	Appropriative & Non-Agricultural Pool Meeting @ CBWM
October 8, 2009	9:00 a.m.	Agricultural Pool Meeting @ IEUA
October 15, 2009	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
October 15, 2009	9:00 a.m.	Advisory Committee Meeting @ CBWM
October 22, 2009	11:00 a.m.	Watermaster Board Meeting @ CBWM
October 22, 2009	1:00 p.m.	Recharge Master Plan Workshop @ CBWM

Meeting Adjourn



CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Advisory Committee Meeting – August 27, 2009



Draft Minutes
CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING

August 27, 2009

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga CA, on August 27, 2009 at 9:00 a.m.

ADVISORY COMMITTEE MEMBERS PRESENT

Appropriative Pool

Ken Jeske, Chair	City of Ontario
Marty Zvirbulis	Cucamonga Valley Water District
Mark Kinsey	Monte Vista Water District
Dave Crosley	City of Chino
Ron Craig	City of Chino Hills
Raul Garibay	City of Pomona
Robert Tock	Jurupa Community Services District
Charles Moorrees	San Antonio Water Company
Robert Young	Fontana Union Water Company
Mike McGraw	Fontana Water Company
Anthony La	City of Upland

Agricultural Pool

Bob Feenstra	Ag Pool - Dairy
Jeff Pierson	Ag Pool – Crops

Non-Agricultural Pool

Kevin Sage	Vulcan Materials Company (Calmat Division)
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Watermaster Board Members Present

Michael Camacho	Inland Empire Utilities Agency
Ken Willis	City of Upland

Watermaster Staff Present

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

Watermaster Consultants Present

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

Others Present

John Bosler	Cucamonga Valley Water District
Eunice Ulloa	Chino Basin Water Conservation District
Terry Catlin	Inland Empire Utilities Agency
Ryan Shaw	Inland Empire Utilities Agency
Patrick Sheilds	Inland Empire Utilities Agency
Tom Love	Inland Empire Utilities Agency
Rich Atwater	Inland Empire Utilities Agency
Mohamed El-Amamy	City of Ontario
Marv Shaw	City of Ontario
Scott Burton	City of Ontario

Tom Crowley
Rick Rees
John Mura
Eldon Horst
Josh Swift
Doug La Belle
Phil Rosentrater

West Valley Water District
State of California, Dept. of Justice, CIM
City of Chino Hills
Jurupa Community Services District
Fontana Water Company
City of Chino Hills, Representative
Western Municipal Water District

Chair Jeske called the Advisory Committee meeting to order at 9:06 a.m.

AGENDA - ADDITIONS/REORDER

Mr. Manning stated there is a revised staff letter for Business Item IIC on the back table; this is different than the staff letter that was distributed yesterday under separate cover from the meeting packet.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Advisory Committee Meeting on July 23, 2009
2. Minutes of the Special Advisory Committee Meeting on July 30, 2009

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of July 2009
2. Watermaster Visa Check Detail for the month of June 2009
3. Combining Schedule for the Period July 1, 2008 through June 30, 2009
4. Treasurer's Report of Financial Affairs for the Period June 1, 2009 through June 30, 2009
5. Budget vs. Actual July 2008 through June 2009

C. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – The lease and/or purchase of 765 AF from San Antonio Water Company to the City of Ontario. This lease is made first from San Antonio's net under-production in Fiscal Year 2008-09, with any remainder to be recaptured from storage. Date of application: June 30, 2009

Motion by Marty Zvirbulis, second by Pierson, and by unanimous vote

Moved to approve Consent Calendar A through C, as presented

II. BUSINESS ITEM

A. NOTICE OF INTENT TO PURCHASE

Mr. Manning stated one of the requirements to purchase the water from the Non-Agricultural Pool is to provide a Notice of Intent to Purchase. A copy of the notice has been provided in the meeting packet with an effective date of December 18, 2009. This item went to the Pools and had unanimous approval and staff is recommending approval from the Advisory Committee. Mr. Young offered comment on the recommendation given at the Appropriative Pool regarding the additional 2,652 acre-feet of water. Chair Jeske stated there is 38,652 acre-feet of water available and at the Appropriative Pool meeting last month, it was decided to use 36,000 acre-feet for the water auction and 2,652 acre-feet for use as desalter replenishment. Mr. Manning stated Fontana Water Company is suggesting reconsideration of the 2,652 acre-feet dedicated strictly to desalter replenishment and they will supply a letter to the Appropriative Pool asking that the 2,652 acre-feet be looked at again as possibly offsetting Watermaster's replenishment obligation. Counsel Fife stated the conditions in Peace II are that the water has to be used either in a Storage and Recovery Program or for desalter replenishment. A lengthy discussion regarding this matter ensued.

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

Moved to approve the Intent to Purchase to 36,000 acre-feet for use in a Storage and Recovery Agreement, and refer the 2,652 acre-feet back to the Appropriative Pool for further consideration and a separate motion, as presented

B. MEETING SCHEDULES

Mr. Manning stated at the August Appropriative and Non-Agricultural Pools meeting there was discussion regarding changing the dates of their meetings to accommodate a request made by a separate informal committee. This change will allow more time between Pools, Advisory Committee, and Watermaster Board meetings. A discussion regarding meeting dates and times ensued. Mr. Manning noted it was recommended that the Appropriative and Non-Agricultural Pool changed their meeting date to the first Thursday of every month at 1:00 p.m. starting in September. Mr. Manning stated this change was discussed at the August Agricultural Pool meeting including the reasons behind the Appropriative Pool change and the Agricultural Pool discussed this matter and changed their meeting to the second Thursday of the month starting in October. Chair Jeske offered comment on the meeting separation. A discussion regarding this matter ensued and it was decided the Advisory Committee would change its meeting to the third Thursday of every month starting in October.

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

Moved to approve moving the Advisory Committee meeting to the third Thursday of the month at 9:00 a.m. starting in October, as presented

C. DYY EXTENSION

Mr. Manning stated there is a revised staff report regarding this item on the back table. Mr. Manning stated this revised staff report has come about from a great deal of discussions. The effort put forth on this extension is to expand the opportunity for storage in the Chino Basin. There are currently two different proposals that are being considered. There is a signed agreement signed by the three municipal water districts and the Chino Desalter Authority for an expansion of the storage from 100,000 acre-feet to 150,000 acre-feet. In April a new proposal surfaced that was supported by a large number of appropriators that would change the storage program. This proposed change would be beneficial to the Chino Basin and to the Metropolitan Water District (MWD) and that proposal is still being discussed. Mr. Manning stated MWD is looking at this proposed agreement being approved which includes zero losses for their storage account. Counsel Fife stated there has been a lot of communication between Inland Empire Utilities Agency (IEUA) and MWD this week clarifying exactly what Watermaster staff is doing and what MWD is expecting. The original staff report on this item was distributed yesterday and since that time further discussions have taken place which in turn resulted in the revised the staff report. Counsel Fife stated an issue that staff has been addressing is that Watermaster has had to deal with potential conflicts with the Peace Agreement and the Peace II Agreement. Counsel Fife stated what is being looked at today is just considering the storage loss piece. Counsel Fife stated the presented document frames the losses to other parties as an assignment of losses to other parties rather than a waiver of losses. The proposal that was made is to revise the language of Watermaster's approval so that instead of being a waiver of losses, there is an assignment of losses from the MWD storage account to other parties. Staff recommends the Advisory Committee and Watermaster Board approve the assignment of annual uniform losses from the MWD DYY storage account to the Appropriative Pool and then one of the conditionality's of doing this will be the resolution of how these assigned losses will be either offset or distributed among individual appropriative parties or among other participating parties. A lengthy discussion regarding this issue ensued. Mr. Kinsey stated his motion would be that resolution of how the assigned storage losses will be distributed among the Appropriative Pool parties or among other part parties be completed prior to the approval or the amendment to agreement 49960. A discussion regarding Mr. Kinsey's motion ensued. Mr. Manning stated staff can extend this to 150,000 without MWD agreeing internally; MWD does not need an agreement to extend their storage program. Mr. Manning stated based upon that extension it makes sense to pull the storage application off the table and go ahead and move ahead with the reassignment of MWD's losses. A discussion regarding the reassignment and LRP funding ensued. The committee asked counsel to restate the motion since there was a lot of discussion after Mr. Kinsey made the original motion. Counsel Fife clarified the motion by the Appropriative Pool under the section 2(b) shall occur prior to or simultaneous with the approval of an amendment to agreement 49960 as described in section 2a of the staff report

and then the remainder of the language written in the staff report. A discussion regarding losses ensued.

Motion by Kinsey, second by Zvirbulis, and by unanimous vote

Moved to approve the language described by Counsel Fife stating the approval by the Appropriative Pool under the section 2(b) shall occur prior to or simultaneous with the approval of an amendment to agreement 49960 as described in section 2a of the staff report and then the remainder of the language written in the staff report , as presented

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. August 11, 2009 Hearing

Counsel Fife stated the August 11, 2009 hearing took place and went well. The hearing provided a status report of the OBMP, Program Elements 7, 8, and 9, and the approval of the Watermaster's motion to approve the template Storage & Recovery Agreement. A proposed order was submitted which was worked out in advance and the judge signed the revised order as submitted. Notice was provided to the parties. Counsel Fife stated a few items were discussed at the hearing regarding Judge Wade's retirement and the transition process into another judge. Counsel Fife commented on Judge Wade's recommendations for the new judge transition and noted there is a letter on the back table from counsel to the presiding judge. This letter has not been sent and is for review only and it will be sent to the parties' legal counselors. Once all the parties are in agreement of sending a letter out and the content of the letter it will be sent out. Counsel Fife stated the other item on the back table is a proposed case management order and this order is also something that has not been sent out and is for review. Counsel Fife offered comment on the proposed case management order and how it will work with Judge Wade. Counsel Fife stated there is another hearing scheduled for September 17, 2009 if it is needed and can be cancelled if it is not needed. Counsel Fife noted comments need to be back by next Thursday so that they can be filed with the court in a timely manner.

2. Auction Update

Counsel Fife stated since this auction is on such a tight time frame an auction update will be kept on all the agendas so the parties know what is happening. FTI was hired and there was a workshop with FTI to demonstrate how the auction will proceed. A due diligence package and marketing materials are now being put together that can be sent out to potential bidders. A strategy is being worked on as to how to go implement the marketing of the auction with FTI. Staff is looking at the auction being held on November 4, 2009. A discussion regarding the auction and the bidders ensued. Mr. Manning offered comment on possible potential bidders and what the due diligence package will look like.

3. MOU Development

Counsel Fife stated no progress has been made on this item and noted this item will be discussed at a future meeting.

B. FINANCIAL REPORT

1. Year End Project/Budget Update

Ms. Rojo advised the pools that all Water Activity Reports have been sent out and some have already been received. We are looking to receive all of the Water Activity Reports by the end of the week. Staff is looking forward to hold the assessment package workshop in early September.

2. Year End Audit Update

Ms. Rojo stated that Watermaster's fiscal year ended June 30, 2009 and our annual audit has been completed for the investigation work and the audit will be completed at their office shortly. If anyone has any questions or issues regarding Watermaster's financial activities, please see Ken Manning or feel free to contact the auditors directly.

C. ENGINEERING REPORT

1. Recharge Master Plan Update

No comment was made regarding this item

2. Balance of Recharge & Discharge Discussion

No comment was made regarding this item

D. CEO/STAFF REPORT

1. Legislative Update

Mr. Manning stated now that the state budget has been approved, it appears there is certain consensus that the water issues are taking front and center stage in Sacramento. There are five separate bills that have been developed as part of a master water plan to resolve Delta issues and water problems in the State of California. Those five bills are being reviewed starting next week with a joint committee meeting between the assembly and senate. This first meeting will be the start of a series of meetings and will take approximately four weeks to resolve. There are still discussions on what the joint committee will look like in terms of who will sit on the committee.

Mr. Manning stated he had an opportunity to meet face-to-face with former Senator Mike Machado and Tom Zukerman who represent interests in the Delta. Mr. Manning commented on the topics discussed at this meeting.

2. Recharge Update

Mr. Manning stated the most recent recharge update is available on the back table. Mr. Manning reviewed the current recharge numbers.

3. Strategic Planning Conference

Mr. Manning stated the Watermaster's next Strategic Planning Conference is filling up quickly and reminded the parties to get in their registration forms.

E. INLAND EMPIRE UTILITIES AGENCY

1. IEUA Recycled Water Program Overview

Mr. Shields gave a presentation on the Inland Empire Recycled Water Program.

2. IEUA's Drought Plan Update

No comment was made regarding this item.

3. Recycled Water Status Report

No comment was made regarding this item.

4. Water Resources & Conservation Programs Monthly Report

No comment was made regarding this item.

5. Water Resources & Conservation Programs 4th Quarter Report

No comment was made regarding this item.

6. Monthly Water Use Report

No comment was made regarding this item.

- 7. Recycled Water Newsletter
No comment was made regarding this item.
- 8. State and Federal Legislative Reports
No comment was made regarding this item.
- 9. Community Outreach/Public Relations Report
No comment was made regarding this item.

F. OTHER METROPOLITAN MEMBER AGENCY REPORTS
No comment was made regarding this item.

IV. INFORMATION

- 1. Newspaper Articles
No comment was made regarding this item.

V. COMMITTEE MEMBER COMMENTS
No comment was made regarding this item

VI. OTHER BUSINESS
No comment was made regarding this item.

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION
Pursuant to the Advisory Committee Rules & Regulations, a Confidential Session may be held during the Advisory Committee meeting for the purpose of discussion and possible action.

No confidential session was called.

VIII. FUTURE MEETINGS

August 27, 2009	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
August 27, 2009	9:00 a.m.	Advisory Committee Meeting @ CBWM
August 27, 2009	11:00 a.m.	Watermaster Board Meeting @ CBWM
September 3, 2009	1:00 p.m.	Appropriative & Non-Agricultural Pool Meeting @ CBWM
September 10, 2009	9:00 a.m.	MZ1 Technical Committee Meeting @ CBWM
September 15, 2009	9:00 a.m.	Agricultural Pool Meeting @ IEUA
September 17, 2009	9:30 a.m.	Tentative CBWM Hearing @ San Bernardino Court
September 24, 2009	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
September 24, 2009	9:00 a.m.	Advisory Committee Meeting @ CBWM
September 24, 2009	11:00 a.m.	Watermaster Board Meeting @ CBWM

The Advisory Committee meeting was dismissed by Chair Jeske at 10:30 a.m.

Secretary: _____

Minutes Approved: _____



CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

B. FINANCIAL REPORTS

1. Watermaster Visa Check Detail for the month of July 2009
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2009 through July 31, 2009
3. Treasurer's Report of Financial Affairs for the Period July 1, 2009 through July 31, 2009
4. Budget vs. Actual July 2009



10:10 AM
08/28/09

CHINO BASIN WATERMASTER
Check Detail
July 2009

Type	Num	Date	Name	Account	Paid Amount
Bill Pmt -Check	13436	7/21/2009	BANK OF AMER...	1012 · Bank of America Gen'l Ckg	
Bill	4024...	6/30/2009		6909.1 · OBMP Meetings	-1,112.55
				6175 · Vehicle Fuel	-37.57
				6312 · Meeting Expenses	-46.47
TOTAL					-1,196.59

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CHINO BASIN WATERMASTER
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL
 FOR THE
 PERIOD JULY 1, 2009 THROUGH JULY 31, 2009

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL	APPROPRIATIVE POOL	AGRICULTURAL POOL	NON-AGRIC. POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS	GROUNDWATER OPERATIONS FUNDS	EDUCATION FUNDS	GRAND TOTALS
Administrative Revenues	111,000	-	-	-	-	-	-	-	-	-	111,000
Administrative Assessments	-	-	-	-	-	-	-	-	-	-	-
Interest Revenue	-	-	-	-	-	-	-	-	-	-	-
Mutual Agency Project Revenue	-	-	-	-	-	-	-	-	-	-	-
Grant Income	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	111,000	-	-	-	-	-	-	-	-	-	111,000
Administrative & Project Expenditures	25,267	-	-	-	-	-	-	-	-	-	25,267
Watermaster Administration	6,292	-	-	-	-	-	-	-	-	-	6,292
Watermaster Board-Advisory Committee	-	-	-	-	-	-	-	-	-	-	-
Pool Administration	-	3,233	9,608	692	-	-	-	-	-	-	13,533
Optimum Basin Mgmt Administration	-	147,807	-	-	-	-	-	-	-	-	147,807
OBMP Project Costs	-	209,436	-	-	-	-	-	-	-	-	209,436
Debt Service	-	-	-	-	-	-	-	-	-	-	-
Education Funds Use	-	-	-	-	-	-	-	-	-	-	-
Mutual Agency Project Costs	-	-	-	-	-	-	-	-	-	-	-
Total Administrative/OBMP Expenses	31,559	357,243	9,608	692	-	-	-	-	-	-	402,335
Net Administrative/OBMP Expenses	79,441	(357,243)	-	-	-	-	-	-	-	-	(277,802)
Allocate Net Admin Expenses To Pools	-	(59,585)	(17,868)	(1,988)	-	-	-	-	-	-	(79,441)
Allocate Net OBMP Expenses To Pools	-	366,150	80,350	(89,257)	-	-	-	-	-	-	257,243
Allocate Debt Service to App Pool	-	-	-	-	-	-	-	-	-	-	-
Agricultural Expense Transfer*	-	72,090	(72,090)	-	-	-	-	-	-	-	-
Total Expenses	381,889	-	-	(90,554)	-	-	-	-	-	-	402,335
Net Administrative Income	(381,889)	-	-	90,554	-	-	-	-	-	-	(291,335)
Other Income/(Expense)	-	-	-	-	-	-	-	-	-	-	-
Replenishment Water Assessments	-	-	-	-	-	-	-	-	-	-	-
Interest Revenue	-	-	-	-	-	-	-	-	-	-	-
Water Purchases	-	-	-	-	-	-	-	-	-	-	-
Balance Adjustment	-	-	-	-	-	-	(1,003,000)	-	-	-	(1,003,000)
Groundwater Replenishment	-	-	-	-	-	-	(1,003,000)	-	-	-	(1,003,000)
Net Other Income	-	-	-	-	-	-	(1,003,000)	-	-	-	(1,003,000)
Net Transfers To/(From) Reserves	-	(381,889)	-	90,554	-	-	(1,003,000)	-	-	-	(1,294,335)

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**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
JULY 1 THROUGH JULY 31, 2009**

DEPOSITORIES:		
Cash on Hand - Petty Cash	\$	500
Bank of America		
Governmental Checking-Demand Deposits	\$	944,795
Zero Balance Account - Payroll		
Local Agency Investment Fund - Sacramento		
		<u>10,394,199</u>
TOTAL CASH IN BANKS AND ON HAND		\$ 11,339,494
TOTAL CASH IN BANKS AND ON HAND		11,365,542
		<u><u>\$ (26,048)</u></u>

	7/31/2009
	6/30/2009

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets:		
Accounts Receivable	\$	143,051
Assessments Receivable		
Prepaid Expenses, Deposits & Other Current Assets	(5,495)	
Accounts Payable	1,161,047	
Accrued Payroll, Payroll Taxes & Other Current Liabilities	(30,316)	
Transfer to/(from) Reserves	(1,294,335)	
		<u><u>\$ (26,048)</u></u>

PERIOD INCREASE (DECREASE)

	Zero Balance	Local Agency	Totals
	Account	Investment Funds	
	Payroll		
Petty Cash	Gov't Checking Demand		
\$ 500	\$ 470,843	\$ -	\$ 11,365,542
-	254,361	-	254,361
-	394,650	105,350	(500,000)
-	(175,059)	(105,350)	(280,409)
\$ 500	\$ 944,795	\$ -	\$ 10,394,199
			\$ 11,339,494
\$ -	\$ 473,952	\$ -	\$ (500,000)
			\$ (26,048)

SUMMARY OF FINANCIAL TRANSACTIONS:

Balances as of 6/30/2009		
Deposits		
Transfers		
Withdrawals/Checks		
Balances as of 7/31/2009		
PERIOD INCREASE OR (DECREASE)		

CHINO BASIN WATERMASTER
Profit & Loss Budget vs. Actual
July 2009

	<u>Jul 09</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4010 · Local Agency Subsidies		148,410	-148,410	
4110 · Admin Asmnts-Approp Pool		7,185,411	-7,185,411	
4120 · Admin Asmnts-Non-Agri Pool		155,427	-155,427	
4700 · Non Operating Revenues		191,540	-191,540	
4900 · Miscellaneous income	111,000			
Total Income	<u>111,000</u>	<u>7,680,788</u>	<u>-7,569,788</u>	<u>1%</u>
Gross Profit	111,000	7,680,788	-7,569,788	1%
Expense				
6010 · Salary Costs	35,300	487,838	-452,538	7%
6020 · Office Building Expense	1,781	102,500	-100,719	2%
6030 · Office Supplies & Equip.	1,122	43,500	-42,378	3%
6040 · Postage & Printing Costs	4,950	84,300	-79,350	6%
6050 · Information Services	13,571	148,500	-134,929	9%
6060 · Contract Services		98,000	-98,000	0%
6080 · Insurance	15,934	16,730	-796	95%
6110 · Dues and Subscriptions	46	17,000	-16,954	0%
6140 · WM Admin Expenses		3,000	-3,000	0%
6150 · Field Supplies		2,800	-2,800	0%
6170 · Travel & Transportation	2,547	37,800	-35,253	7%
6190 · Conferences & Seminars	540	26,500	-25,960	2%
6200 · Advisory Comm - WM Board	1,743	18,078	-16,335	10%
6300 · Watermaster Board Expenses	4,549	43,823	-39,274	10%
8300 · Appr PI-WM & Pool Admin	3,233	23,069	-19,836	14%
8400 · Agri Pool-WM & Pool Admin	2,434	25,114	-22,680	10%
8467 · Ag Legal & Technical Services	7,174	98,000	-90,826	7%
8470 · Ag Meeting Attend -Special		12,000	-12,000	0%
8471 · Ag Pool Expense		65,000	-65,000	0%
8500 · Non-Ag PI-WM & Pool Admin	692	6,677	-5,985	10%
6500 · Education Funds Use Expens		375	-375	0%
9500 · Allocated G&A Expenditures	<u>-50,524</u>	<u>-488,230</u>	<u>437,706</u>	<u>10%</u>
Subtotal G&A Expenditures	45,092	872,374	-827,282	5%
6900 · Optimum Basin Mgmt Plan	135,556	1,399,371	-1,263,815	10%
6950 · Mutual Agency Projects		10,000	-10,000	0%
9501 · G&A Expenses Allocated-OBMP	<u>12,251</u>	<u>148,448</u>	<u>-136,197</u>	<u>8%</u>
Subtotal OBMP Expenditures	147,807	1,557,819	-1,410,012	9%
7101 · Production Monitoring	18,174	107,047	-88,873	17%
7102 · In-line Meter Installation	3,974	56,179	-52,205	7%
7103 · Grdwtr Quality Monitoring	21,268	214,362	-193,094	10%

CHINO BASIN WATERMASTER
 Profit & Loss Budget vs. Actual
 July 2009

	<u>Jul 09</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
7104 · Gdwtr Level Monitoring	44,020	366,956	-322,936	12%
7105 · Sur Wtr Qual Monitoring	434	43,912	-43,478	1%
7107 · Ground Level Monitoring	1,544	550,059	-548,515	0%
7108 · Hydraulic Control Monitoring	28,990	567,022	-538,032	5%
7109 · Recharge & Well Monitoring Prog		9,152	-9,152	0%
7200 · PE2- Comp Recharge Pgm	119,289	1,478,560	-1,359,271	8%
7300 · PE3&5-Water Supply/Desalte	4,783	96,003	-91,220	5%
7400 · PE4- Mgmt Plan	2,878	91,985	-89,107	3%
7500 · PE6&7-CoopEfforts/SaltMgmt	13,448	163,727	-150,279	8%
7600 · PE8&9-StorageMgmt/Conj Use	8,424	29,550	-21,126	29%
7690 · Recharge Improvement Debt Pymt	-96,063	1,131,233	-1,227,296	-8%
7700 · Inactive Well Protection Prgm		5,066	-5,066	0%
9502 · G&A Expenses Allocated-Projects	38,273	339,782	-301,509	11%
Subtotal Special Project Expenditures	209,436	5,250,595	-5,041,159	4%
Total Expense	402,335	7,680,788	-7,278,453	5%
Net Ordinary Income	-291,335	0	-291,335	100%
Other Income/Expense				
Other Expense				
5100 · Other Water Purchases	1,003,000			
9999 · To/(From) Reserves	-1,294,335			
Total Other Expense	-291,335			
Net Other Income	291,335			
Net Income	0		0	0%



CHINO BASIN WATERMASTER

II. BUSINESS ITEM

A. COMPREHENSIVE SOLUTION FOR THE SACRAMENTO-SAN JOAQUIN DELTA – POLICY POSITION





CHINO BASIN WATERMASTER

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

KENNETH R. MANNING
Chief Executive Officer

STAFF REPORT

DATE: September 24, 2009

TO: Advisory Committee Members

SUBJECT: Consider the request for Chino Basin Watermaster to take a support position for the Southern California Water Committee's "Comprehensive Solution for the Sacramento-San Joaquin Delta"

SUMMARY:

Issue –

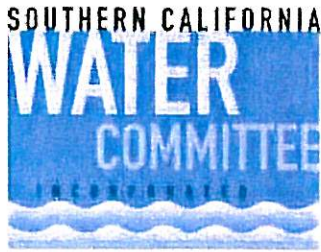
At the request of a member of the Watermaster Board, the Southern California Water Committee has forwarded to Chino Basin Watermaster a request to support their position on the "Comprehensive Solution for the Sacramento-San Joaquin Delta"

Background –

The legislature is currently considering a suit of bills aimed at solving the water reliability issue within the Delta. The bills cover a variety of areas including conservation, governance and environmental concerns within the Delta. The Southern California Water Committee, a nonprofit, nonpartisan, public education partnership made up of water interests, business and government, has developed a "Policy Position" that urges the legislature and the governor to develop a comprehensive solution to resolve the Delta's chronic water supply and environmental problems. The Policy Position states that solution must include implementation of a new isolated conveyance system.

Fiscal Impact – None

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COMPREHENSIVE SOLUTION FOR THE SACRAMENTO-SAN JOAQUIN DELTA -POLICY POSITION -

Background

The sustainability of California's economy, the eighth largest in the world, depends upon a reliable source of water. The Sacramento-San Joaquin Delta (Delta) is the hub of our state's water delivery system and home to one of California's most important ecosystems. Twenty-five million Californians — nearly two-thirds of the state's population — and millions of acres of farmland rely on water that passes through the Delta. The survival of many endangered species depends on the habitat of the Delta.

As fish populations have declined, new regulations have constricted the Delta's water delivery system. The growing crisis poses the threat of statewide economic and ecologic disaster. Disruptions of water supplies funneling through the Delta are heightened by California's continuing drought and regulatory restrictions.

California must take decisive action to solve these chronic problems and avoid the Delta's continuing deterioration as a reliable pathway for water. Governor Schwarzenegger agrees, "In California, water is essential to our jobs, our schools, our families, our environment and our economy. With a drought, court-ordered water restrictions and an increasing population, the time for action is now. Making sure Californians have the water we need to keep our economy strong and our people working has never been more critical."

Preferred Policy Solutions

A comprehensive solution to resolve the Delta's chronic water supply and environmental problems must include implementation of water conveyance improvements. Currently, water supplies flow through the Delta in directions and times of year that are not natural. We need to build a conveyance system that moves water supplies through and around the Delta. A new isolated conveyance system will allow for more flexibility in water management, protection against disasters such as earthquakes or floods and greater protection for fish.

- more -

While structural fixes to our water supply needs are critical, water conservation and water use efficiency are also central elements. Governor Schwarzenegger has set a statewide goal to reduce per capita water use of 20 percent by 2020. Achieving this goal will require a comprehensive, statewide and equitable approach. Putting California on the path toward reliable water supplies includes restoring the Delta and expanding our local water supplies.

Planning, Education & Action

The [Bay Delta Conservation Plan](#) is a planning and environmental permitting process to restore habitat for Delta fisheries in a way that reliably delivers water supplies to 25 million Californians. Federal and state agencies, environmental organizations, fishery agencies, water agencies, and other organizations are all working together to develop this plan now.

We need to express to Governor Arnold Schwarzenegger, Secretary of Natural Resources Mike Chrisman and members of the State Legislature that action is required now. By 2010, California needs to approve a plan that will restore both the Delta's ecosystem and the reliability of the water supplies that underpin the entire economy.

About SCWC

Established in 1984, the Southern California Water Committee (SCWC) is a nonprofit, nonpartisan, public education partnership dedicated to informing Southern Californians about our water needs and our state's water resources, widely recognized as one of the region's most respected voices on water policy. Spanning Los Angeles, Orange, San Diego, San Bernardino, Imperial, Riverside, Ventura and Kern Counties, the SCWC's members include representatives from business, government, agriculture, water agencies and the general public.

For more information on the SCWC and how to support this Delta policy position, please visit www.socalwater.org.

###



**COMPREHENSIVE SOLUTION FOR THE SACRAMENTO-SAN JOAQUIN DELTA
-ORGANIZATION SUPPORTER FORM-**

The sustainability of California's economy, the eighth largest in the world, depends upon a reliable source of water. The Sacramento-San Joaquin Delta (Delta) is the hub of our state's water delivery system and home to one of California's most important ecosystems. Twenty-five million Californians, millions of acres of farmland and many endangered species depend on water that flows through the Delta.

The Delta is in crisis though and, as it worsens, the threat of statewide economic and ecologic disaster increases. California must take decisive action to solve the Delta's chronic problems and avoid the Delta's continuing deterioration as a reliable pathway for water.

We support a comprehensive Delta solution, which includes restoring critical Delta habitat and constructing a new conveyance facility for fresh water supplies. You may list our organization publicly as a supporter of the Southern California Water Committee's policy position on the Delta:

We are a: Group or Organization Business Labor Union Water Agency Govt.

Name of organization or business

Name of person signing (please print)

Title of person signing

Date

Please check this box if the authorizing signer can also be listed as an individual supporter, along with his/her official organizational title (e.g., John Doe, President of the XYZ Association).

Contact person for your business/organization

Daytime phone number of contact person

Email address of contact person

Fax number of contact person

Mailing address of contact person

If a group, how many members do you have?

If a business, how many employees do you have?

Please fax this completed form to: (818) 760-2202. If you have questions, please call 818-760-2121 or visit www.socalwater.org.

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E-Newsletter
August 25, 2009

Southern California Water Committee Renews Its Focus on the Sacramento-San Joaquin Delta Crisis

You are reading the Southern California Water Committee's (SCWC) first-ever e-newsletter! In the coming months, we will be keeping you informed about significant developments on water issues affecting the state of California.

We are at a critical juncture for the future of the Delta and our water supply. The crisis in the Sacramento-San Joaquin River Delta (Delta) has pushed water to the political forefront in Sacramento. Twenty-five million Californians - nearly two-thirds of the state's population - and millions of acres of farmland rely on water that passes through the Delta. The survival of many endangered species depends on its habitat.

SCWC believes the solution to the Delta crisis relies on both alternate conveyance and habitat restoration. SCWC's recent [organizational restructuring](#) has us ready to take the issue head-on. We look forward to sharing important updates with you over the coming months!

Bay Delta Conservation Plan Is Solution Path

The [Bay Delta Conservation Plan](#), the path forward for a comprehensive Delta fix, is a major focus of the SCWC. This planning and environmental permitting effort is being developed jointly by water providers, environmentalists, state and federal wildlife officials and stakeholders in the Delta. It will enable water providers to make adequate and reliable water deliveries to the public while protecting and restoring the Delta environment. We encourage our SCWC members and all stakeholders to get educated and become involved in the BDCP's important planning process.

Support SCWC's Delta Policy Position

The SCWC recently distributed an updated [policy position](#) on the Delta, calling for a comprehensive fix that includes both ecosystem restoration and new conveyance through and around the Delta. We encourage your organization to review the policy position and sign on as a [supporter](#). Many organizations throughout California are already supporting a comprehensive Delta fix, including the construction of new conveyance facilities, and we'd like to inventory and publish that support to help educate legislators, stakeholders and news media.

Legislative Water Hearings

On August 18, a joint hearing of the Assembly Water Parks and Wildlife and Senate Natural Resources and Water committees was held in Sacramento to discuss the 2009 proposed Delta/water legislation. While we are pleased to see our State Legislature focused on the crisis, many of the specifics within the package, as currently drafted, would impede California's ability to meet the water supply reliability component of the co-equal goals. The SCWC signed onto a [coalition letter](#) that was delivered to the Governor and Legislature about these concerns and our Legislative Task Force continues to monitor and update our membership on a weekly basis.

In addition, the [Association of California Water Agencies](#) and [Governor Arnold Schwarzenegger](#) issued letters providing reaction and feedback to legislative leaders, urging them to take decisive action on the Delta. Additional hearings are slated for August 25, 26 and 27 to discuss the Delta-specific and non-Delta water bills, respectively.

Editorial Support for Delta Fix/New Conveyance Mounting

In addition to organizations taking policy positions, editorial boards around the state are increasingly voicing support for a comprehensive Delta fix that includes new conveyance facilities. They currently include the *Contra Costa Times*, *Bakersfield Californian*, *Riverside Press-Enterprise*, *Inland Valley Daily Bulletin*, *North County Times*, *Roseville Press Democrat*, *San Bernardino Sun*, *San Diego Union-Tribune* and the *Torrance Daily Breeze*, just to name a few.

"The state should start by finding a way to channel water around the delta, which would keep the much-needed supplies flowing south. And that step would let the state address the environmental needs without those steps affecting water exports. Preserving the status quo is not a realistic option; neither is cutting off water exports to the rest of the state."

Water Trauma

[Riverside Press-Enterprise, August 21, 2009](#)

Save the Date for Our 25th Annual Dinner – Become an SCWC Member!

Many of you have attended SCWC's Annual Dinner and we appreciate the support. Please save the date for this year's event – October 22, 2009. We'll be at an exciting new location this year, the Pacific Palms Resort in the City of Industry. Look for an event invitation and sponsorship opportunities shortly.

You can also become a [member](#) of SCWC. Help us in our mission to educate Californians about our water supply challenges and potential solutions.

About SCWC

Established in 1984, the Southern California Water Committee is a nonprofit, nonpartisan, public education partnership dedicated to informing Southern Californians about our water needs and our state's water resources. Spanning Los Angeles, Orange, San Diego, San Bernardino, Imperial, Riverside, Ventura and Kern Counties, the SCWC's members include representatives from business, government, agriculture, water agencies, and the general public. Visit us at www.socalwater.org and find us on [Facebook](#).

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September 3, 2009

Senate President Pro Tempore Darrell Steinberg
California State Senate
State Capitol, Room 205
Sacramento, CA 95814

Assembly Speaker Karen Bass
California State Assembly
State Capitol, Room 219
Sacramento, CA 95814

Senator Dennis Hollingsworth
California State Senate
State Capitol, Room 305
Sacramento, CA 95814

Assembly Member Sam Blakeslee
California State Assembly
State Capitol, Room 3104
Sacramento, CA 95814

Dear Legislative Leadership:

As efforts advance to craft a legislative package to address the worsening environmental and water crisis in the Sacramento-San Joaquin Delta, the Metropolitan Water District of Southern California would like to share its sense of the key issues and priorities that have emerged from recent informational hearings on the five "preprints" introduced by members of the Senate and Assembly and the amendments proposed for the five-bill package in conference committee.

Metropolitan is committed to working closely and constructively with you in search of a comprehensive, bipartisan solution this year. A healthy economy will depend on a reliable water supply from the Delta. The worsening crisis that faces the Delta ecosystem and hub of the statewide water system demands nothing short of bold and decisive action.

Recent joint hearings by the Senate Natural Resources and Water Committee and Assembly Water, Parks and Wildlife Committee were valuable in distilling the remaining issues for resolution in the days ahead. The recommendations on the attachment represent Metropolitan's assessment of the key outstanding matters for our six-county service area and 19 million residents.

In summary, while Metropolitan is pleased with visible signs of progress in the recent round of "pre-print" versions compared to earlier drafts, there is considerable work ahead on a number of important issues in order to create a package which solves the real problems in the Delta and does not inadvertently create new ones.

Metropolitan hopes to be active and constructive participants in this process to ensure that the result is a recovering Delta ecosystem and an improved water system while recognizing and advancing the needs of the local communities. Metropolitan looks forward to working

Delta Legislative Package

Page 2

September 3, 2009

constructively with you in the days ahead to take advantage of this historic opportunity and approve a package of Delta legislation that will set a new course for the Delta estuary and statewide water policy.

If you have any questions or wish additional information, please do not hesitate to contact Kathleen Cole, Metropolitan's legislative representative, at (916) 650-2600 or by email at kcole@mwdh2o.com.

Sincerely,



Jeffrey Kightlinger
General Manager

cc: Members of the California Legislature

Kip Lipper, Policy Consultant, Office of the Senate President pro Tem
William Craven, Consultant, Senate Natural Resources and Water Committee
Dennis O'Connor, Consultant, Senate Natural Resources and Water Committee
Greg Hurner, Deputy Caucus Chief of Staff, Office of Senator Dennis Hollingsworth
Steve McCarthy, Senate Republican Caucus

Jennifer Galehouse, Policy Unit, Office of the Speaker
Alf Brandt, Consultant, Assembly Water, Parks and Wildlife Committee
Kate Williams, Principal Consultant, Office of Assembly Member Jared Huffman
Doug Haaland, Assembly Republican Caucus

John Moffatt, Chief Deputy Legislative Secretary, Office of the Governor
Secretary Mike Chrisman, Natural Resources Agency
Lester Snow, Director, Dept. of Water Resources

Delta Legislative Package Outstanding Issues

Bay Delta Conservation Plan (BDCP)

This ongoing effort by state and federal agencies, with the support of key environmental groups and water districts, is the foundation to identify a long-term package of water system and ecosystem improvements for the Delta. A Delta legislative package to encourage the success of BDCP must:

- Direct the new Delta Stewardship Council to automatically include BDCP into a new, comprehensive Delta Plan if BDCP meets the highest standard of environmental protection in the state called for in the Natural Communities Conservation Planning (NCCP) Act.

Delta Stewardship Council

Metropolitan supports the creation of a Delta Stewardship Council and direction that the Council prepares a comprehensive Delta Plan that will serve as a guidepost for actions of local, regional and state agencies. To ensure a successful council, the legislation must:

- Specify a Council composition that reflects the statewide significance of the Delta.
- Create a planning and coordinating entity, not a new entity that either duplicates or assumes authorities of state agencies and departments with vital roles in the Delta.
- Provide flexibility for the Council to ultimately choose the best option/mechanism for coordinating with federal agencies with jurisdiction and responsibilities in the Delta.
- Prepare a Delta Plan based on the co-equal goals (ecosystem restoration and water supply reliability) that is a clear and sound direction for state policy and which does not create an “open door” for the courts to reinterpret water rights or state authorities.
- Establish a three-step “consistency review” process for the Council’s new Delta Plan:
 1. State agencies should be required to review and certify that a defined set of actions are consistent with the Delta Plan;
 2. Individuals and stakeholders should have the latitude to challenge an agency certification to the Council; and
 3. The Council should have the authority to, by majority vote, remand those decisions back to the agencies.

Delta Flow Needs

Metropolitan recognizes the importance of establishing new flow requirements for the Delta as a key element of improving the water conveyance system and addressing the health of the estuary. Legislation must:

- Support the plan by state and federal wildlife agencies to study future flow needs for the Delta as part of the Bay Delta Conservation Plan (BDCP) and adjust flows based upon the specific habitat/conveyance plan that BDCP will produce.
- Support the Delta Strategic Plan undertaken by the State Water Resources Control Board (SWRCB), which calls for reviewing new flow regimes and using the SWRCB plan as the foundation for its hearing process.
- Support the existing SWRCB process to enact new flow requirements on specific parties or actions.
- Maintain a balanced approach by the SWRCB to review environmental objectives with beneficial uses of water.

“Watermaster”

Metropolitan supports designating an agent of the State Water Resources Control Board (SWRCB) with the responsibility of monitoring compliance with water right permits, wastewater discharge permits and all matters within the SWRCB’s legal authority. The “watermaster” component is a new and important extension of the SWRCB’s policing power that requires careful attention when defining the scope, authority and process for resolving matters of compliance. The Legislature must:

- Clarify the bill language to strictly define the watermaster’s role as an agent of the SWRCB rather than an independent arbiter outside the SWRCB’s established resolution processes.
- Confine the watermaster’s role to the legal jurisdiction of the SWRCB (e.g. water rights, water quality, etc.) as opposed to enforcement of other state statutes (e.g. California Endangered Species Act) that are under the jurisdiction of other state agencies.

“Reduce Dependence on Delta”

Metropolitan’s existing long-term water management plan does NOT call for additional baseline supplies from the Delta but instead relies on investments in conservation, recycling and other demand/supply strategies. These strategies do assume, however, there is a supply from the Delta that is, on average, comparable to traditional deliveries. To define this goal for a state that faces population growth and growing supply demands, the Legislature must:

- Recognize that reducing dependence on the Delta can be achieved by maintaining traditional deliveries from the estuary while meeting new demands through conservation and new, alternative supplies.

- Recognize that certain hydrologic areas have fewer options to reduce dependence through new supplies.

Finance

Metropolitan has supported efforts by members of the Legislature and Governor Schwarzenegger to authorize a water bond on a future ballot. Metropolitan and other contractors for water from the State Water Project and federal Central Valley Project stand ready to invest billions of their own funds for necessary water system and ecosystem improvements in the Delta. These investments will need matching public funds in order to achieve the broader public objectives of ecosystem recovery and economic vitality in this important region. Legislation to identify financing mechanisms must:

- Identify the public funds necessary to implement broader public benefits within the Bay Delta Conservation Plan (BDCP) that meets the “gold standard” of a Natural Communities Conservation Plan.
- Reflect the timing of funding needs for major capital projects such as surface storage.

Near-Term Actions

Metropolitan has proposed a list of specific actions and studies that can be implemented in the interim to help stabilize conditions while a longer-term Delta Plan is developed by the Council (see attached).

Water Use Efficiency

Metropolitan continues to support legislation to advance the call for 20% efficiency in water use by 2020. AB 49 identifies a workable, quantifiable method for improving water use efficiency on a statewide basis. This measure is an important step forward in addressing the need to lower per-capita water use throughout the state. Additionally, the measure provides a flexible framework for urban retail water agencies to select an approach that is feasible and cost effective for their respective service areas. AB 49 will ensure that water use efficiency targets equitably address different hydrologic regions; weather and business cycles; appropriate application of credit for past conservation and recycling investments; and utilization of existing mechanisms to ensure reporting and accountability.

Water Use Reporting/Groundwater Management

Metropolitan is a sponsor of AB 900 by Assembly Member Kevin DeLeon which would eliminate longstanding exemptions to the measurement and reporting of water use in the Delta watershed (particularly within the Delta itself). The collection of comprehensive data on surface water use is essential for the State Water Resources Control Board to ensure that water uses are consistent with established water rights.

The groundwater monitoring/reporting and water rights enforcement amendments are important topics, but less relevant directly to Metropolitan. Because groundwater basins are largely adjudicated in our service area, the groundwater management proposals are not likely to directly affect Metropolitan and our member agencies. However, Metropolitan supports the goal of improved groundwater water management as a statewide objective.

Delta Conservancy and Delta Protection Commission

Metropolitan supports the creation of a new Delta Conservancy in order to coordinate habitat restoration and management under a single state entity. Delta Conservancy legislation must:

- Provide the authority to purchase land in fee-title, with no restrictions on the length of ownership.
- To the extent funds are made available, direct the Conservancy to assist in BDCP-related habitat projects without transferring legal responsibility to the Conservancy to implement the BDCP.
- Provide tools for the Conservancy to effectively work with local interests in carrying out the responsibilities of the Conservancy.

Metropolitan supports the Delta Protection Commission (DPC) and its role in local land use planning and decision-making. The DPC, under its current authority, can play a role in meeting the goals of the Delta Plan

**Proposed "Near-Term Actions" Language
September 3, 2009**

85084. The council shall develop an interim plan that includes recommendations for early actions, projects, and programs including, but not limited to, the following:

- (a) Develop and implement an interim finance strategy for developing the Delta Plan.
- (b) Commence study of the transfer of the State Water Project to a separate public agency or utility.
- (c) Submission to the board, by April 1, 2010, of information and any recommendations by the Department of Fish and Game, consistent with the board's determinations of instream flow needs in the Delta pursuant to Section 85086. The information shall include only information in its possession that the Department of Fish and Game deems reliable.

85085. The department shall do all of the following:

- (a) Coordinate with the Department of Fish and Game, the board, regional boards and the State Lands Commission efforts to cooperate with the United States Bureau of Reclamation to construct and implement the Two Gates Fish Protection Experiment by December 1, 2009. The Two Gate Fish Protection Experiment is anticipated to develop an effective strategy for managing turbidity as a means to improve habitat and reduce conflict between water exports and fish, including the Delta smelt.
- (b) Implement, in coordination with the Department of Fish and Game early action ecosystem restoration projects including, but not limited to, Dutch Slough, Lower Yolo Bypass and Suisun Marsh tidal marsh restoration.
- (c) Conduct an evaluation of a demonstration fish protection project for screens at Clifton Court Forebay by July 1, 2010.
- (d) Install non-physical fish protection barriers in strategic locations in the Delta to improve salmon survival.

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CHINO BASIN WATERMASTER

III. REPORTS / UPDATES

D. INLAND EMPIRE UTILITIES AGENCY

3. Water Resources & Conservation Programs
Monthly Report
4. Monthly Water Use Report
5. Recycled Water Newsletter
6. State and Federal Legislative Reports
7. Community Outreach/Public Relations Report
8. Peace II Schedule



CHINO BASIN WATERMASTER

ADVISORY COMMITTEE

September 24, 2009

AGENDA

INTERAGENCY WATER MANAGERS' REPORT

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

Discussion Items:

- IEUA Recycled Water Program Update (oral)
- IEUA's Drought Plan Update (oral)

Written Items:

- Water Resources & Conservation Programs Monthly Report
- Monthly Water Use Report
- Recycled Water Newsletter
- State and Federal Legislative Reports
- Community Outreach/Public Relations Report
- Peace II Schedule

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Water Resources and Conservation Programs

Monthly Report

AUGUST 2009 (REPORTING JULY 2009 DATA)

Highlights

MWD Drought Update
..... Page 1

IEUA Water Supply
News Page 1

IEUA Water Supply
Programs Page 2

MWD Conservation Pro-
gram News Page 3

Conservation Activities &
Outreach Page 4

Conservation Legislation,
Grants & Policies Page 5

Rebates Issued and Wa-
ter Savings Page 6

Calendar of Events
..... Page 7

Links

Department of Water
Resources
<http://www.water.ca.gov/>

Metropolitan Water Dis-
trict <http://mwdh2o.com/>

Water conservation
[http://
www.bewaterwise.com](http://www.bewaterwise.com)

IEUA
<http://www.ieua.org>

Save Our Water Pro-
gram
www.saveourh2o.org

Global Climate Change Notes

El Niño like conditions continue to persist across the equatorial Pacific Ocean. The planet's ocean surface temperature was the warmest on record for July, breaking the previous high mark established in 1998.



Arctic sea ice covered 3.4 million square miles during July—12.7 % below the 1979-2000 average extent and the third lowest July sea ice extent on record, behind 2007 and 2006.

Water Supply News

With the July 1 kick-off of MWD's Water Supply Allocation Plan (WSAP) and with conservation efforts at their highest, MWD saw a 23% decrease in imported water sales in July 2009 compared to July 2008.



IEUA and its member agencies have developed a tracking system to help ensure compliance with MWD's WSAP. Tracking water use, both local and imported supplies, will be key in avoiding MWD penalties.

JULY MWD AREA WATER SALES DOWN 23% !!!

With most of the data in for May and June, IEUA member agencies' overall water use over the past twelve months is down an estimated 5% to 10% compared to the previous twelve months.

IEUA OVERALL WATER USE DOWN 5-10%!!!

Since April 2009, IEUA and member agencies have worked collaboratively on the development of a short-term "Interim" Water Use Efficiency (WUE) Business Plan. The Plan captures strategies and activities that will occur from now through June 30, 2010 and provides analysis for each member agency of current compliance with AB 1420 and CUWCC Best Management Practices. The draft Plan was presented to the IEUA Board in August and the final Plan will be available on the IEUA web site once it is adopted (scheduled for September 2, 2009).

The Bureau of Reclamation's Title XVI Program (American Reinvestment & Recovery Act) awarded \$135 million throughout the western United States. More than 70% (\$94.5 million) has been directed towards water projects within the MWD six-county service area. Out of that \$94.5 million, IEUA received \$50 million that will allow the completion of several recycled water projects, Prado Basin cleanup and restoration projects, and the Magnolia Channel improvements.

IEUA Water Supply Programs



Imported Water Deliveries

For the month of July, IEUA purchased 20,385 acre feet (AF) of Tier I water, increasing the cumulative total for the calendar year to 32,891 AF (see graph below).

Dry Year Yield (DYY) Program

IEUA retail agencies have met their DYY Program obligations for the year ending in April 2009. DYY participants certified they pumped 30,508 AF (98% of IEUA's obligation of 31,000 AF) from the groundwater storage account. MWD imported water deliveries were reduced by 30,581 AF (99% of IEUA's obligation of 31,000 AF).

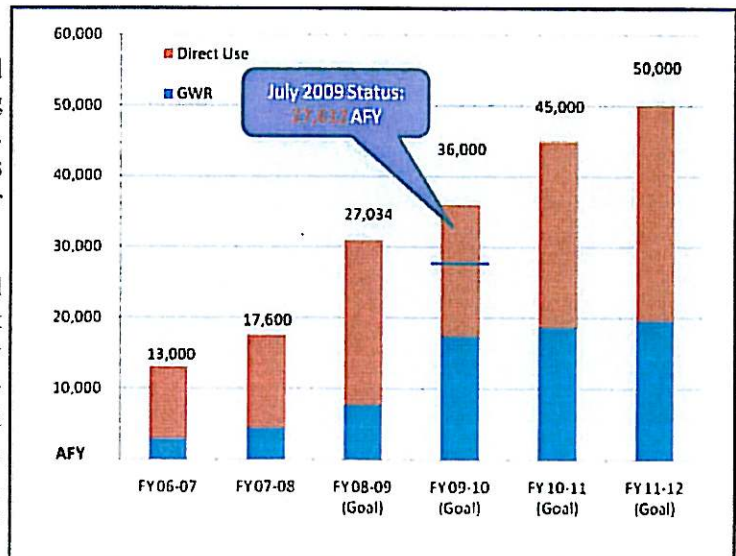
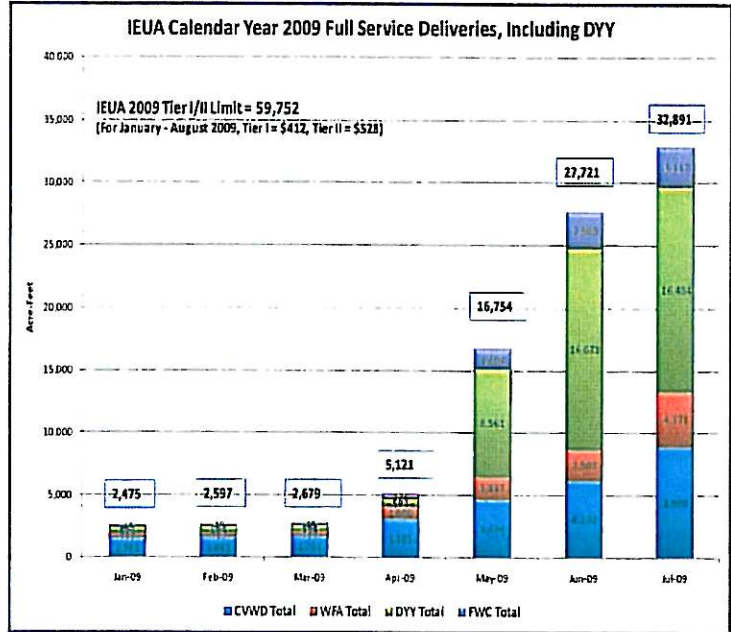
Chino Desalter Authority (CDA)

For the month of July, the two desalters produced 2,066 AF of water (of which 1,198 AF was delivered to IEUA retail agencies). The current production capacity is 24,600 AFY and it is scheduled to be expanded to approximately 40,000 AFY by 2012, with the implementation of CDA Phase III.

Recycled Water Program

For the month of July, 578 AF of recycled water demand was connected, bringing the total connected demand 27,612 AFY. Another 7,500 AFY of new customers will be connected during the next four months!

On Thursday, September 3, 2009, IEUA and the Cucamonga Valley Water District will hold the groundbreaking ceremony for the Northeast Regional Recycled Water Program. The event will take place at Victoria Gardens beginning at 10:00 a.m. For more information, or to RSVP, please call Sondra Elrod at 909-993-1747. selrod@ieua.org.



Conservation Program News



MWD Conservation Programs

All MWD Conservation Programs remain on hold until further notice. Over the last month, MWD staff have been working internally to develop program implementation strategies that will allow the CII Save-A-Buck and Residential So-Cal Water Smart Program to run concurrently and operate throughout the entire 2009-2010 budget year.

MWD Staff presented a PowerPoint on the status of the Conservation Credits Program for the August 18, 2009 MWD Board Meeting. The presentation provided a recap of activities that occurred since the last Board Action was taken and the direction staff will be taking when the conservation programs resume.

Long-Term Water Use Efficiency Business Plan

Based on recommendations made by the Conservation Workgroup made up of IEUA and member agencies, the IEUA Board approved the award of a contract to Maureen Erbeznik & Associates for the development of a long-term Water Use Efficiency Business Plan. The intent of the long-term plan is to ensure future compliance with AB 1420 and pending legislation and to provide the framework and tools to make sound decisions in the investment and implementation of cost-effective conservation programs. The long-term plan will be incorporated into the 2010 Urban Water Management Plan.

Pervious Concrete Workshop and Grant

Applications for the Pilot Pervious Concrete Rebate Program which will explore the feasibility of Pervious Concrete Rebate Program for projects that enhance groundwater infiltration are under evaluation. Once installed, projects will be monitored for one year to gather data on the amount of infiltration occurring at various sites.

Adjacent is a picture of a demonstration which was part of the pervious concrete workshop held on June 25th at IEUA, showing water draining rapidly through pervious pavement. In the future, IEUA will be hosting Pervious Contractor Training workshops for professionals. The contact person is: Larry Maes, Southern California Concrete Producers (714-932-7782).



Annual San Bernardino County/Building Industry Association Water Conference

IEUA was a sponsor of the 3rd Annual San Bernardino County/Building Industry Association Baldy View Chapter Water Conference held on August 20, 2009 at the Ontario Convention Center. Richard Atwater was a panelist and he provided the Chino Basin story with an emphasis on local supplies, recycled water, desalination, storm water capture and water conservation and their impact on minimizing the need for expensive imported water.

Conservation Legislation

The legislature has been working on a plan to overhaul California's water system that includes a dramatic boost in conservation. A package of five bills known as the "Delta Package" will go before a joint Senate-Assembly policy committee for information hearings on August 18, 2009. The package includes AB 49 which, along with SB 261, addresses the Governor's call for a 20% reduction in per capita water use by 2020. The 2009 legislative session will close on September 11, 2009 and due to continuing State Budget issues, both bills may be deferred until the 2010 legislative session.

Conservation Activities and Outreach

Inland Empire Landscape Alliance

The U.S. Bureau of Reclamation has approved funding for the development of a landscape design workbook. The most recent Landscape Technical Committee meeting was held on August 27th at IEUA Headquarters.

Landscape Evaluation and Audit Program

Chino Basin Water Conservation District's (CBWCD) audit program is now in Phase III. In this phase, 180 landscape audits have been completed with a potential savings of 1,205 AFY. This is in addition to 1,200 AFY in Phase II. There are currently two sites scheduled for auditing, 21 sites awaiting scheduling, and 150 release forms pending processing. CBWCD will be hosting California Friendly Landscape Professional Classes sponsored by the district in English and Spanish in the Fall.

Water Wise Residential Landscape Program



The Water Wise Program concluded on July 31, 2009 with 137 applicants successfully completing their landscape conversions for a total aggregated amount of 174,311 square-feet of turf removed since program inception. The cumulative total of turf removed represents an annual water savings of 24.4 AF.

Garden in Every School®

All FY 08/09 gardens have been completed, aside from Anna Borba Elementary School (Chino). The Anna Borba garden is on hold as the campus is relocating. Program staff have completed garden designs for the FY 09/10 program and finalized garden locations. School maintenance districts are in the process of clearing the sites for irrigation installation.



National Theatre for Children (NTC)

NTC staff prepared and mailed introduction materials to school representatives throughout the service area for participation in FY 2009-2010. Scheduling for the Fall session is ongoing and performances are anticipated to be held in October and November. A home water survey will be distributed to students and parents through the NTC presentations.

Public Outreach Activities

From June through October 2009, MWD's water awareness 30-second TV ad will run in 71 movie theatre screens throughout the service area. A 1/4 page conservation ad will run monthly in the Fontana Herald News, Champion Newspapers, La Opinion Newspaper and the Inland Empire Magazine. We will continue to run our monthly conservation tip in the Daily Bulletin as well as our full page ads. Staff is working with ACWA to use their logo Save Our Water on billboards throughout the service area. The two page ad in the Go Green section of the Daily Bulletin ran July 31. There was also a one page article in the Go Green section on the RW tour provided for U.S. Senator Feinstein's field representative, Chris Carrillo.

Rebates Issued and Water Savings

MWD SoCal WaterSmart & Save-A-Buck Programs

Table I summarizes the rebates provided through July 2009 for the Save-A-Buck Program (CII and Multi-family Residential) and the SoCal WaterSmart Program. Overall, 52,203 devices/rebates were issued under these programs since their inception, for a total annual water savings of 3,515 acre-feet per year.



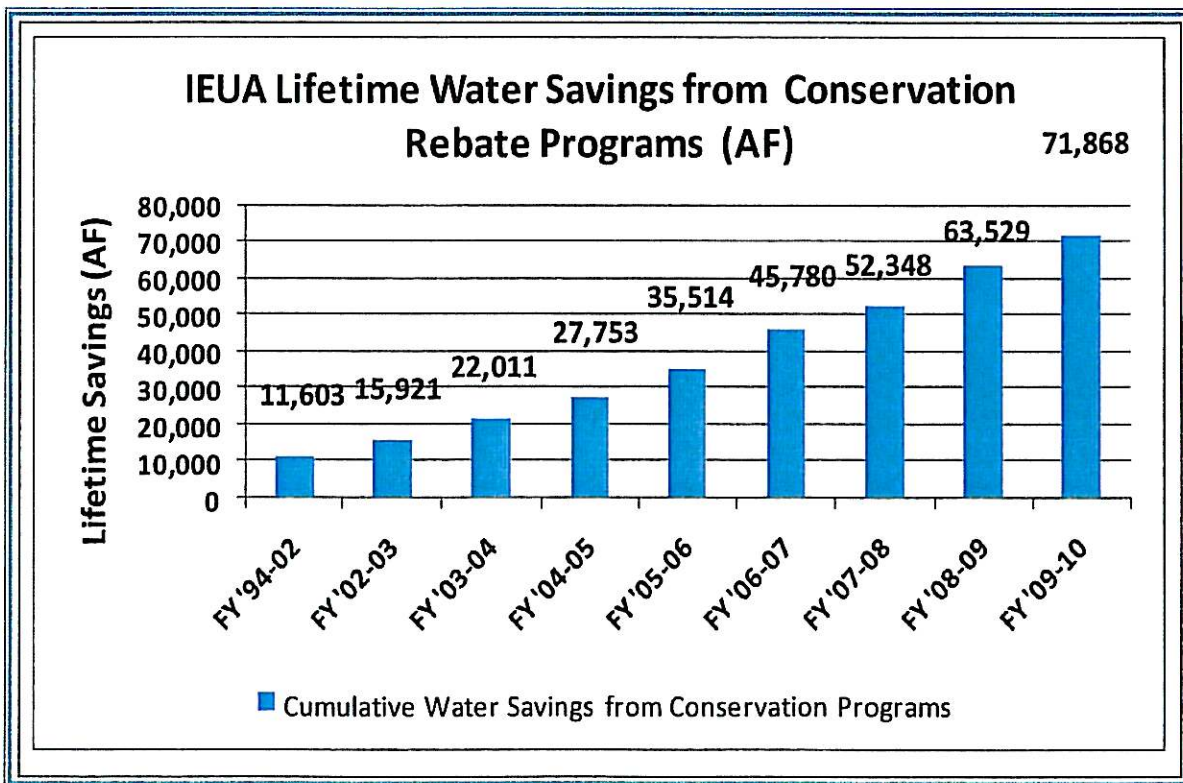
MWD Public Agency Sector Rebate Program



The MWD Public Agency Sector Rebate Program has officially ended effective July 2009. The total funding received by public agencies within the IEUA service area has been \$2,612,227 (Table II below). Overall, 906 devices have been funded, representing an annual water savings of 575 acre-feet per year, or a savings of 5,702 acre feet over the lifetime of the devices.

Cumulative Water Savings

The cumulative expected lifetime water savings from the water conservation devices that have been installed in the service area through rebates currently totals 71,868 acre feet. The Lifetime Water Savings graph illustrates the growth trend in water savings due to rebate and retrofit programs. It does not include the savings from public educational and outreach programs, which are difficult to quantify. Additional details on rebates and retrofits are provided in Tables I and II on the next page.



MWD Public/Private and Public Agency Rebate Programs

TABLE I—MWD Public/Private Sector Rebate Programs

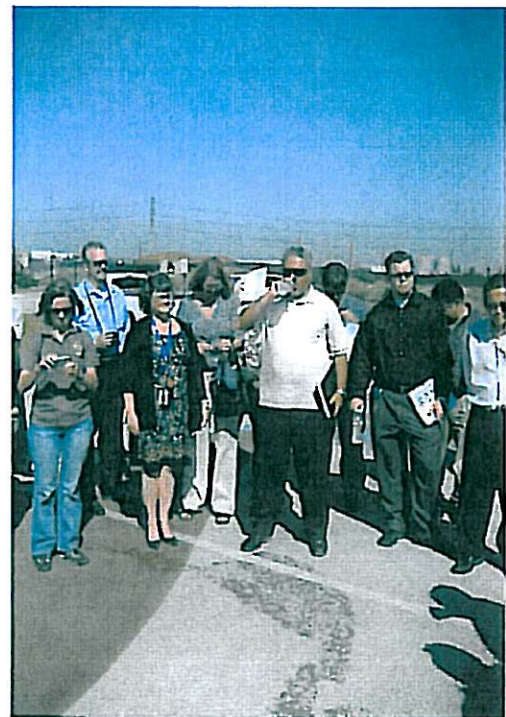
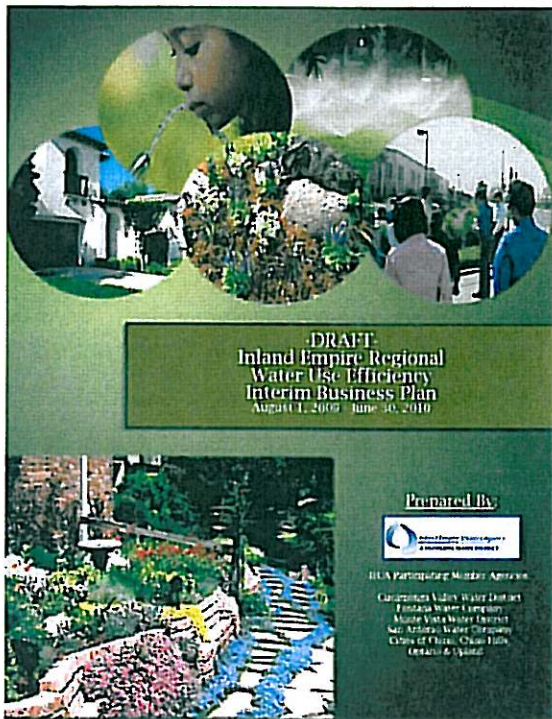
Device Name	Current Fiscal Year through July '09		Since Program Inception	
	# Devices Installed	Equivalent Annual Water Savings (AFY)	Cumulative # Devices Installed	Equivalent Annual Savings (AFY)
Commercial, Industrial, Institutional Program				
High-Efficiency Clothes Washers	0	0.0	466	39.4
Multi-Family High-Efficiency Clothes Washers	0	0.0	11	0.9
Cooling Tower Conductivity & pH Controllers	0	0.0	28	18.0
Ultra-Low-Flush Toilets	0	0.00	1,895	657.6
ULFT Flushometers	0	0	4	0.3
High-Efficiency Toilets	0	0	3,383	143.8
Zero Water Urinals	0	0	1,182	144.8
High-Efficiency Urinals	0	0	8	0.5
Weather-Based Irrigation Controllers	0	0	37	24.1
Rotating Nozzles for Pop-Up Spray Heads	0	0.0	183	15.5
Synthetic Turf for CII (rebates)	0	0	5	4.7
High-Efficiency Nozzles for Large Rotary	0	0	120	21.6
Dry Vacuum Pumps	0	0	0	0
Steam Sterilizer Retrofits	0	0	0	0
Pre-Rinse Spray Head (PRSH)	0	0.0	33	8.4
Water Broom	0	0.0	701	107.5
X-Ray Recirculation Units	0	0	11	35.2
Subtotal	0	0.0	8067	1222.3
Multi-Family Direct-Install Program				
Ultra Low-Flush Toilets	0	0	14,283	495.6
High-Efficiency Toilets	0	0.0	1744	74.1
Subtotal	0	0.0	16,027	569.7
Residential Program				
Ultra Low-Flush and High Efficiency Toilets	2314	80.3	13,883	481.7
High-Efficiency Clothes Washers	1300	110.0	10,860	918.8
Weather-Based Irrigation Controllers	12	7.8	404	262.6
Rotating Nozzles for Pop-Up Spray Heads	30	0.1	2,652	10.6
Synthetic Turf Retrofit (rebates)	92	11.1	173	24.8
Water-Wise Residential Landscape Retrofit Program (rebates)	0	0.0	137	24.4
Subtotal	3748	209.3	28,109	1722.9
TOTALS	3748	209.3	52203	3515.0

TABLE II---MWD Public Agency Sector Rebate Program (February 2008 - Present)

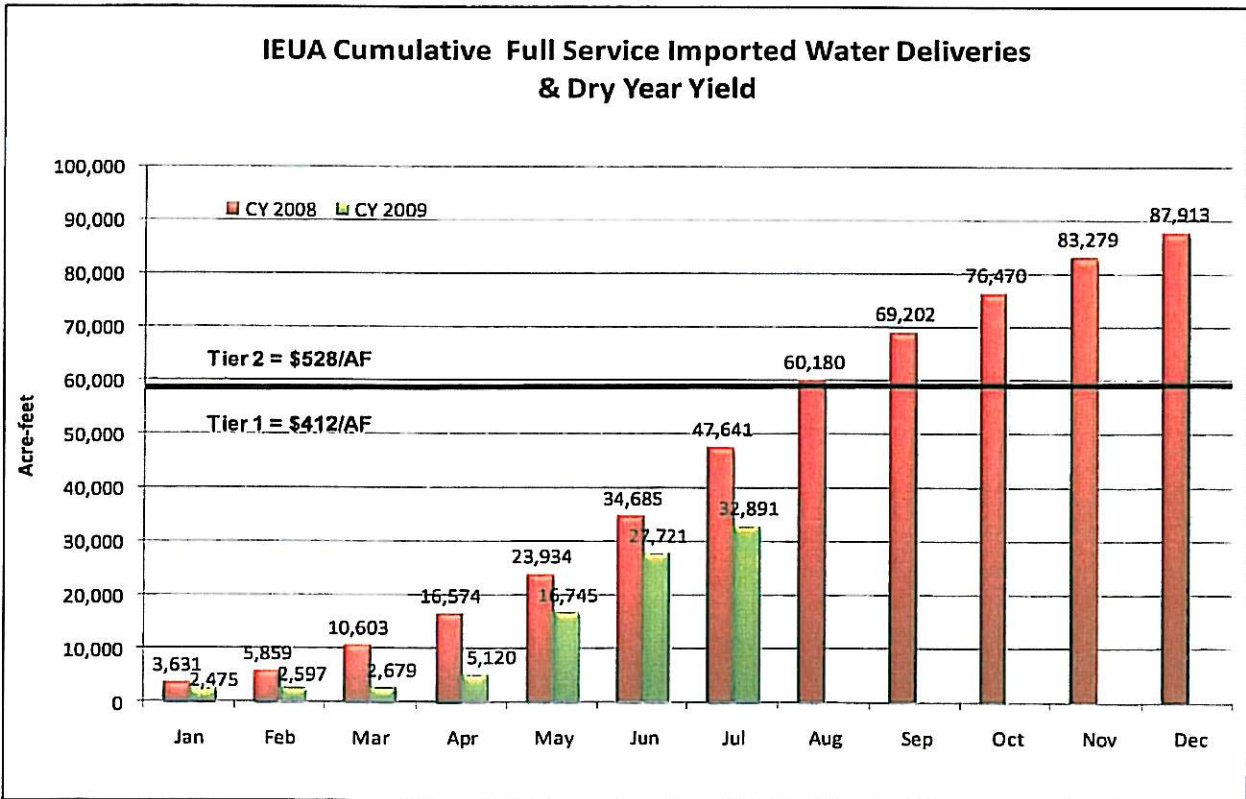
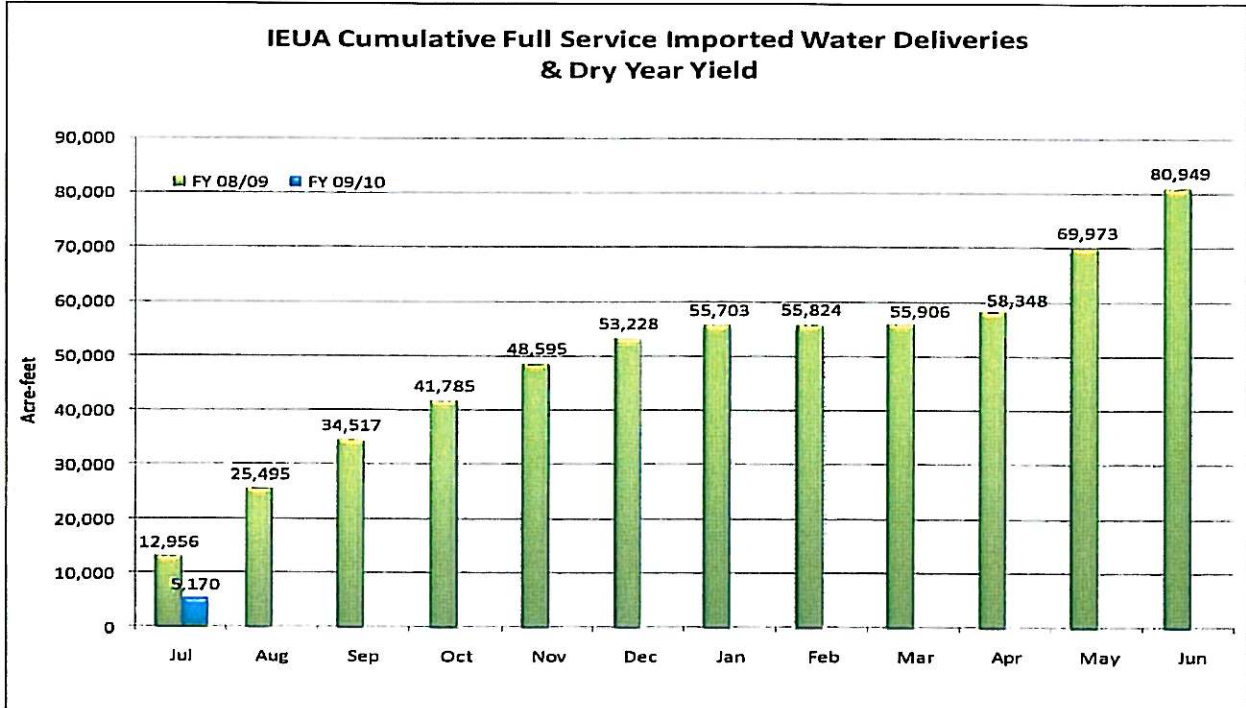
Customer	Device Quantity	Award	Annual Water Savings (AFY)	Lifetime Water Savings (AF)
City of Ontario	72	\$445,540.02	95.8	956.9
Chino Valley Unified School District (Cities of Chino, Chino Hills, Ontario)	277	\$361,575.50	123.5	1260
Cucamonga School District	10	\$10,547.13	7.7	76.9
Central School District	32	\$31,619.94	11.9	119.3
Elizavinda School District	39	\$125,266.55	32.2	321.8
Chaffey Joint Union School District (City of Ontario, CVWD, MVWD)	56	\$222,832.50	45.5	454.3
Monte Vista Water District	6	\$2,356.46	0.4	8.3
Alta Loma School District	22	\$36,338.62	16.7	166.7
City of Fontana	9	\$94,057.50	18.8	188.1
Upland Unified School District (Cities of Chino, Chino Hills, Ontario)	51	\$54,457.74	23.5	234.6
City of Chino Hills	302	\$897,425.00	188.5	1894.9
TOTALS	906	\$2,672,227	573.4	5,702

Calendar of Upcoming Events and Meetings

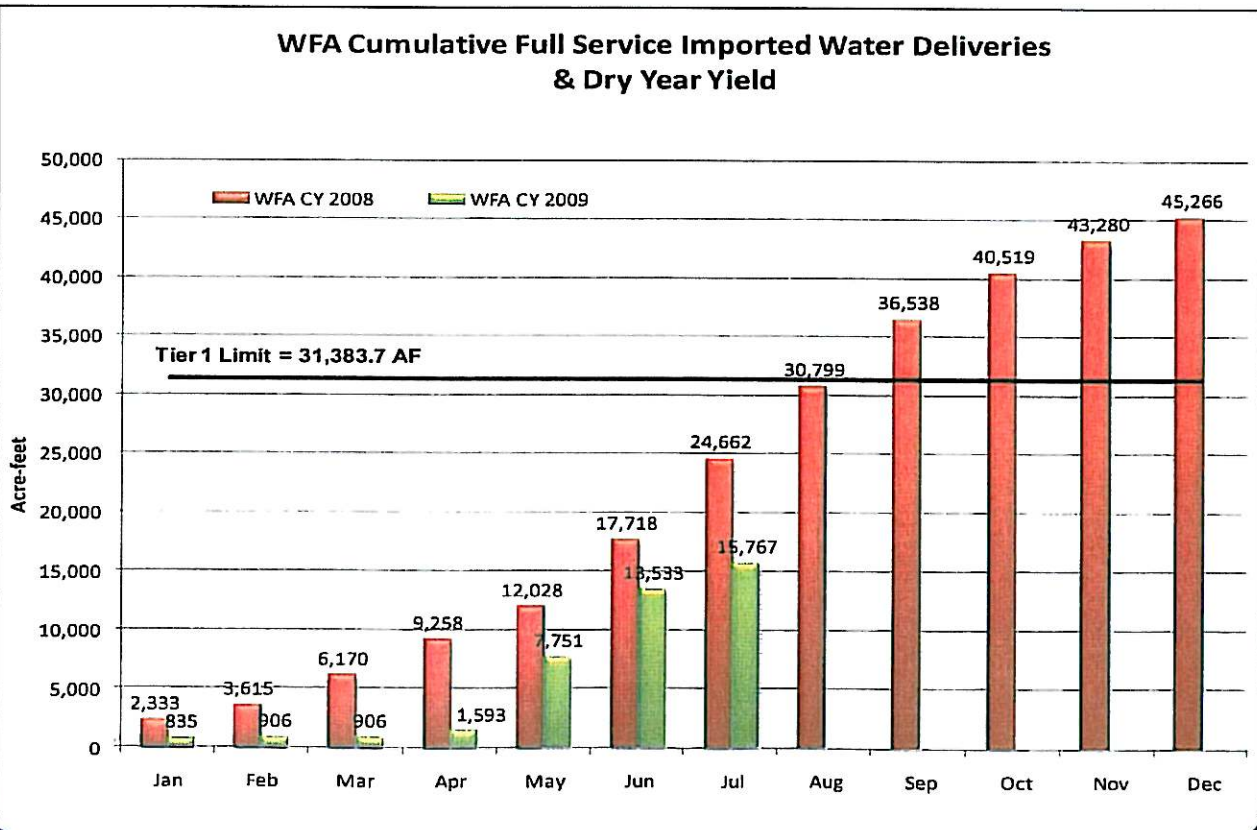
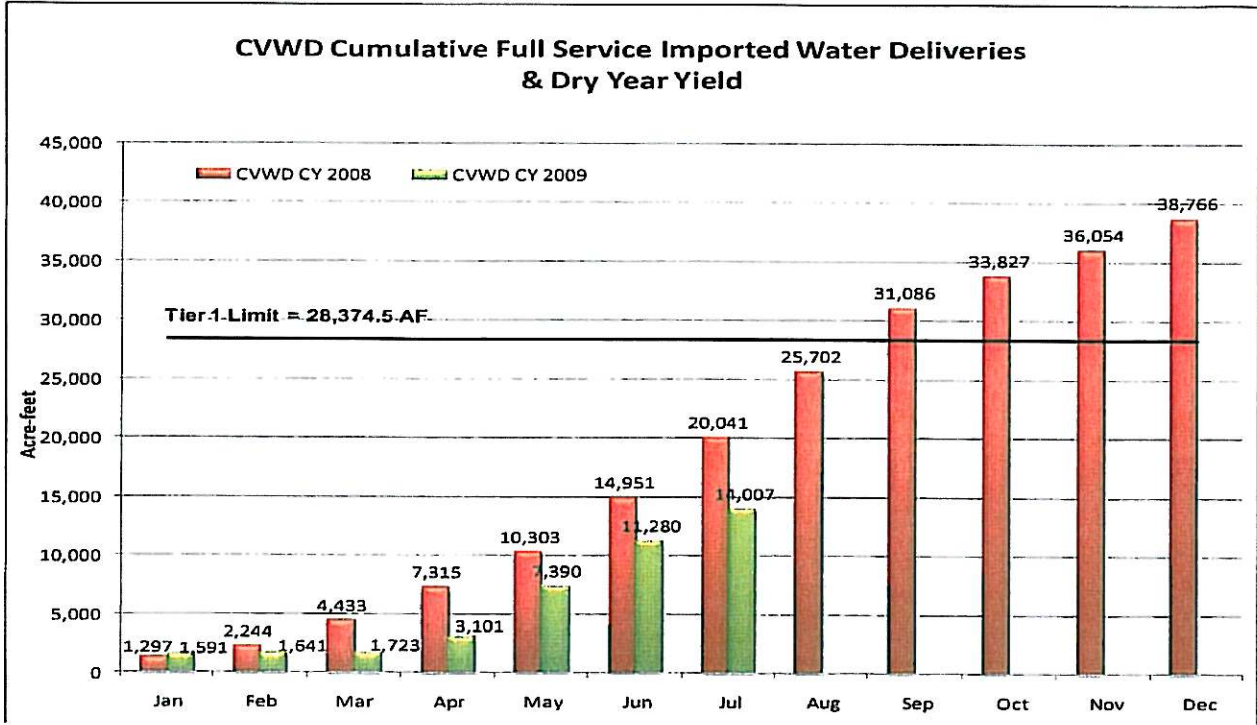
September 3, 2009	North East Regional Recycled Water Program Groundbreaking, Victoria Gardens, Rancho Cucamonga, 10:00 am
September 25, 2009	City of Chino Hills Day at the Fair, LA County Fair
September 26, 2009	Bird Festival, Chino Creek Wetlands and Educational Park (9:00 am—12:00 pm)
October 1, 2009	Project WET Workshop (CVWD, 9:00 am - 3:00 pm)
October 3, 2009	Volunteer Work Party and Herbarium Workshop, Chino Creek Wetlands and Educational Park/SAWA Interpretive Center (8:30 am—11:30 am)
October 24, 2009	Regional Water Fair (CBWCD, 9:00 am—2:00 pm)
October 26, 2009	Project Webfoot Workshop (IEUA Event Room, 9:00 am—3:00 pm)
November 18, 2009	Landscape Alliance Board Meeting (IEUA Board Room, 3:00 pm—4:00 pm)



Imported Water Deliveries

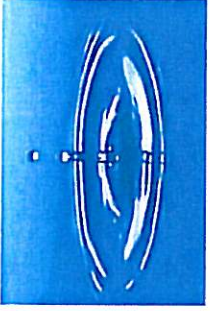


Imported Water Deliveries (Continued)



Summary of 2008 & 2009 Imported Water Purchases

2008 Imported Water Sales													
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Water Facilities Authority													
Direct Deliveries	2,333	1,282	2,555	3,088	1,332	1,682	2,730	3,450	2,913	2,836	1,444	1,060	26,705
Dry Year Yield					1,438	4,008	4,214	2,686	2,827	1,145	1,317	926	18,561
Sub-Total	2,333	1,282	2,555	3,088	2,770	5,690	6,944	6,136	5,740	3,981	2,761	1,986	45,266
Cucamonga Valley Water District													
Direct Deliveries	1,297	947	2,189	2,883	2,988	3,046	3,074	3,129	2,857	2,741	2,182	1,213	28,546
Dry Year Yield					1,603	2,016	2,532	2,527	0	44	1,499	1,131	11,352
Sub-Total	1,297	947	2,189	2,883	4,591	5,062	5,606	5,656	2,857	2,785	3,681	2,344	39,898
Fontana Water Company													
Direct Deliveries	0	0	0	0	0	15	406	747	426	501	369	303	2,767
Sub-Total	0	0	0	0	0	15	406	747	426	501	369	303	2,767
Inland Empire Utilities Agency													
Direct Deliveries	3,631	2,229	4,744	5,971	4,320	4,743	6,210	7,326	6,196	6,078	3,995	2,576	58,018
Dry Year Yield	0	0	0	0	3,041	6,024	6,746	5,213	2,827	1,189	2,816	2,057	29,913
TOTAL	3,631	2,229	4,744	5,971	7,360	10,767	12,956	12,539	9,023	7,267	6,811	4,633	87,931
2009 Imported Water Sales													
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Water Facilities Authority													
Direct Deliveries	312	0	0	687	844	660	1,868						4,371
Dry Year Yield	522	71	0	0	5,314	5,122	366						11,396
Sub-Total	834	71	0	687	6,158	5,782	2,234	0	0	0	0	0	15,766
Cucamonga Valley Water District													
Direct Deliveries	1,591	50	82	1,378	1,635	1,535	2,728						8,999
Dry Year Yield	0	0	0	0	2,654	2,355	0						5,009
Sub-Total	1,591	50	82	1,378	4,289	3,890	2,728	0	0	0	0	0	14,007
Fontana Water Company													
Direct Deliveries	49	0	0	376	1,179	1,304	208						3,117
Sub-Total	49	0	0	376	1,179	1,304	208	0	0	0	0	0	3,117
Inland Empire Utilities Agency													
Direct Deliveries	1,952	50	82	2,441	3,658	3,499	4,804						16,486
Dry Year Yield	522	71	0	0	7,968	7,477	366						16,404
TOTAL	2,474	121	82	2,441	11,625	10,976	5,170	0	0	0	0	0	32,890



IEUA Monthly Water Use Report – September 2009

The purpose of this report is to track IEUA and its member agencies water use on a monthly basis. Over the next 12 months, tracking water use will be essential to complying with the Drought Allocation Plan, Dry Year Yield Program and Tier I/Tier II limit.

Below is a summary of current water use and programs that IEUA and its member agencies are participating in. Attached are several tables and graphs representing overall water use and imported water purchases.

OVERALL WATER USE DOWN 10%!!!

Imported Water Deliveries

For the month of August, IEUA purchased 4,966 acre feet (AF) of Tier I water, increasing the cumulative total for the calendar year to 37,857.9 AF. This is 63% of IEUA's Tier I allocation of 59,792 AF.

Dry Year Yield (DYY) Program

There were no DYY certifications in August. DYY participants have certified 15,811AF (54% of IEUA's obligation of 31,000 AF).

Recycled Water Program

During the month of July, IEUA sold 2,804 AF (1,936 AF = direct sales, 90 AF = recharge, 771 AF = plant use). As of August 2009, IEUA has connected 27,832 AF of recycled water demand. IEUA is implementing a 3-Year Business Plan that will increase recycled water connected capacity to 50,000 AFY by 2010.

Chino Desalter Authority (CDA)

For the month of August, the two desalters produced 2,270 AF of water (of which 1,300 AF was delivered to IEUA retail agencies). The current production capacity is 24,600 AFY, and it is scheduled to be expanded to approximately 40,000 AFY by 2012, with the implementation of CDA Phase III.

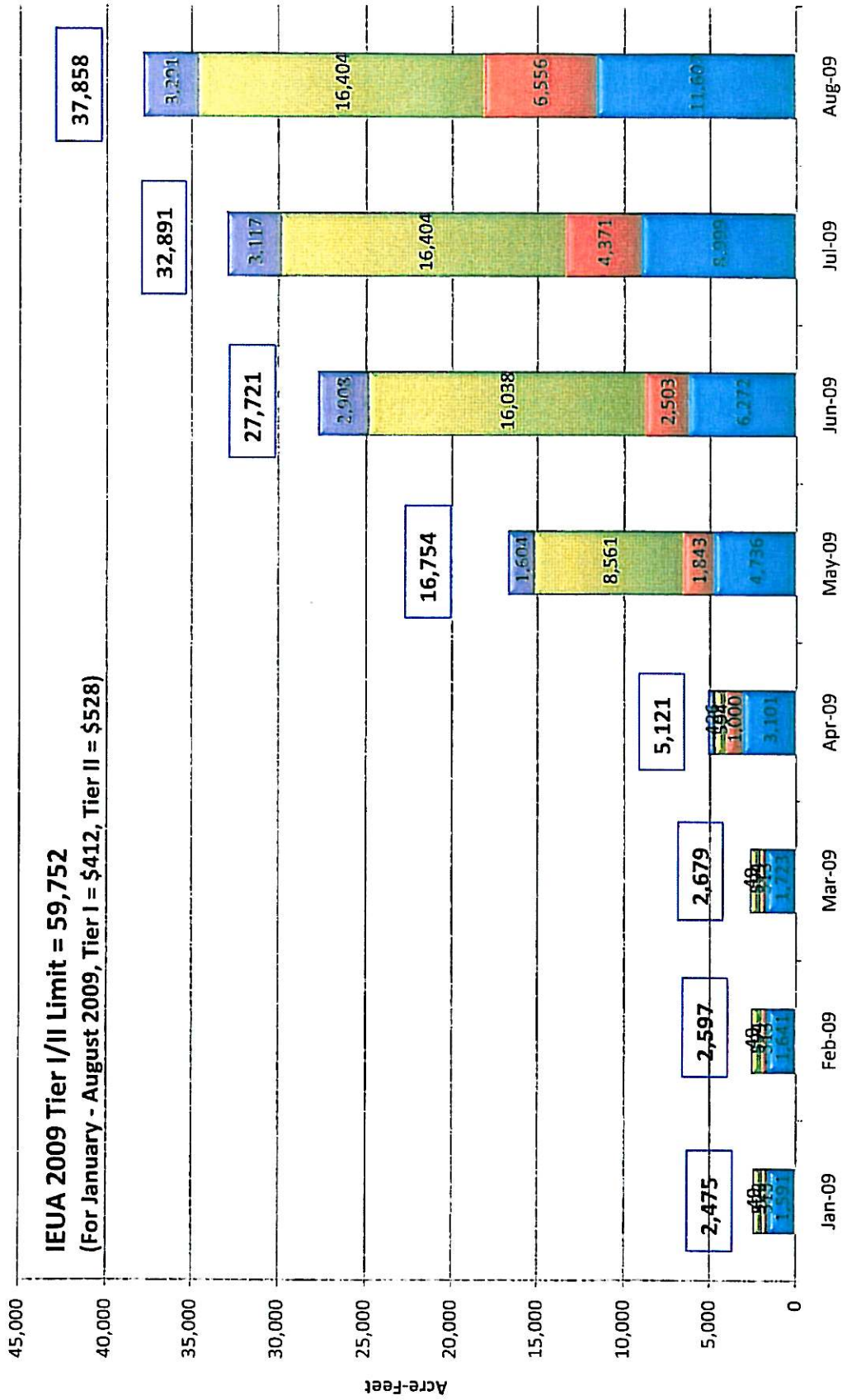
Attachments

- Attachment 1 – IEUA Calendar Year 2009 Full Service Deliveries, Including DYY (Graph)
- Attachment 2 – IEUA Cumulative Full Service Imported Water Deliveries & Dry Year Yield (Graph)
- Attachment 3 – IEUA Cumulative Full Service Imported Water Deliveries & Dry Year Yield (Graph)
- Attachment 4 – WFA Cumulative Full Service Imported Water Deliveries & Dry Year Yield (Graph)
- Attachment 5 – WFA 2009 Imported Water Deliveries (Graph)
- Attachment 6 – CVWD Cumulative Full Service Imported Water Deliveries & Dry Year Yield (Graph)
- Attachment 7 – CVWD 2009 Imported Water Deliveries (Graph)
- Attachment 8 – FWC Cumulative Full Service Imported Water Deliveries (Graph)
- Attachment 9 – IEUA Imported Water Sales (Table)

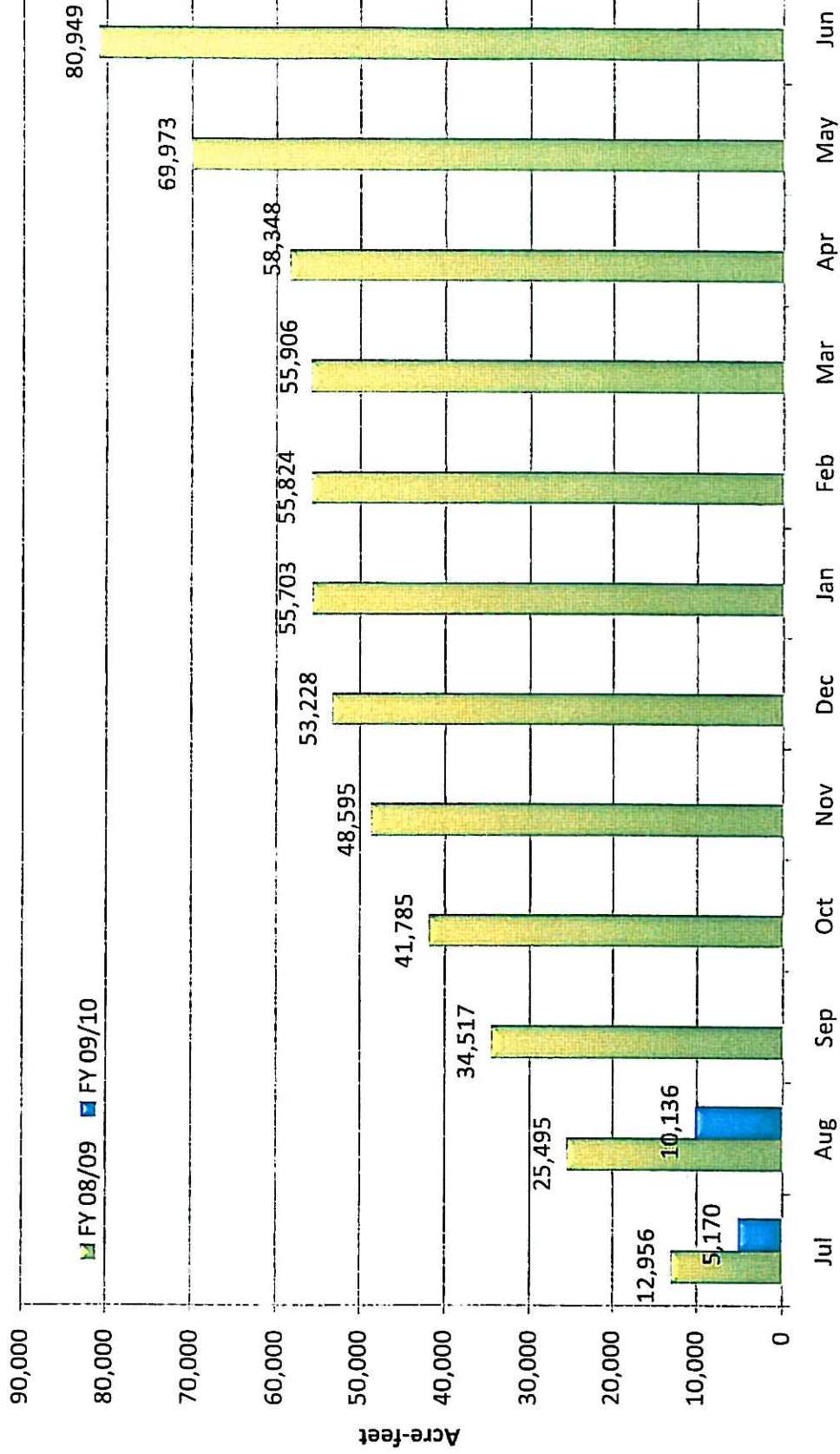
Attachment 1

IEUA Calendar Year 2009 Full Service Deliveries, Including DYY

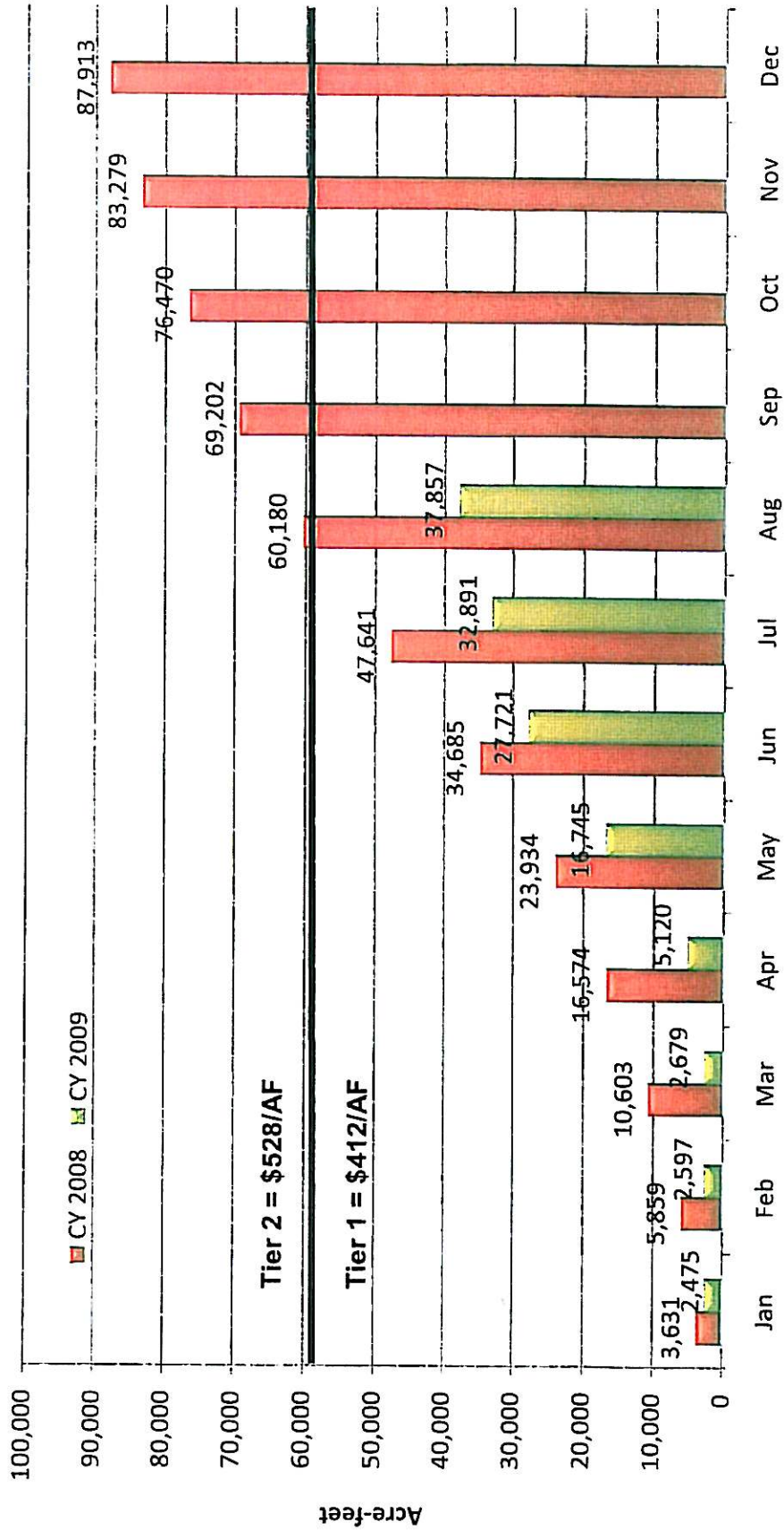
IEUA 2009 Tier I/II Limit = 59,752
 (For January - August 2009, Tier I = \$412, Tier II = \$528)



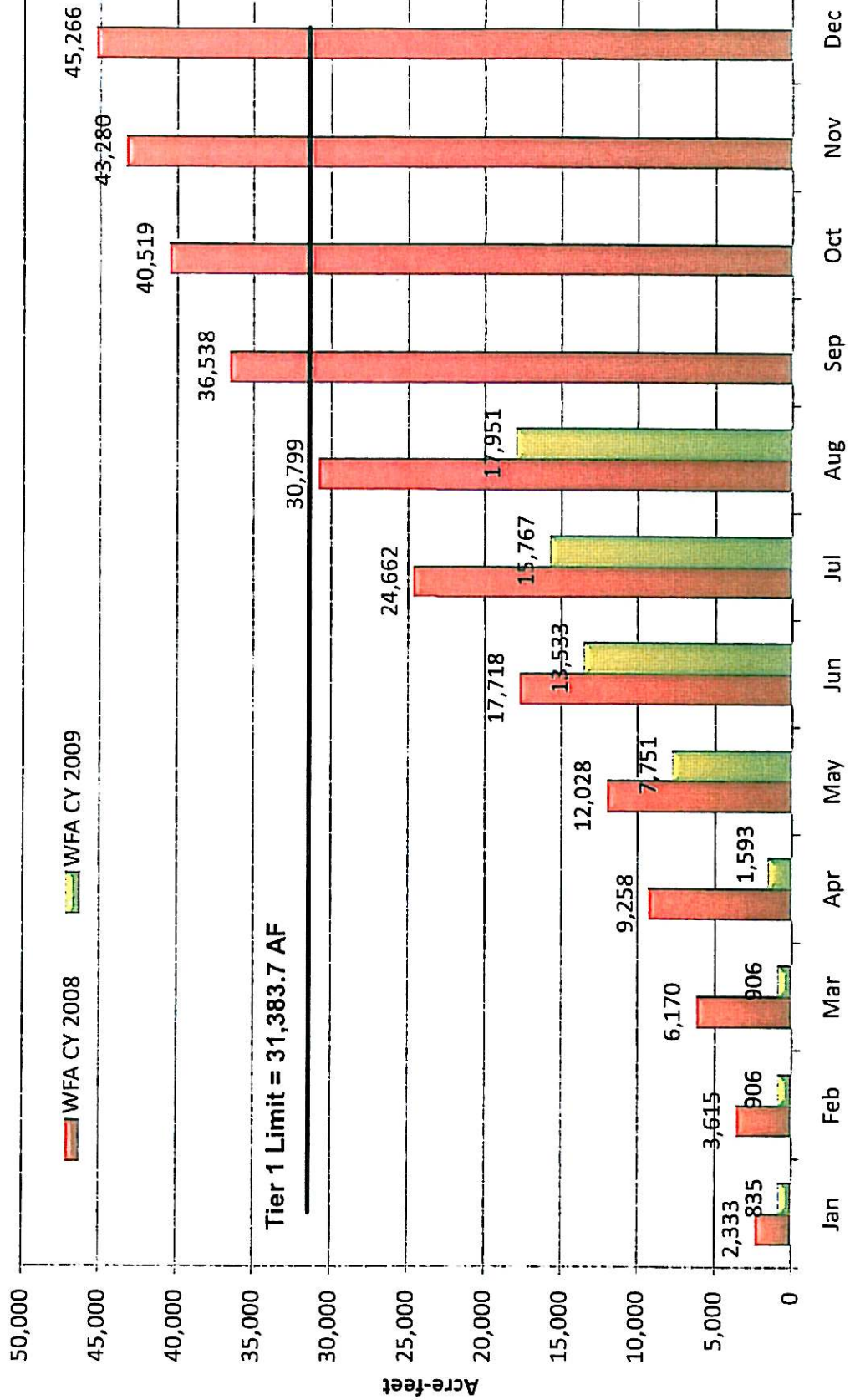
Attachment 2 IEUA Cumulative Full Service Imported Water Deliveries & Dry Year Yield



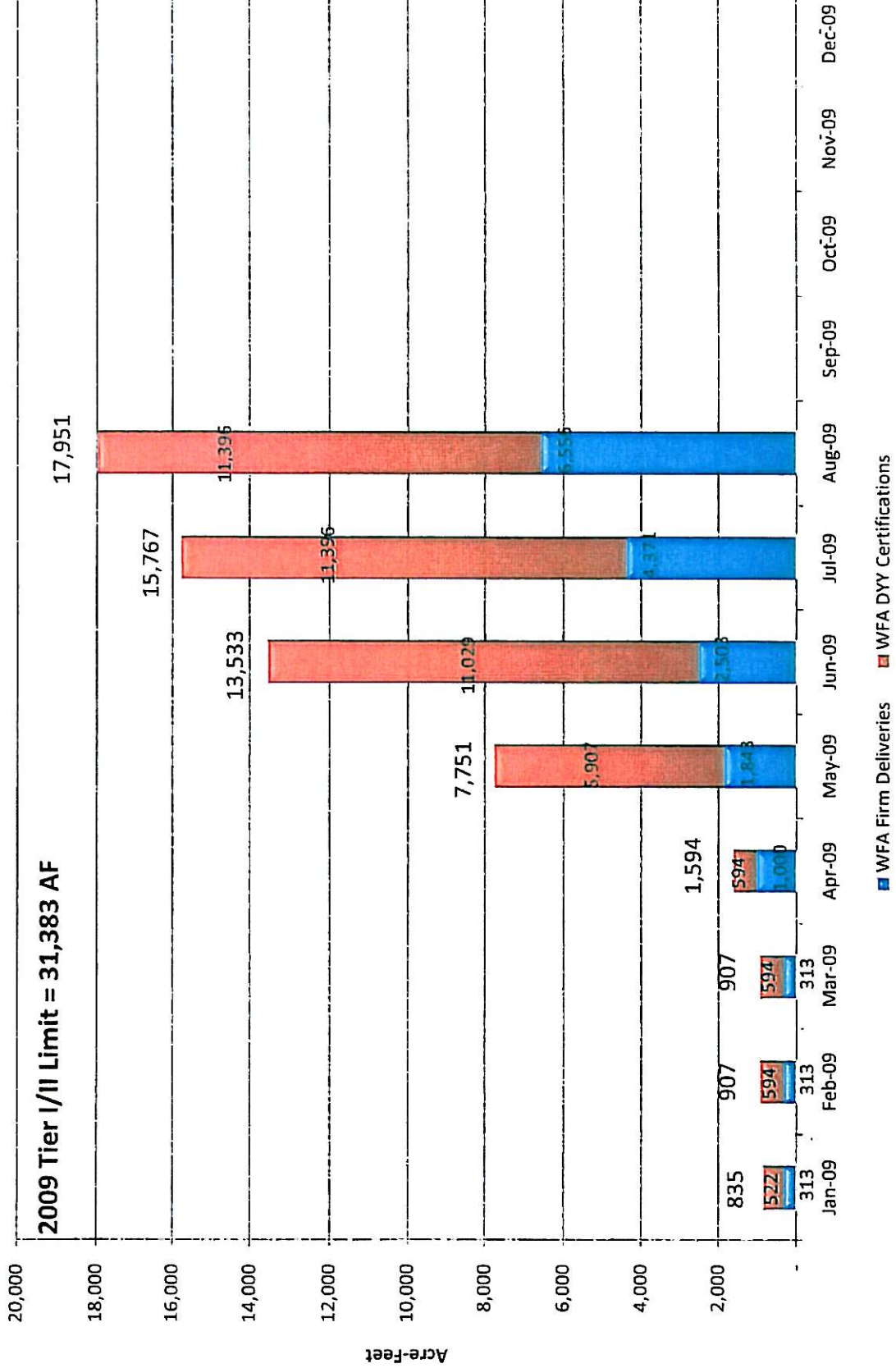
Attachment 3 IEUA Cumulative Full Service Imported Water Deliveries & Dry Year Yield



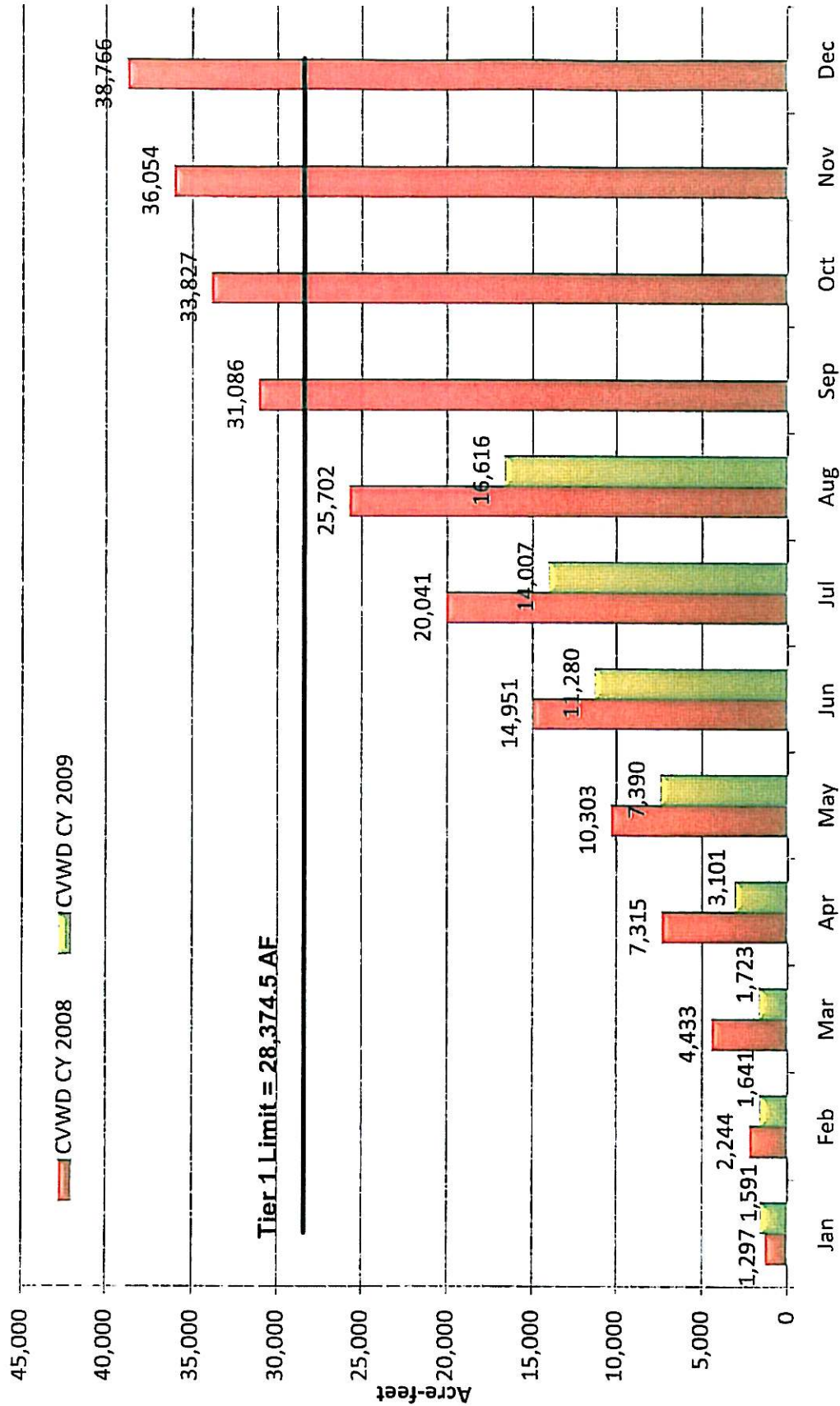
Attachment 4 WFA Cumulative Full Service Imported Water Deliveries & Dry Year Yield



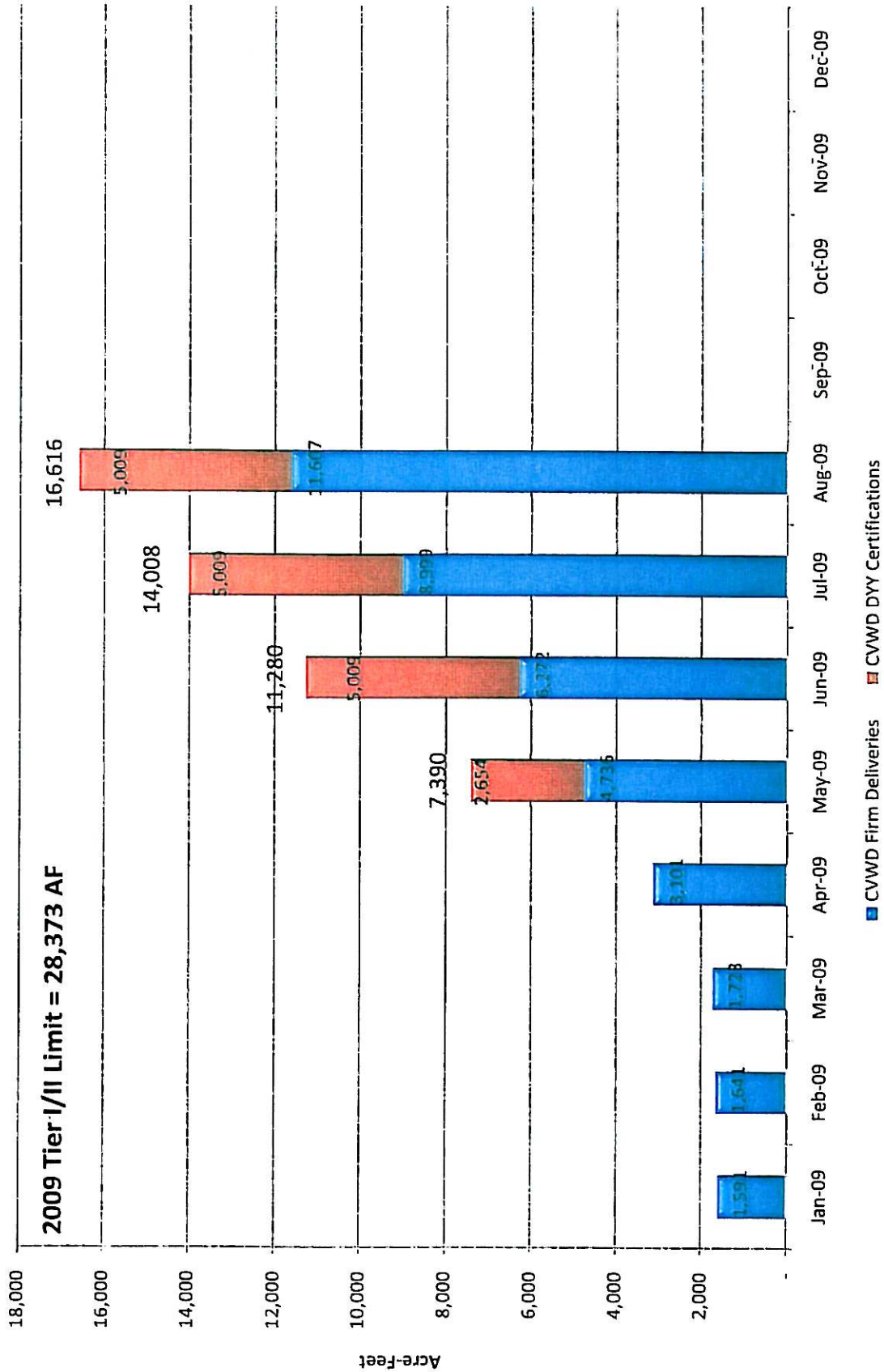
Attachment 5 WFA 2009 Imported Water Totals



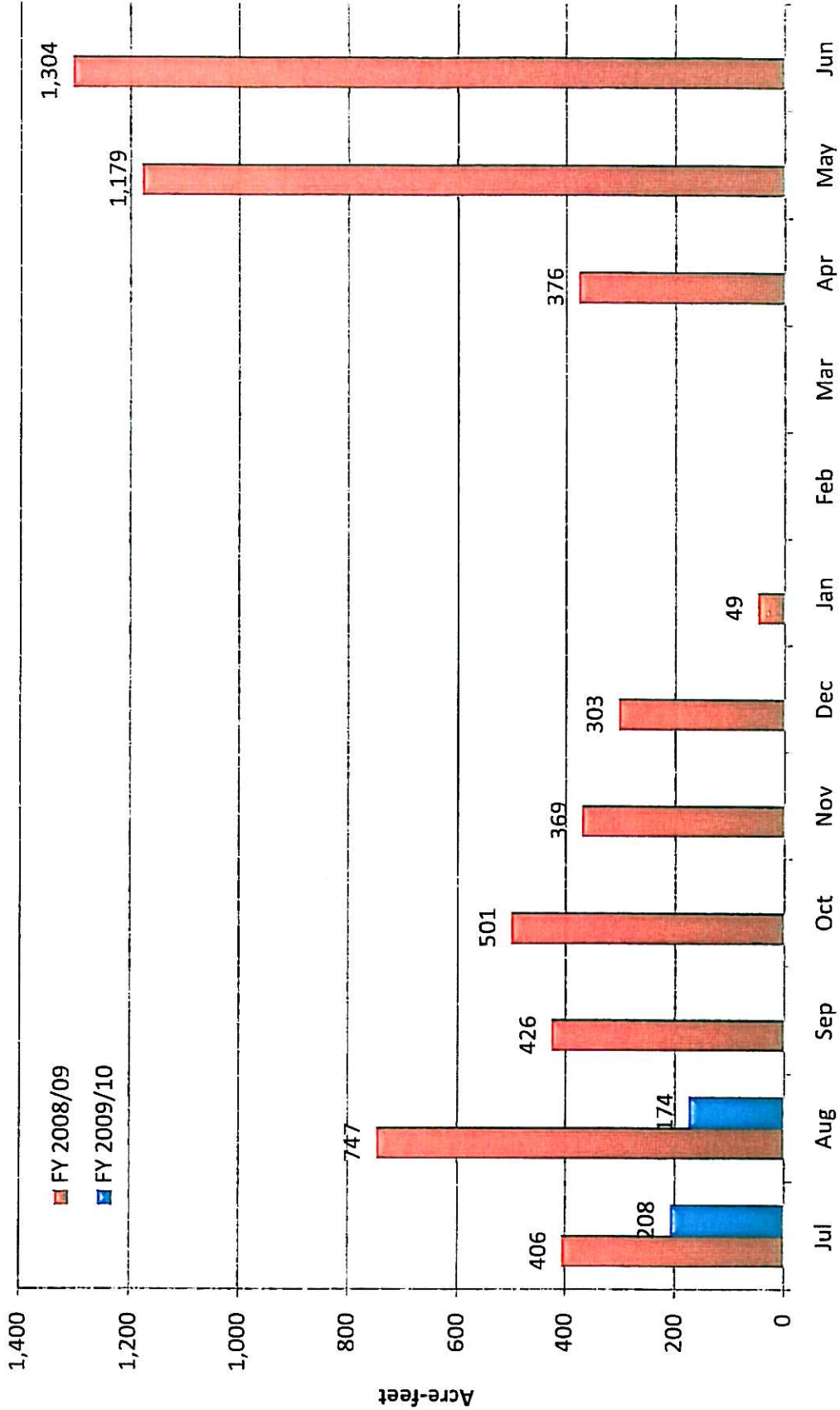
Attachment 6 CVWD Cumulative Full Service Imported Water Deliveries & Dry Year Yield



Attachment 7 CVWD 2009 Imported Water Totals



Attachment 8 FWC Monthly Full Service Imported Water Deliveries



Attachement 9 Inland Empire Utilities Agency Imported Water Sales

2008 Imported Water Sales	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Water Facilities Authority													
Direct Deliveries	2,333	1,282	2,555	3,088	1,332	1,682	2,730	3,450	2,913	2,836	1,444	1,060	26,705
Dry Year Yield					1,438	4,008	4,214	2,686	2,827	1,145	1,317	926	18,561
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Cucamonga Valley Water District													
Direct Deliveries	1,297	947	2,189	2,883	2,988	3,046	3,074	3,129	2,857	2,741	2,182	1,213	28,546
Dry Year Yield					1,603	2,016	2,532	2,527	0	44	1,499	1,131	11,352
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TOTAL	3,631	2,229	4,744	5,971	7,360	10,767	12,956	12,539	9,023	7,267	6,811	4,633	87,931

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Dry Year Yield	522	71	0	0	5,314	5,122	366	0					11,396
Sub-Total	834	71	0	687	6,158	5,782	2,234	2,184	0	0	0	0	17,951
Cucamonga Valley Water District													
Direct Deliveries	1,591	50	82	1,378	1,635	1,535	2,728	2,608					11,607
Dry Year Yield	0	0	0	0	2,654	2,355	0	0					5,009
Sub-Total	1,591	50	82	1,378	4,289	3,890	2,728	2,608	0	0	0	0	16,615
Fontana Water Company													
Direct Deliveries	49	0	0	376	1,179	1,304	208	174					3,290
Sub-Total	49	0	0	376	1,179	1,304	208	174	0	0	0	0	3,290
Inland Empire Utilities Agency													
Direct Deliveries	1,952	50	82	2,441	3,658	3,499	4,804	4,966					21,452
Dry Year Yield	522	71	0	0	7,968	7,477	366	0					16,404
TOTAL	2,474	121	82	2,441	11,625	10,976	5,170	4,966	0	0	0	0	37,856

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UPCOMING EVENTS:

- RW Site Supervisor Training: 8 — Noon, 09.10.2009 at IEUA
- Landscape Workshop, Professionals: 1 -3pm, 09.11.2009 at IEUA
- Landscape Workshop Homeowners: 10 - Noon September 12th, 2009 at IEUA

INSIDE THIS ISSUE:

RW Connected Demand & Goals 2

Monthly RW sales 3

Funding developments 4

RECYCLED WATER NEWSLETTER

SEPTEMBER 2009

Safe. Reliable Recycled Water

Northeast area ground breaking news

On Thursday, September 3, 2009, Chino Basin leaders joined Congressman David Dreier, the Inland Empire Utilities Agency (IEUA) and the Cucamonga Valley Water District for a groundbreaking ceremony for the Inland Empire Regional Recycled Water Program's North East Area Project.



The Inland Empire Regional Recycled Water Program is an award winning set of projects designed to help reduce the local need for expensive imported water and safeguard the region from future droughts. The estimated total cost for the Northeast Area projects are approximately \$30 million. Funding for these projects has been provided in full, or in part, by the U.S. Bureau of Reclamation Title XVI Stimulus Grant, the State Water Resource Control Board Stimulus Loan and a State Water Resources Control Board Grant.

The Northeast Area Projects include:

- Two Pipeline Projects, each about 13,000 feet or approx 2.5 miles
- One Pump Station to boost Recycled Water to higher pressure zones
- Conversion of a 2.5 MG Reservoir from potable to recycled water

- Installation of three specialized Monitoring Wells to ensure water quality is maintained and to measure travel times for the recharged recycled water.

When completed, the Northeast Area Projects will provide approximately 10,000 acre-feet of recycled water annually.

"The Inland Empire Utilities Agency would like to again thank its federal delegation, United States Senators Dianne Feinstein and Barbara Boxer, and House of Representatives Joe Baca, Ken Calvert, David Dreier, Gary Miller, Jerry Lewis, and Grace Napolitano for their efforts in helping to bring this much needed funding to the Inland Empire," commented IEUA Board President Terry Catlin.

IEUA developing recharge flexibility during drought years

With forecasted climate changes, the ongoing drought, and the reduced availability of imported water from Metropolitan Water District, IEUA identified a technical provision of its recycled water groundwater recharge permit (jointly held with CBWM) that limits recycled water recharge. Recycled water recharge requires a blend of storm water and imported water, which together are referred to as diluents water. The blend of recycled water to all recharge basin following infiltration. The volume-

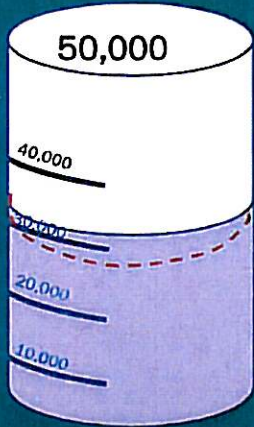
based blend, referred to as the Recycled Water Contribution (RWC) is calculated each month using the past 60 months recharge volumes. The RWC based on a 60-month averaging period is then compared for compliance with the RWC limit. IEUA has recommended there be an increase from a 60-to a 120-month RWC averaging period in the face of water resources challenges in the basin. (Continue on Page 3)

Recycled water connected demand

FY 2009-10

GOAL :

36,000 AFY



RW CONNECTED
DEMAND
27,832 AFY

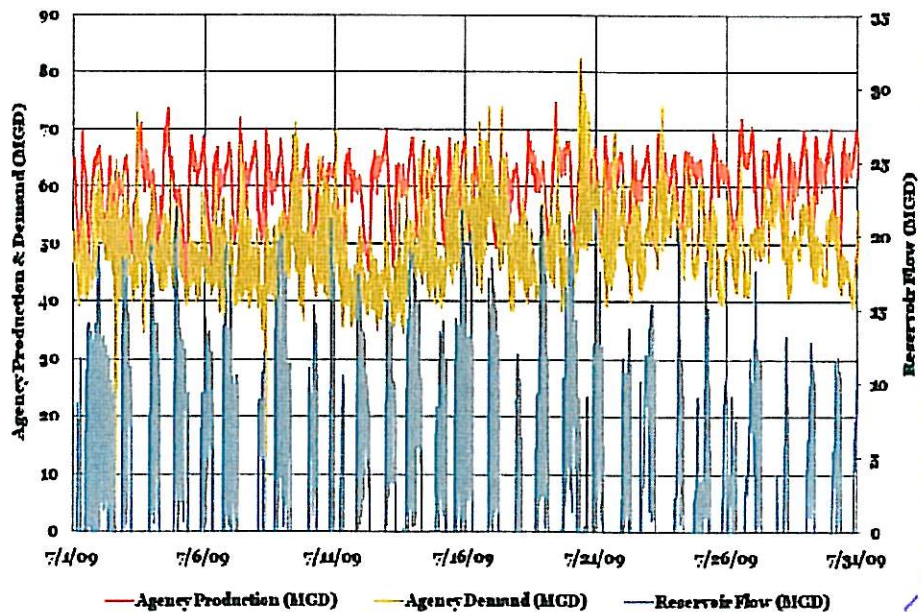
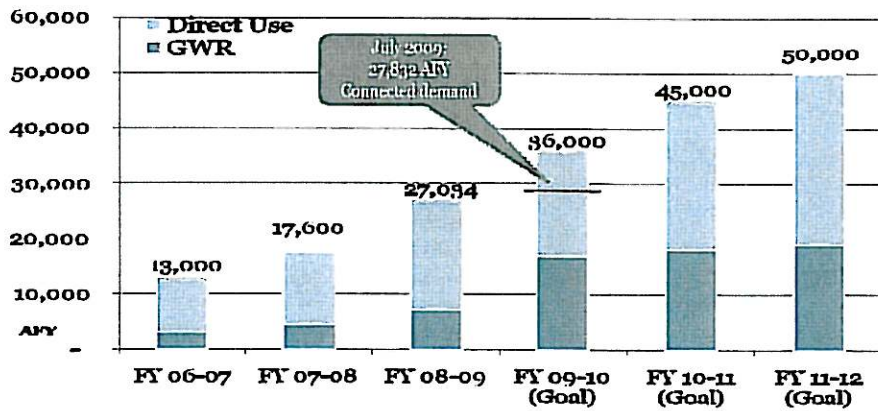
RW SUPPLY
& DEMAND

Upcoming Connections (30-90 days): 7,000 AFY:

- Vellano Golf Course (chino Hills, 800 AFY)
- Lee Farm on Schaeffer Ave (Ontario, 1,200 AFY)
- Lee Farm on Whispering Lakes (Ontario, 1,200 AFY)
- Lee Farm on Chino Avenue (Ontario, 1,200 AFY)
- Lee Farm on Edison Avenue (Ontario, 1,200 AFY)
- CIM Farm N Connection (Chino, 1,200 AFY)
- Kellogg on Schaeffer Avenue (Ontario, 200 AFY)

Recent Connections (242 AFY):

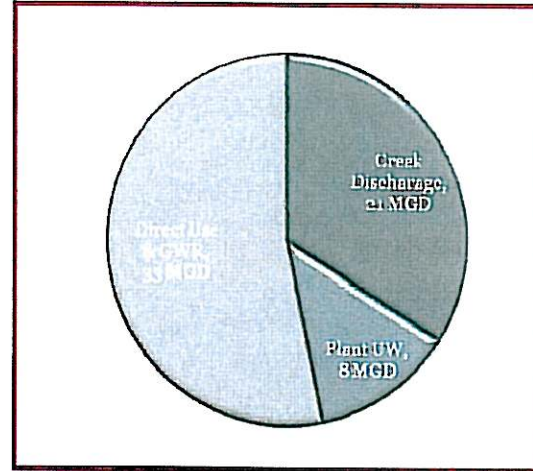
- CCC-N, 2 Connections (Ontario, 20 AFY)
- Bellevue Memorial Park (Ontario, 220 AFY)
- 24-Hr Fitness (Ontario, 2 AFY)
- 200 AFY



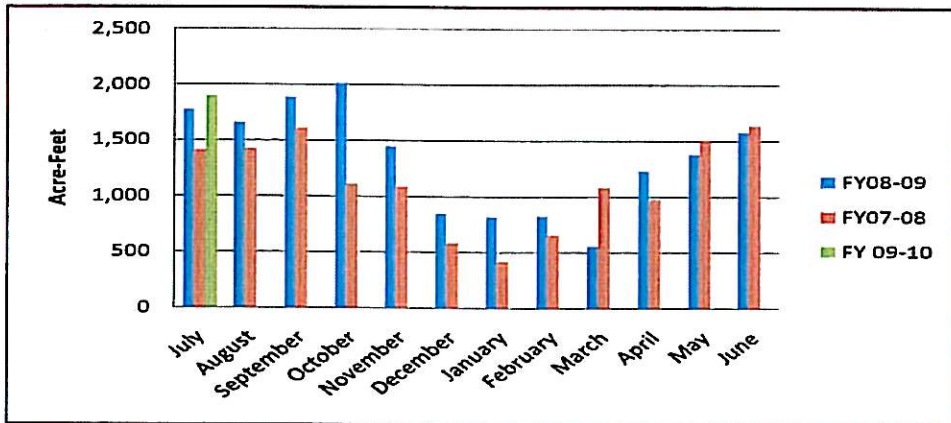
Recycled water usage: July 2009

- Total Recycled Water available supply: 60 MGD
- 70% of supply is currently consumed on a monthly basis
- Reported Direct Use and GWR based on a plant meter readings

Note: The data presented are meter readings from IEUA Treatment Plants. Staff is in the process of calibrating meters of large customers and plant effluent meters to correlate usage information and effluent data. Reported usage and actual Recycled Water use may differ due to the meter reading schedules.



Recycled water usage: July 2009



JULY 2009

USAGE SUMMARY:

- Recharge: 90 AFY
- Direct Sales: 1,936 AFY
- Plant Utility Water: 771 AFY
- Total RW Usage: 2,807 AFY

IEUA developing recharge flexibility during drought years (continued from Pg. 1)

IEUA has been meeting with both the Regional Water Quality Control Board and the California Department of Public Health to demonstrate that this permit change will provide an equal level of public health protection and not degrade the ambient water quality (TDS and nitrate) of the Chino Basin. Both regulatory Agencies expressed support for this permit amendment and cite and find the effectiveness of IEUA's source control & pretreatment program, Non reclaimable waste sys-



JURUPA BASIN

tem, SARI line salt exports, compliant recharge monitoring & reporting, and the effectiveness of soil-aquifer treatment to reduce TOC and total nitrogen to background drinking water levels. A condition for the amendment in the permit includes IEUA forming a technical advisory panel for the recharge program to include experts in public health, chemistry, hydrogeology, toxicology, and soil aquifer treatment. On August 24, 2009, DPH approved IEUA's request to change the 60 month to 120 month RWC averaging period request for GWR with recycled water.

DWR Urban Drought Assistance

The Agency received the DWR Drought Assistance Grant for recycled water retrofits in the amount of \$1 million. The deadline for completion of the retrofit was June 30, 2009. The Agency is at present requesting that all invoices be submitted with associated progress reports to Rocky Welborn at rwelborn@ieua.org.



Stimulus Funding

Stimulus Funding: IEUA has executed funding agreements for stimulus funding for the Northeast Area Project through the CWSRF Program. Also, the United States Department of Interior, Bureau of Reclamation (USBR) has been allocated \$126 million for the Tide XVI projects in the stimulus bill recently passed by Congress. IEUA is in line for \$19 million of the total appropriation through its Title XVI

Recycled Water Business Plan Authorization. The President's 2009 Budget contained a \$5 million appropriation for the IEUA project. The funds have been received. IEUA was awarded \$14 Million as Title XVI Stimulus money. IEUA received \$7 Million for the Northeast Area Projects, and was approved for another \$7 Million for the Northwest Area Projects, totaling \$14 Million.

Retrofit Rebates

MWD Public Sector Retrofit Rebates: IEUA has received rebate requests totaling \$110,000 for processing through MWD. If you have not submitted your retrofit cost back-up information, please do so to ensure funding availability to Gary Hackney at: ghackney@ieua.org. The \$110,000 in requests has been processed and the funding has been received. Staff is processing the rebates along with invoicing for retrofit costs.

Chino Basin Water Conservation District Rebates:

CBWCD also provides incentives for Public Sector Schools and Parks within its service area to help offset the costs of onsite irrigation system conversion as a result of connecting to the recycled water system. Please contact Gerry Foote at: gfoote@cbwcd.org for more information on how to apply.

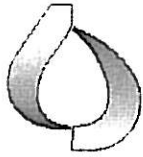
Capital Improvement Programs

Northeast Area Recycled Water Projects: These recycled water projects include the conversion of a 3.5 MG steel reservoir from domestic to recycled water; a 1200 HP Pump Station; approximately 29,200 LF of 36" diameter pipeline and 12" diameter pipeline; three monitoring wells and two lysimeters. Some of the locations benefiting from these projects include; the Cities of Rancho Cucamonga and Fontana public facilities. Currently the approval of award packages are being reviewed by the

State. Construction has begun on the projects.

MW & Lysimeters at Victoria & San Sevaine Basins:

The design has been completed on these facilities and the permits have been received. The facility Plan Approval for the projects has been received by IEUA. The project was advertised for construction June 2009 and bid opening is scheduled for August 2009.



Inland Empire
UTILITIES AGENCY

Date: September 16, 2009

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (09/09/09)

From: Richard W. Atwater
Chief Executive Officer/General Manager

Submitted by: Martha Davis
Executive Manager of Policy Development

Subject: August Legislative Report from Dolphin Group

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

Michael Boccadoro provides a monthly report on the Dolphin Group's activities on behalf of the Chino Basin/Optimum Basin Management Program Coalition.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

RWA:MD

Enclosure

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August 28, 2009

To: Chino Basin/OBMP Coalition
From: Michael Boccadoro
President
RE: August Status Report



Please find attached the status report from The Dolphin Group for the month of August 2009.

In late July, the Legislature and the Governor completed most of their revisions to the 2009-10 State Budget and left to enjoy their summer recess. However, many questions remained as to how long the budget patches approved would last, and whether or not the Legislature would ultimately approve the necessary trailer bills needed to fully implement the package. Furthermore, there is remaining doubt as to whether the assumptions included in the mid-year fix were sound enough to stave off another special session on budgetary issues.

The conventional wisdom is that yet another special session will be needed by this winter to deal with the ongoing structural deficit.

The Legislature did return to session on August 17, and began the task of wading through hundreds of measures awaiting approval by the Appropriations Committees of both houses. By rule, each non-urgency measure must be approved by the Appropriations Committee by August 28.

On the regulatory front, the California Energy Commission announced an expanded \$25 million low-interest loan program for public agency for energy projects, audits and studies. Eligible projects can include, but are not limited to, renewable energy projects, lighting and insulation investments.

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Chino Basin / OBMP Coalition

Status Report – August 2009

ENERGY/REGULATORY

CEC Expands Low-Interest Loans for Stimulus Projects

On April 13, the California Energy Commission announced that it would be offering \$25 million in low-interest loans to public agencies, including water and wastewater agencies, for the purposes of investing in renewable energy projects and other energy efficiency investments. The source of the funding is the federal American Reinvestment and Recovery Act (ARRA) stimulus package.

The maximum loan amount is \$3 million per project.

The loans will be made at either 1% or 3% rates:

- 1% Rate Eligible Projects
 - Automated energy management systems/controls
 - Building insulation
 - Energy audits and feasibility studies may be eligible for loans
 - Energy generation including renewable and combined heat and power projects
 - Heating and air conditioning modifications
 - Lighting systems
 - Pumps and motors
 - Streetlights and LED traffic signals
 - Waste water treatment equipment
- 3% Rate Eligible Projects
 - Lighting
 - Motors or variable frequency drives and pumps
 - Building insulation
 - Heating and air conditioning modifications
 - Automated energy management systems/controls
 - Energy generation including renewable energy projects and cogeneration
 - Streetlights/LED traffic signals

The funds from ARRA will supplement the existing Energy Conservation Assistance Account Program (ECAA).

BUDGET WOES CONTINUE

Although the Legislature and the Governor reached a mid-year budget accord to keep the state government operating and maintain cash flow, there are many indications that the state will again face budgetary problems in the next few months.

One key component of last month's budget deal was a budget cut of \$1.2 billion to the Department of Corrections. However, the deal failed to detail where the cuts would come from. As of the end of August, the Senate had approved an accelerated prisoner release program that would provide the savings. However the Assembly, which hosts a number of Democrats hoping to run for higher office, balked at approving the plan.

Furthermore, it is becoming increasingly evident that the economic assumptions contained in the July budget package were quite optimistic, and the state could again run low on cash by late 2009. Many pundits expect the Governor to call another budget-related special session this winter to make a third adjustment to the 2009-10 state budget.

Partly as a result of the ongoing budget struggles, calls for reform to state government continue to get louder. Senator Jeff Denham (R-Modesto) has introduced a constitutional amendment creating a part-time legislature and a two-year budget cycle. Other reform efforts have called for a new state constitutional convention or a slew of government reform initiatives.

NEW DELTA PACKAGE EMERGES

In early August, lawmakers introduced a package of measures aimed at addressing issues related to the San Joaquin/Sacramento Delta and the broader state water crisis. Using the unusual step of "preprinting" the five bills, legislative leaders expect to form a conference committee to further consider and amend the measures. The Conference Committee membership is expected to be announced the first week in September. Few observers are optimistic that any comprehensive package can be approved before the end of session in mid-September, and Governor Schwarzenegger has already signaled that he would not support any comprehensive solution that did not include a bond measure, which was not included in the initial offerings from Democrats.

Two hearings were held in late August on the preprinted measures. As wide opposition was expressed on much of the package, there appeared to be little endorsement of the package as a whole. Senator Wolk also held a hearing on August 26 on various ways of financing water infrastructure.

CA PAB 1

AUTHOR:	Huffman [D]
TITLE:	Sacramento-San Joaquin Delta
FISCAL COMMITTEE:	yes
URGENCY CLAUSE:	no

PREFILED: 08/04/2009
DISPOSITION: Pending
LOCATION: ASSEMBLY
SUMMARY:

Establishes the policy of the state with respect to the Sacramento-San Joaquin Delta, to assume responsibility for overseeing implementations of certain actions required to be initiated prior to the adoption of the Delta Plan. Requires the State Water Resources Control Board to make determinations with regard to instream flow needs for rivers and streams within and outside the Delta, and submit such determinations to the council.

STATUS:

08/04/2009 PREPRINTED.

CA PAB 2

AUTHOR: Feuer [D]
TITLE: Water Conservation: Urban and Agricultural Planning
FISCAL COMMITTEE: yes
URGENCY CLAUSE: no
PREFILED: 08/04/2009
DISPOSITION: Pending
LOCATION: ASSEMBLY
SUMMARY:

Requires the State to achieve a 20% reduction in urban per capita water use by a specified date. Requires an incremental process towards such goal. Requires each urban retail water supplier to develop urban use targets and an interim urban water use target. Requires agricultural water suppliers to implement efficient water management practices.

STATUS:

08/04/2009 PREPRINTED.

CA PSB 1

AUTHOR: Simitian [D]
TITLE: Sacramento-San Joaquin Delta
FISCAL COMMITTEE: yes
URGENCY CLAUSE: no
PREFILED: 08/04/2009
DISPOSITION: Pending
LOCATION: SENATE
SUMMARY:

Establishes the Delta Stewardship Council to advance the coequal goals of assuring a more reliable water supply for the State and protecting, restoring and enhancing the Delta ecosystem and certain values of the Delta. Requires the Delta Independent Science Board to develop a scientific program relating to the management of the Delta. Requires such plan to provide for financing of all programs consistent with specified principles. Requires the council to impose an annual fee on persons diverting waters.

STATUS:

08/04/2009 PREPRINTED.

CA PSB 2

AUTHOR: Pavley [D]
TITLE: Water: Diversion and Use: Groundwater
FISCAL COMMITTEE: yes
URGENCY CLAUSE: no
PREFILED: 08/04/2009
DISPOSITION: Pending

LOCATION: SENATE

SUMMARY:

Requires payment of fees to the state Water Resources Control Board for official services relating to water diversion and use. Authorizes the board to issue an interim relief order in appropriate circumstances. Authorizes the board to order any person or entity that diverts water to submit a technical or monitoring report related to such diversion. Authorizes the board to initiate a determination of rights. Requires entities that divert waters to pay an annual fee.

STATUS:

08/04/2009 PREPRINTED.

CA PSB 3

AUTHOR: Wolk [D]

TITLE: Delta Protection Commission: Sacramento-San Joaquin

FISCAL COMMITTEE: yes

URGENCY CLAUSE: no

PREFILED: 08/04/2009

DISPOSITION: Pending

LOCATION: SENATE

SUMMARY:

Recasts the provisions of the Delta Commission act concerning the Delta Protection Commission. Reduces the number of members. Requires the commission to appoint an advisory committee. Requires all general plans of cities and counties of the Sacramento-San Joaquin Delta area to be consistent with the resources management plan. Requires the commission to develop a regional economic development plan for that region. Establishes a Delta Conservancy. Prepares and adopts a strategic plan to achieve its goals.

STATUS:

08/04/2009 PREPRINTED.

LEGISLATIVE UPDATE

Following completion of the July budget deal, the legislature adjourned for summer recess until August 17th. After returning, the legislature was primarily concerned with moving bills out of the appropriations committee in both houses.

The deadline for all legislation to be approved by the appropriations committees was August 28. The legislature will spend the next two weeks debating measures on the floor, and will complete their work on September 11. The Governor will have until October 11 to sign or veto each those measures sent to his desk.

Major Legislation

SB 32 (Negrete-McLeod D-Chino) is co-sponsored by IEUA. The bill was approved by the Assembly Appropriations Committee on a 13-3 vote and will be heard on the Assembly floor in early September.

CA SB 32

AUTHOR: Negrete McLeod [D]
TITLE: Renewable Electric Generation Facilities.
DISPOSITION: Pending
LOCATION: Assembly Second Reading File
SUMMARY:

Requires an electrical corporation to file with the Public Utilities Commission a standard tariff for electricity purchased from an electric generation facility located within the service territory of, and developed to sell electricity to, the electric corporation. Requires the facility to have a specified effective capacity. Amends provisions regarding owners, payments by a market price referent, peak demand, expedited interconnection procedures, net metering, rate-payer funded incentives and contracts.

VOTES:

- 04/21/2009 Senate Energy, Utilities and Communications Committee P 10-0
- 05/28/2009 Senate Appropriations Committee P 11-0
- 06/03/2009 Senate Floor P 34-0
- 07/06/2009 Assembly Utilities and Commerce Committee P 10-4
- 07/08/2009 Assembly Natural Resources Committee P 7-1

CA AB 560

AUTHOR: Skinner [D]
TITLE: Net Energy Metering
DISPOSITION: Pending
LOCATION: Senate Second Reading File
SUMMARY:

Requires that the standard contract or tariff for net energy metering be offered on a first-come-first-served basis until the time that the total rated generating capacity used by customer-generators exceeds a specified percentage of an electric distribution utility or cooperative's peak demand.

VOTES:

- 04/20/2009 Assembly Utilities and Commerce Committee P 10-3
- 04/29/2009 Assembly Appropriations Committee P 11-5
- 05/14/2009 Assembly Floor P 47-22
- 07/07/2009 Senate Energy, Utilities and Communications Committee P 9-1
- 08/27/2009 Senate Appropriations Committee P 12-1

CA AB 920

AUTHOR: Huffman [D]
TITLE: Solar and Wind Distributed Generation
DISPOSITION: Pending
LOCATION: Senate Second Reading File
SUMMARY:

Revises provisions of the Public Utilities Act regarding electric utilities and solar and wind distributed generation. Relates to standard contracts and tariffs between the utility and customer-generators. Relates to net energy surpluses counting towards the utility's renewable portfolio standard purchasing requirements.

VOTES:

- 04/20/2009 Assembly Utilities and Commerce Committee P 11-3
- 04/27/2009 Assembly Natural Resources Committee P 6-3

05/28/2009	Assembly Appropriations Committee	P 12-5
06/01/2009	Assembly Floor	P 51-26
07/07/2009	Senate Energy, Utilities and Communications Committee	P 6-4
08/27/2009	Senate Appropriations Committee	P 8-5

Air Permit Legislation

Two measures have been introduced to address air permitting issues within the South Coast Air Quality Management District. Both are urgency measures, meaning they are not subject to normal restrictions on legislative deadlines, however require a 2/3 supermajority vote for approval. AB 1318 (Perez D-Indio) appears to have emerged as the vehicle that is moving along a steady pace through the legislative process.

CA AB 1318

AUTHOR: Perez V [D]
TITLE: South Coast Air Quality Management District
DISPOSITION: Pending
LOCATION: Senate Second Reading File
SUMMARY:

Requires the Executive Officer of the South Coast Air Quality Management District to transfer a specified quantity of emission reduction credits for certain pollutants from the south coast district's internal emission credit accounts to eligible electrical generating facilities and to credit and transfer as many internal emission credits as are needed to grant a permit to the essential public service facility. Exempts these actions from the CEQA.

VOTES:

05/11/2009	Assembly Natural Resources Committee	P 7-0
05/18/2009	Assembly Utilities and Commerce Committee	P 13-0
07/08/2009	Assembly Appropriations Committee	P 15-0
07/13/2009	Assembly Floor	P 63-3
08/24/2009	Senate Energy, Utilities and Communications Committee	P 6-0

CA SB 696

AUTHOR: Wright [D]
TITLE: CEQA Exemptions: Emission Reduction Credits
DISPOSITION: Pending
LOCATION: Senate Second Reading File
SUMMARY:

Exempts from the requirements of the State Environmental Quality Act, the adoption and implementation of specified air pollution control district or air quality management district rules relating to emission credits. Provides exceptions.

VOTES:

06/16/2009	Senate Energy, Utilities and Communications Committee	P 6-3
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corporations for energy purchased from small-scale renewable source facilities. Provides for renewable energy designation and transmission corridor zones. Establishes the Energy Planning and Infrastructure Coordinating Committee. Imposes duties on the Energy Commission.

VOTES:

04/01/2009	Assembly Utilities and Commerce Committee	P 8-5
04/29/2009	Assembly Natural Resources Committee	P 6-3
05/28/2009	Assembly Appropriations Committee	P 12-5
06/03/2009	Assembly Floor	P 44-31
07/07/2009	Senate Energy, Utilities and Communications Committee	P 6-5
08/27/2009	Senate Appropriations Committee	P 8-5

CA AB 162

AUTHOR: Ruskin [D]
TITLE: Disclosure of Sources of Electrical Generation
DISPOSITION: To Governor
LOCATION: To enrollment
SUMMARY:

Amends existing law that establishes a program under which entities offering electric services disclose information on the sources of energy that are used to provide such services. Defines the term unspecified sources of power for disclosure requirements. Changes reporting requirements from quarterly to annually. Amends other details regarding disclosures and eliminates certain reporting requirements. Provides that meeting disclosure requirements is compliance with renewables reporting requirements.

VOTES:

03/23/2009	Assembly Utilities and Commerce Committee	P 14-0
04/22/2009	Assembly Appropriations Committee	P 16-0
05/04/2009	Assembly Floor	P 79-0
07/07/2009	Senate Energy, Utilities and Communications Committee	P 11-0
08/24/2009	Senate Floor	P 39-0
08/27/2009	Assembly Floor	P 77-0

CA AB 210

AUTHOR: Hayashi [D]
TITLE: Green Building Standards
DISPOSITION: Enacted
LOCATION: Chaptered
SUMMARY:

Specifies that the requirements and regulations that a city or county is authorized to change or modify building standards includes, but is not limited to, green building standards.

VOTES:

03/31/2009	Assembly Business and Professions Committee	P 11-0
04/20/2009	Assembly Natural Resources Committee	P 8-0
05/11/2009	Assembly Floor	P 74-4
06/16/2009	Senate Transportation and Housing Committee	P 10-0
07/06/2009	Senate Environmental Quality Committee	P 7-0
07/16/2009	Senate Floor	P 33-2

CA AB 413

AUTHOR: Fuentes [D]
TITLE: Energy: Rates
DISPOSITION: Pending
LOCATION: Senate Appropriations Committee
SUMMARY:

Prohibits the Public Utility Commission from requiring or permitting an electrical corporation to employ mandatory or default time-variant pricing for residential customers. Authorizes the commission to allow such corporation to offer customers the option of receiving service pursuant to such pricing under certain conditions. Requires the establishment of a CARE program for electricity and gas customer assistance with specified requirements. Relates to charges for baseline quantities or electricity.

VOTES:

04/27/2009	Assembly Utilities and Commerce Committee	P 11-1
05/28/2009	Assembly Appropriations Committee	P 12-5
06/02/2009	Assembly Floor	P 68-6
07/07/2009	Senate Energy, Utilities and Communications Committee	P 11-0
08/27/2009	Senate Appropriations Committee	P 12-0

CA AB 758

AUTHOR: Skinner [D]
TITLE: Energy: Energy Audit
DISPOSITION: Pending
LOCATION: Senate Second Reading File
SUMMARY:

Requires the Energy Commission to establish a proceeding to develop a program to achieve greater energy savings in the state's existing residential and nonresidential buildings. Requires a proceeding by the Public Utilities Commission to investigate the ability of electrical and gas corporations to provide customers energy efficiency financing options and to make reports. Provides for energy audits. Requires a local publicly owned utility to be responsible for implementing an energy efficiency program.

VOTES:

04/20/2009	Assembly Utilities and Commerce Committee	P 11-4
05/28/2009	Assembly Appropriations Committee	P 12-5
06/02/2009	Assembly Floor	P 50-29
07/07/2009	Senate Energy, Utilities and Communications Committee	P 11-0
08/27/2009	Senate Appropriations Committee	P 10-3

CA SB 7

AUTHOR: Wiggins [D]
TITLE: Renewable Energy Sources: Tariff: Net Metering
DISPOSITION: Pending
LOCATION: Assembly Inactive File
SUMMARY:

Relates to the Public Utilities Act, which imposes various duties and responsibilities on the Public Utilities Commission. Relates to a standard contract or tariff for net energy metering. Requires an electricity distribution

utility or cooperative to allow an eligible customer-generator to apply net surplus electricity as a credit for kilowatthours consumed as a specified formula. Requires that the commission evaluate allowing customer-generators to apply for a specified net electricity surplus.

VOTES:

04/27/2009	Senate Energy, Utilities and Communications Committee	P 11-0
06/03/2009	Senate Floor	P 34-0
07/06/2009	Assembly Utilities and Commerce Committee	P 10-3
08/19/2009	Assembly Appropriations Committee	P 12-4

CA SB 14

AUTHOR: Simitian [D]
TITLE: Utilities: Renewable Energy Resources
DISPOSITION: Pending
LOCATION: Assembly Second Reading File
SUMMARY:

Revises the requirement for retail sellers of electricity to meet and exceed a specified percentage of their procurement targets from renewable energy resources. Requires an accounting system to verify compliance by retail sellers and local publicly owned electric utilities to comply with the renewables portfolio standards program. Relates to Public Utility Commission and Independent System Operator responsibilities under the program. Relates to thermal energy facilities certification. Requires reports.

VOTES:

03/03/2009	Senate Energy, Utilities and Communications Committee	P 6-3
03/23/2009	Senate Appropriations Committee	P 7-5
03/31/2009	Senate Floor	P 21-16
07/06/2009	Assembly Utilities and Commerce Committee	P 10-5
07/08/2009	Assembly Natural Resources Committee	P 5-3

CA SB 412

AUTHOR: Kehoe [D]
TITLE: Electricity: Self-Generation Incentive Program
DISPOSITION: Pending
LOCATION: Assembly Third Reading File
SUMMARY:

Requires the Energy Commission to require the collection of funding for the self-generation incentive program for nonsolar distributed generation resources to a certain date. Authorizes the commission to authorize the annual collection of not more than the amount authorized for the program in a certain calendar year. Limits the eligibility for incentives to such resources that will support the state's goals for reduction of greenhouse gas emissions. Prohibits recovery from CARE program participants.

VOTES:

04/21/2009	Senate Energy, Utilities and Communications Committee	P 10-1
05/28/2009	Senate Appropriations Committee	P 11-0
06/01/2009	Senate Floor	P 37-0
06/29/2009	Assembly Utilities and Commerce Committee	P 13-0
07/06/2009	Assembly Natural Resources Committee	P 9-0

CA SB 581

AUTHOR: Leno [D]
TITLE: Hetch Hetchy Water and Power
DISPOSITION: Pending
LOCATION: Assembly Third Reading File
SUMMARY:

Authorizes the City and County of San Francisco to elect to designate specific renewable electricity generation facilities at-site renewable generation as Hetch Hetchy Water and Power remote renewable generation. Authorizes the City and County of San Francisco to elect to designate specific renewable facilities or a portion of specific renewable electricity generation facilities. Requires PG&E to accept any electricity exported to the grid by such renewable generation.

VOTES:

05/05/2009	Senate Energy, Utilities and Communications Committee	P 7-3
05/26/2009	Senate Floor	P 25-14
06/22/2009	Assembly Utilities and Commerce Committee	P 13-0
07/06/2009	Assembly Natural Resources Committee	P 9-0

CA SB 605

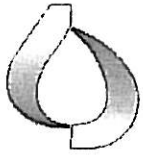
AUTHOR: Ashburn [R]
TITLE: California Environmental Quality Act: Biogas Pipelines
DISPOSITION: To Governor
LOCATION: To Governor
SUMMARY:

Relates to the Environmental Quality Act that provides some exemptions from its requirements for specified projects including a project that consists of the inspection, maintenance, repair, restoration, reconditioning, relocation, replacement, or removal of an existing pipeline. Provides that for purposes of that exemption, pipeline means a pipeline located in specified counties, that is used to transport biogas, and meets the existing requirements for the exemption and all local, state, and federal laws.

VOTES:

04/27/2009	Senate Environmental Quality Committee	P 7-0
05/26/2009	Senate Floor	P 39-0
07/06/2009	Assembly Natural Resources Committee	P 9-0
07/15/2009	Assembly Appropriations Committee	P 16-0
08/17/2009	Assembly Floor	P 76-0

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Inland Empire
UTILITIES AGENCY

Date: September 16, 2009

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (09/09/09)

From: Richard W. Atwater
Chief Executive Officer/General Manager

Submitted by: Martha Davis
Executive Manager of Policy Development

Subject: August Legislative Report from Innovative Federal Strategies, LLC

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

Letitia White provides a monthly report on their federal activities on behalf of IEUA.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

RWA:MD

Enclosure

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Innovative Federal Strategies LLC

Comprehensive Government Relations

MEMORANDUM

To: Rich Atwater and Martha Davis
IEUA

From: Letitia White, Alex Shockey and Heather McNatt

Date: August 28, 2009

Re: August Monthly Legislative Update

As you know, the House of Representatives and the Senate have been in recess for the month of August and, as a result, Capitol Hill has been pretty quiet. Congress is out of session and most legislators are back in their home districts meeting with constituents or doing health care town hall meetings. Health care has certainly dominated political news and conversations this month!

Many staffers have also taken the opportunity during the August recess to go on vacation or go to their Member's districts to work. In some cases, however, this is not true. We have heard that some House and Senate Appropriations Subcommittee staffers have been in Washington pre-conferencing their bills in order to be prepared for a quick conference when Congress returns. (We have heard that the Energy and Water staff is among those Subcommittees pre-conferencing.) Also, we are hearing that the Appropriations Committees hopes to have the majority of their bills through conference by September 21. This is ambitious but necessary if all twelve bills are to be signed into law by the start of fiscal year 2010 on October 1. Otherwise a continuing resolution (CR) will be necessary.

The House and Senate will return on September 8th. Both chambers hope to be full steam ahead and hope to accomplish many important goals before the end of the year, including health care reform and FY2010 appropriations. Other legislative priorities are student loan legislation and a transportation authorization bill. We will continue to keep you informed on all activities here in Washington. Please let us know if you have any questions.

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Date: September 16, 2009

To: The Honorable Board of Directors

Through: Public, Legislative Affairs and Water Resources Committee (09/09/09)

From: Richard W. Atwater
Chief Executive Officer/General Manager

Submitted by: Martha Davis
Executive Manager of Policy Development

Subject: August Legislative Report from Geyer and Associates

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

Bill Geyer and Jennifer West provide a monthly report on their state activities on behalf of IEUA.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

RWA:MD

Enclosure

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Inland Empire Utilities Agency
Watch List
August 31, 2009

AB 39 (Huffman) Final Delta Vision

Status: Conference Committee

The bill states the intent of the Legislature to enact legislation to establish a Sacramento-San Joaquin Delta Plan.

AB 231 (Huffman) Climate Protection Trust Fund

Status: Senate Environmental Quality

Requires CARB to adopt by regulation no later than March 30, 2010, after a public workshop, a schedule of fees to be paid by the sources of regulated greenhouse gas emissions regulated. The fees would go into a Legislative controlled "Climate Protection Trust Fund."

AB 300 (Caballero) Subdivisions: Water Supply

Status: Senate Natural Resources and Water – Two year bill

This bill would require, until January 1, 2020, any city, county, or public water system preparing a water supply assessment to reduce the projected water demand for the project to an amount below the current statutory and regulatory requirements, as defined, based on the project applicant's voluntary water demand management measures, as defined. Water savings projections would be authorized to be calculated using the water savings projections adopted by the California Urban Water Conservation Council. Water savings projections for measures for which the California Urban Water Conservation Council does not have adopted findings would be required to be based on substantial evidence in the record and included in the water supply assessment adopted by the water supplier. If a project applicant proposes to use a new voluntary water reduction demand management measure that is not based on water savings projections adopted by the California Urban Water Conservation Council, the legislative body of a city or county or the advisory agency would be required to have the project applicant enter into an agreement with the water utility to implement and monitor the actual water savings over time, as specified. The public water system would be required to prepare a written report of the projected water demand versus the actual water use 5 years after the project has been fully developed. By adding to the duties of the public water system, this bill would impose a state-mandated local program.

Sponsored by CBIA

AB 626 (Eng) IRWMP: Disadvantaged Communities

Status: Senate Floor

For Proposition 84 IRWMP grants, the bill requires DWR to allocated 10% of the total grant amount in each hydrologic regional of the state to disadvantaged communities.

AB 752 (Arambula) State Water Pollution Control Revolving Fund: Severely Disadvantage Communities

Status: Senate Floor – Two year bill

This bill defines "severely disadvantaged community," as that term is used in relation to Chapter 6.5 of the Water Code, as a median household income that is less than 60 % of the statewide average.

AB 958 (Eng) Design-Build: Metropolitan Water Districts: Solar Energy Systems

Status: Senate Floor

This bill would authorize a metropolitan water district to enter into design-build contracts for projects involving the design, construction, fabrication, and installation of a solar energy system in excess of \$1,000,000, in accordance with specified provisions.

AB 1100 (Duvall) Potable Reuse Demonstration

Status: Senate Environmental Quality – two year bill

This bill would allow the bottling of potable reuse demonstration water, as defined, to be distributed, free of charge, for educational purposes or to promote water recycling. The bill would establish specific bottling, labeling, and sanitation for potable reuse demonstration water. The bill failed passage in Senate Environmental Quality.

AB 1187 (Huffman) Water Bond 2010

Status: Assembly Water Parks and Wildlife

Assembly Water Bond vehicle

AB 1242 (Ruskin) State Water Policy

Status: Senate Floor

Declares that it is the "established policy of the state" that a human being has the right to clean and accessible water, that is adequate for the health and well-being of the individual and family, and that no one shall be deprived of that access or quality of water due to individual economic circumstances. Requires relevant state agencies, including the Department of Water Resources (DWR), the State Water Resources Control Board (SWRCB) and the State Department of Public Health (DPH), employ all feasible means to implement this policy.

AB 1438 (Conway) Safe Drinking Water State Revolving Fund

Status: Senate Floor

This bill would allow the Department of Public Health to establish a wellhead protection account within the Safe Drinking Water State Revolving Fund.

SB 7 (Wiggins) Renewable Energy: Net Metering

Status: Assembly Floor --- Two year bill

This bill requires an electrical distribution utility or cooperative to allow eligible energy generation customers to apply for kilowatt-hour credits on net surplus electricity generated during a 24 month period.

SB 12 (Simitian) Delta

Status: Conference Committee

The bill would declare legislative intent to enact legislation to establish the Sacramento- San Joaquin Delta Stewardship Council.

SB 301 (Florez) Water Supply Reliability and Ecosystem Recovery and Restoration Act of 2009

Status: Senate Natural Resource & Water

Senate vehicle for 2010 water bond.

SB 310 (Ducheny) Water Quality: Stormwater and Other Runoff

Status: Assembly Appropriations -- Suspense

This bill would authorize a county, city, or special district that is a permittee or copermitttee under an NPDES permit for a municipal separate storm sewer system to develop a watershed improvement plan that addresses major sources of pollutants in receiving water, stormwater, urban runoff, or other surface runoff pollution within the watershed or subwatershed to which the plan applies. The regional boards would be authorized to participate in the preparation of the watershed improvement plan. The bill would authorize a county, city, or special district, or combination thereof, to impose fees on activities that generate or contribute to runoff, stormwater, or surface runoff pollution to pay the costs of the preparation of a watershed improvement plan or the implementation of a plan that is approved by a regional board if the plan will facilitate compliance with one or more water quality requirements. The bill would authorize a county, city, or special district, or combination thereof, to plan, design, implement, construct, operate, and maintain controls and facilities to improve water quality. Sponsored by CBIA.

SB 371 (Cogdill) Safe, Clean, Reliable Drinking Water Supply Act of 2009

Status: Senate Natural Resources & Water

Governor's Water Bond Proposal

SB 456 (Wolk) Safe, Clean, Reliable Drinking Water Supply Act of 2010

Status: Senate Natural Resources & Water

Water Bond proposal for 2010

SB 457 (Wolk) Sacramento-San Joaquin Delta

Status: Assembly Water Parks and Wildlife – Two year bill

This bill requires the Delta Protection Commission to review all general plans of cities and counties within the Delta, and the resource management plan, to be consistent with any new Delta management plan that may be created or adopted by the commission. This bill authorizes the commission to cover the cost of the review by imposing a per acre-foot fee on any water diversion within the Delta Watershed, and a fee on any water conveyed through or around the Delta.

SB 458 (Wolk) Conservancies: Sacramento-San Joaquin Delta Conservancy

Status: Conference Committee

The bill states the intent of the Legislature to enact legislation to establish a Sacramento-San Joaquin Delta Conservancy and to modify the Delta Protection Commission.

SB 565 (Pavley) Water Recycling

Status: Assembly Water Parks and Wildlife – Two year bill

This bill would require the state board to develop a plan to ensure that at least 50% of wastewater that is annually discharged into the ocean, as of the year 2009, is recycled and put to beneficial use by the year 2030. The bill would prescribe various requirements with respect to that plan. The bill would require the state board to impose a fee on each person discharging wastewater into the ocean and would require that fee to be deposited into the Ocean Discharge Recycling Fund, which the bill would establish. The bill would authorize the state board to expend the moneys in that fund, upon appropriation by the Legislature, for the purposes of carrying out the wastewater recycling plan.

SB 735 (Steinberg) Safe, Clean, and Reliable Drinking Water Supply Act of 2010

Status: Senate Natural Resources & Water and E.Q.

Senate Water Bond proposal

SB 790 (Pavley) Stormwater Management

Status: Assembly Appropriations – Suspense file

Under the Watershed, Clean Beaches, and Water Quality Act Clean Beaches Program, the bill authorizes grants to implement or promote low impact development that will contribute to improving water quality or reducing stormwater runoff, and to implement a stormwater management plan. Under the Integrated Regional Water Management Planning Act, it authorizes a regional water management group to coordinate its planning activities to also incorporate stormwater management planning. The bill also authorizes a city, county, or special district (individually or jointly) to develop a stormwater management plan that meets certain requirements (e.g., be developed on a watershed basis, provide for community participation, assist in compliance with TDML implementation plans and applicable NPDES permits). Provides that a stormwater management plan must be designed to augment local water supply through infiltration, and reuse of stormwater; reestablish natural water drainage treatment and infiltration systems.

Positions
Inland Empire Utilities Agency
August 31, 2009

AB 13 (Salas) Sacramento-San Joaquin Delta Conservancy
Status: Senate Natural Resources and Water – Two year bill
Support

This bill would establish the Sacramento-San Joaquin Delta Conservancy to provide policy oversight, foster implementation of, and manage funds to implement the restoration and management of habitat and lands in the Sacramento-San Joaquin Delta and Suisun Marsh, and to develop and implement projects to address the economic viability of the Delta region, consistent with a comprehensive Delta sustainability program.

AB 28 (Jeffries) Natural Gas Engines: water pumps
Status: Assembly Natural Resources –Two year bill
Support

The bill prohibits air pollution control districts and air quality management districts from restricting the use of engines powered by natural gas by a city, county, or special district, including a water district, to operate water pumps.

AB 49 (Feuer/Huffman) Water Conservation
Status: Conference Committee
Support

The bill would state the intent of the Legislature to enact legislation to establish 20% water efficiency requirements for the year 2020 for agricultural and urban water users. Sponsored by MWD and NRDC.

AB 234 (Huffman) Water/Energy Efficiency Projects
Status: Senate Appropriations --Suspense
Support

The bill would have required the CEC to coordinate with the SWRCB and local water suppliers on planning and implementation of energy efficiency actions that also can result in water use savings when using funding received pursuant to the federal stimulus package.

The July 16 amendments strip the bill of its operative provisions. It now only contains intent language. This is because Speaker Bass reportedly wants to work with Assemblyman Huffman on the bill. She has a similar measure on the federal stimulus funding, which was also stripped of its contents.

AB 410 (De La Torre) IRWMP Funds/Recycling
Status: Senate Appropriations --Suspense
Support

This bill would have provided that, of the \$100 million unallocated in Prop. 84 for the IRWMP, \$5,000,000 would be made available to specified regions for the preparation of salt and nutrient management plans consistent with the recycled water policy of the SWRCB.

The July 13 amendments, as required by the Senate Water Committee, removed this \$5 million “earmark”. The bill now requires DWR to give additional consideration to IRWMP proposals that include the preparation of salt and nutrient management plans consistent with the recycled water policy of the SWRCB. The bill additionally sets a target to recycle 1.525 MAF per year by 2020 and 2.525 MAF per year by 2030. Would require DWR to assess progress towards meeting this target every five years based on information in the UWMPs.

AB 474 (Blumenfield) Contractual Assessments: Water efficiency Improvements

Status: Senate Floor

Support

MWD Sponsored. It expands the AB 811 program to include water conservation efforts. The measure would authorize public agencies to provide upfront financing for the installation of permanently fixed water use efficiency improvements. Property owners within a designated assessment area would agree to assess themselves for associated principal, interest and administrative costs. Property owners would pay an annual assessment until costs advanced are repaid to the public agency.

AB 804 (Hall) Invasive Species: Mussels

Status: Senate Floor, Consent Calendar

Support

Would ensure that if a water supply system operator follow the requirements of current law to address quagga infestation, then the water entity and its employees will not be held civilly or criminally liable for the spread of quaggas.

AB 900 (DeLeon) Water Diversions

Status: Senate Floor

Support

Will require every person who diverts water to measure and report diversions to the State Water Resources Control Board thus creating a baseline of water diversion information, parallel to that required of other diverters in the state.

AB 560 (Skinner) Net Energy Metering

Status: Senate Floor

Support

Increases the current cap on the amount of electricity that can be generated under the net-metering program for solar and wind generation. Currently the cap for the net metering is set at 2.5 % of each of the participating electric utilities’ aggregate peak demand. This bill increases the cap to 10%.

AB 1061 (Lieu) Common Interest Development: Water Efficient Landscapes

Status: Enrolled

Support

Sponsored by MWD. Will eliminate the ability for CIDs to prohibit, fine or assess a property owner for installing or maintaining water efficient landscaping that is in compliance with the state’s model landscape ordinance, local ordinances or water conservation requirements adopted pursuant to Water Code Section 353 or 375.

AB 1366 (Feuer/Caballero/A. Strickland) Residential self-regenerating water softeners

Status: Senate Floor

IEUA Sponsor

Gives local agencies additional control over salt discharges from residential self-regenerating water softeners, consistent with the recommendations of the Water Recycling Task Force. IEUA is leading a major lobbying effort on this measure, which is strongly opposed by the water softening industry.

AB 1465 (Hill) Urban Water Management Plan

Status: Enrolled

Support

This bill would deem water suppliers that are members of the council and comply with the "Memorandum of Understanding Regarding Urban Water Conservation in California," dated December 10, 2008, as it may be amended, to be in compliance with the requirement to describe the supplier's water demand management measures in its urban water management plan.

AB 1520 (Evans) Statewide Watershed Program

Status: Assembly Appropriations –two year bill

Support

This bill would establish the Statewide Watershed Program as a voluntary and nonregulatory program to provide the means by which the state may provide assistance and funds to local community-based efforts in the conservation, protection, and restoration of the state's watersheds and to promote coordinated management of watersheds under the authority of the Secretary of the Natural Resources Agency and the Department of Conservation.

SB 26 (Simitian) Home Generated Pharmaceutical Waste

Status: Senate Appropriations –two year bill

Support

This bill would require the California State Board of Pharmacy to coordinate with other state agencies, local governments, drug manufacturers, and pharmacies to develop sustainable, efficient policies and programs to manage pharmaceutical wastes and the disposal of devices. The bill would authorize a pharmacy to accept the return of home-generated pharmaceutical waste and home-generated sharps waste, as defined. The measure would make local pharmaceutical waste disposal programs available for grant funding.

SB 261 (Dutton/Ducheny) Water Use/Water Management Plans

Status: Assembly Appropriations --Suspense

Support

Requires each urban water supplier, or regional water management group acting on behalf of the urban water supplier, to develop and implement a water use efficiency and efficient water resources management plan. Requires DWR and SWRCB, by April 1, 2010, to convene a task force to develop best management practices for commercial, industrial, and institutional (CII) water uses. Sponsored by SAWPA and Western Municipal Water District

SB 283 (DeSaulnier) Dual Plumbing Recycled Water

Status: Enrolled

Support

Requires the Department of Water Resources, on or before December 31, 2009 and in consultation with Department of Public Health (DPH), to adopt and submit to the Building Standards Commission (BSC) regulations to establish a version of Appendix J of the Uniform Plumbing Code for California for design standards for both potable and recycled water systems.

SB 407 (Padilla) Plumbing Fixtures: High Water Use

Status: Assembly Floor

Support

This bill requires the owner of a property to replace residential high-water-using plumbing fixtures prior to any sale or transfer of the property that occurs on or after January 1, 2014.

MWD sponsored.

SB 696 (Wright) Emission Reduction Credits

Status: Senate Appropriations

Support

Due to a state court CEQA decision, the SCAQMD has been forced to stop issuing any permits relaying the District's internal offset accounts. Over 1000 permits are now on hold. This bill provides a limited CEQA exemption for implementation of specific SCAQMD rules creating or providing offset from the SCAQMD's internal bank. Individual permits would not be exempted from CEQA. The bill would require SCAQMD rules to apply stringent best available control technology, air quality impact modeling and air toxics limits.

SB 802 (Leno) Retention Proceeds

Status: Assembly Floor

Oppose

The bill requires that local governments reduce their payment retention amount from 10% to a 5% cap for construction projects. A large coalition of labor unions and contractors are supporting this measure.



Date: September 16, 2009

To: The Honorable Board of Directors

Through: Public, Legislative Affairs and Water Resources Committee (09/09/09)

From: Richard W. Atwater
Chief Executive Officer/General Manager

Submitted by: Martha Davis
Executive Manager of Policy Development

Subject: August Legislative Report from Agricultural Resources

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

Dave Weiman provides a monthly report on his federal activities on behalf of IEUA.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

RWA:MD

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Agricultural Resources

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

August 28, 2009

Legislative Report

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

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

SU: Legislative Report, August 2009

Highlights:

- *Congress On Summer Break – Packed Agenda for September Through End of Year*
- *Chairwoman Napolitano to Secretary Salazar – California Water Crisis Solutions Need to Include Programs that Stretch Existing Water Supplies – Calls for 1 MAF of New Water from Title XVI, New starts for Dozens of New Water Projects to “Grow” Water in California – Recommended \$250 Million Budget Amendment.*
- *Drought Conditions/Water Supply*
- *News and Notes*
- *IEUA Working Partners*

Congress on Summer Break – Packed Agenda for September Through End of the Year.

An exhausted Congress went on a month-long break at the end of July (beginning of August for the Senate) and will return after Labor Day on September 8. The pending agenda is packed. The top of the agenda – funding the Federal Government for the next fiscal year beginning October 1.

All 12 annual spending bills are pending. Appropriations will likely dominate the floor agenda (especially in the Senate) over the entire month. Almost all face House-Senate conference committees (reconciling the respective bills) before final passage. The leadership wants to avoid a Continuing Resolution (CR), but conventional wisdom says that it will be next to impossible. Some think a more likely scenario – several bills will likely be enacted with a “smaller” CR needed at the beginning of the new fiscal year. In addition to annual funding bills, two major presidential priorities are under active consideration and both face uncertain outcomes. One is health care and the other is energy/climate change. With Congress in recess, work continues on all these issues.

Chairwoman Napolitano to Secretary Salazar – California Water Crisis Solutions Need to Include Programs that Stretch Existing Water Supplies – Calls for 1 MAF of New Water Financed By Title XVI, New starts for Dozens of New Water Projects to “Grow” Water in California – Recommended \$250 Million Budget Amendment. Near the end of the August Congressional break, Rep. Grace Napolitano, Chairwoman, Subcommittee on Water and Power, with jurisdiction over the Bureau of Reclamation sent a six-page letter to Secretary Salazar recommending that (a) the Administration submit a \$250 million budget amendment to Congress targeted for a program to address the California water crisis; (b) the funds be included in the pending Energy and Water Development Appropriations Act for FY 2010 beginning October 1, 2009; (c) the funds be targeted for Title XVI; (d) the targeted funds should underwrite new starts for not less than 40 new water recycling projects up and down the State of California; (e) the funds be used for a new “farmer-helping-farmer” water stretching program and an urban water conservation program (both already authorized); and (f) the funds be used to develop, within 48-60 months, 1 MAF of new water annually.

To date, the focus within California and on the California water crisis has been exclusively on the “Delta.” The Subcommittee is recommending to the Secretary that the focus be expanded. In effect, Chairwoman Napolitano declared, adopt a two-track approach: In the short-term” stretch water supplies, in urban and agricultural area and create new water supplies throughout the State to blunt the sustained drought. And, in the long-term address and develop Delta solutions. It is not, in her judgment, an “either-or” situation. To the Chairwoman, a comprehensive “solution” must address both.

A response from the Administration, OMB, the Secretary and the Commissioner is expected in early September.

Drought Conditions and Water Supplies. The NOAA/USDA Drought Monitor report at the end of August reveals that all of California remains in drought and almost all of “coastal California” is in severe drought. Almost all of Nevada and Arizona are in drought as is about half of New Mexico. Similarly, about half of Texas is in drought with South Texas being in severe drought. Drought conditions extend north and include the Oregon and Washington coastal areas (nearly all of the State of Washington is in drought). Drought has lessened California remains in moderate to severe drought, from the Oregon to the Mexican border, with the severe conditions

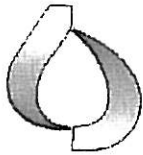
predominantly found along the Coast, and less severe conditions found inland. South Texas has the worst drought conditions in the West.

News and Notes. BuRec Commissioner, Michael Connor, revealed, at the quarterly stakeholder's meeting, that Title XVI was subject to some kind of undefined policy review. WateReuse Association is taking the lead to determine the scope of the review. *Water Softener Legislation in Sacramento* – Assistance was provided to the effort presently underway to address legislation pending in Sacramento. During Recess, Napolitano Subcommittee and Under Secretary Hayes held meetings and listening sessions on the California water crisis. *BuRec Asked for Water Reuse Feasibility Studies by Napolitano Subcommittee* – refused to provide them. IEUA asked to provide examples of feasibility reports them when BuRec wouldn't. *Assistant Secretary for Water and Science, Anne Castle and Deputy Assistant Secretary for Water and Science, John Tubbs*, at Stakeholder's Meeting, that "water conservation" would be their highest priority. *Secretary Salazar*, at a forum in Colorado, announced that Climate Change would have to address "water" and "agriculture." *Water Secure Act*. BuRec is working with USGS to implement the Water Secure Act, enacted recently. Anticipate preliminary steps towards implementation in the next 60-90 days. *Valley Irrigators* insist that reduced water from CVP and State leading to massive unemployment – University of Pacific Report disputes claim. Academic Jeff Michael's research shows vast majority of unemployment in the San Joaquin Valley attributed to housing collapse.

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

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

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Date: September 16, 2009

To: The Honorable Board of Directors

Through: Public, Legislative Affairs and Water Resources Committee (09/09/09)

From: Richard W. Atwater
Chief Executive Officer/General Manager

Submitted by: Sondra Elrod
Public Information Officer

Subject: Public Outreach and Communications

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

Calendar of Events

September 2009

- **September 3**, Regional Recycled Water NE project groundbreaking, Cultural Center at Victoria Garden shopping center beginning at 10:00 a.m.
- **September 9**, Montclair Day at the LA County Fair
- **September 16**, Employee recognition luncheon (picnic), Event Center, beginning at 11:00 a.m.
- **September 18**, Chino Day at the LA County Fair
- **September 19**, Upland Family, Memorial Park, Upland, noon to 4:00 p.m.
- **September 19**, Rancho Cucamonga Day at the LA County Fair
- **September 19**, Fontana Day at the LA County Fair
- **September 25**, Chino Hills Day at the LA County Fair (IEUA staff helps the City of Chino Hills man a booth at the fair).
- **September 26**, SAWA's annual Bird Festival at the Chino Creek Wetlands and Education Park, 9:00 a.m. to 1:00 p.m.
- **September 30**, Upland Day at the LA County Fair

October 2009

- **October 1**, Project WET Workshop, Cucamonga Valley Water District, 8:00 a.m. to 3:00 p.m.
- **October 2**, Ontario Day at the LA County Fair

- **October 15**, Three Valleys Municipal Water District Leadership Breakfast, Fairplex Sheraton, 7:30 a.m.
- **October 24**, Regional Water Fair, Chino Basin Water Conservation District, 9:00 a.m. to 2:30 p.m.
- **October 26**, Project Webfoot Workshop, IEUA, 8:00 a.m. to 4:00 p.m.

Outreach/Educational Inland Valley Daily Bulletin Newspaper Campaign

The 5 tips on ways to help conserve water ad will appear in the Daily Bulletin on the first Sunday of each month. The May Water Awareness two-page advertisement ran on Sunday, May 31, 2009.

Water Conservation Outreach

IEUA is continuing to work with conservation partners to plan the Regional Conservation message. The new slogan is *Saving Water...It's the Right Thing to Do*.

The 2008/2009 GIES dedications will take place this fall. The first one, Ontario Center Elementary, took place on August 26 with their back-to-school program. The rest are scheduled for sometime in October.

Beginning June 12 and running through October 18, IEUA will be running MWD's 30 second conservation ad on 71 screens in our local movie theatres. It is expected that the message will be seen by approximately 2,000 people each week or about 1.4 million people over the 18 week schedule.

The Conservation partners have agreed to put ACWA's SAVE OUR WATER logo on the two billboards that are being donated by Lamar Advertising. One billboard will be in on the 10 freeway in Fontana near the Cherry Exit. The other will be on Foothill in Upland.

Regional Conservation Outreach Campaign

- Ongoing monthly 1/4 page ads in the Inland Valley Daily Bulletin, Champion Newspaper, Fontana Herald News, La Opinion, and Inland Empire Magazine.
- Ongoing water wise gardening classes.
- 30 second PSA's on community TV/movie theaters/radio/internet with conservation tips
- Billboards.

Agency Tours

During the month of August, staff provided numerous tours of the HQ - one being a tour for a European Company that is interested in building a 40,000+ LEED building in Chino. Numerous tours of the Chino Creek Wetlands and Educational Park were provided by SAWA.

Educational Updates

- WEWAC is working on finishing up the painting and purchasing of decorations for the garden displayed at the LA County Fair.
- Project WET will be held on October 1st and sixteen teachers have already signed up to attend the workshop.

Public Outreach and Communications

September 16, 2009

Page 3

- The EduGrant applications have been distributed to schools.
- MWD's Education website has gone Live. It is geared toward both students and teachers.
- MWD has judged the poster contest for the calendar and two entries from Monte Vista Water District along with one entry from Cucamonga Valley Water District have been chosen as winners to be displayed in the calendar.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

The above mentioned activities are budgeted in the FY 2009/10 Public Information Services budget.

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DRAFT PEACE II CEQA Schedule

Version Date – (9/16/09)

(Dates meant to be approximate)

1/1/08—TDA will finish draft Project Description for review. It will describe the project and the major issues. WEI, IEUA and CBWM are expected to provide key input. (COMPLETE)

1/15/09—TDA will provide WEI with a list of supporting exhibits needed (tables, graphs, charts, etc.) (COMPLETE)

2/20/09—TDA will release draft Initial Study and Notice of Preparation. (COMPLETE)

3/11/09—IEUA/CBWM will hold a Scoping Meeting so other agencies (water mgt agencies and regulatory agencies) will identify their concerns. (COMPLETE)

9/30/09—WEI will perform any necessary modeling, such as overlaying the Peace II and DYY models and looking at water level impacts, and prepare a Report.

10/21/09—SEIR Document released for public for review for 45 days.

12/9/09—End of 45-day public review period.

12/23/09—TDA finishes responses to comments.

February 2010—IEUA Board adoption.

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CHINO BASIN WATERMASTER

IV. INFORMATION

1. Newspaper Articles





Bill improves our water supply

Created: 09/09/2009 07:45:07 PM PDT

Of all the issues California struggles with, none is more important than water.

Water has always been the pre-eminent issue in the American West, and probably will be forever more.

Southern California is seeing its traditional sources of water - Colorado River imports and the State Water Project - dry up.

Local water leaders are responding by making the most of water sources they control, particularly by managing local groundwater and recycling wastewater. A bill that will soon land on the governor's desk will give them a tool they need to help maximize water recycling: local control of salinity issues.

In particular, Assembly Bill 1366 would allow local water agencies to regulate discharge from home water softeners, but only in areas where the regional water quality board has determined that there is a particular salinity problem, and

only after public hearings on the process.

The Inland Valley is one of those areas with salinity issues. That's why the local Inland Empire Utilities Agencies was one of the co-sponsors of AB 1366, along with the regional Metropolitan Water District.

Traditional household automatic water softeners pose a major threat to our local water supply because each one of them dumps about 30 pounds of salt each month into the wastewater stream. IEUA turns that wastewater into recycled water - which is used for industrial and commercial processes, irrigation of golf courses and public landscaping, dust control and the like; and which is safe for all human contact except drinking. But if the wastewater gets too salty, it is either unusable or tremendously expensive to remove enough salt to make it usable.

Essentially, the homeowner might pay five bucks for a bag of water-softening salt, but it will cost 10 to 20 times that much to remove that same salt while recycling the water - a cost that will be borne by all local water buyers.

Best to start getting those old water softeners out of the wastewater stream

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and replacing them with alternative softening methods. IEUA already offers rebates of \$300 to \$2,000 to homeowners who let the agency remove their water softeners. (Visit www.ieua.org.) AB 1366 would make it possible for the agency to require removal of home systems that pollute our reusable water supply with excess salinity - and require full payment to the homeowner for the value of the system.

There are alternative water softening systems available that do not pollute in this way - including salt-filled cylinders that can be traded out each month and disposed of without harming the water supply - and Southern Californians need to convert to such systems; we will pay an awful price in sky-high water rates in the future if we fail to do so.

The governor vetoed a similar bill last year, but AB 1366 has been improved to the extent that even the water softener trade association has withdrawn opposition to it. It is endorsed by water agencies all over the state, the League of California Cities, agriculture, business councils and environmental groups.

"If AB 1366 is vetoed, it will make it clear this governor has no water policy,"

Ken Willis, chairman of Chino Basin Watermaster, told our editorial board.

Agreed. The governor needs to sign this bill.

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WATER SOFTENERS Bill improves our water supply

Of all the issues California struggles with, none is more important than water. Water has always been the pre-eminent issue in the American West, and probably will be forever more.

Southern California is seeing its traditional sources of water — Colorado River imports and the State Water Project — dry up.

Local water leaders are responding by making the most of water sources they control, particularly by managing local groundwater and recycling wastewater. A bill that will soon land on the governor's desk will give them a tool they need to help maximize water recycling: local control of salinity issues.

In particular, Assembly Bill 1366 would allow local water agencies to regulate discharge from home water softeners, but only in areas where the regional water quality board has determined that there is a particular salinity problem, and only after public hearings on the process.

The Inland Valley is one of those areas with salinity issues. That's why the local Inland Empire Utilities Agencies was one of the co-sponsors of AB 1366, along with the regional Metropolitan Water District.

Traditional household automatic water softeners pose a major threat to our local water supply because each one of them dumps about 30 pounds of salt each month into the wastewater stream. IEUA turns that wastewater into recycled water — which is used for industrial and commercial processes, irrigation of golf courses and public landscaping, dust control and the like; and which is safe for all human contact except drinking. But if the wastewater gets too salty, it is either unusable or tremendously expensive to remove enough salt to make it usable.

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Delta 'bypass' a cure for its ills

Douglas Headrick

Created: 09/01/2009 08:05:35 PM PDT
Southern California Water Committee
Chairman Charles Wilson caught everyone's attention at the third annual San Bernardino Water Conference when he likened California's water delivery system to a sick patient in desperate need of a coronary bypass operation.

"The heart of this patient needs a bypass surgery in the worst possible way," Wilson said during the Aug. 20 conference. He was talking about the need for a peripheral canal around the troubled Sacramento-San Joaquin Delta. The analogy couldn't be more on target.

More than 25 million people, or two-thirds of California's population, depend to varying degrees on the water that flows through the Delta. Its waters also provide the lifeblood for much of the state's agribusiness and countless other industries that make California the eighth-largest economy in the world. In San Bernardino County, we depend on

Delta water because our local water needs far outstrip the runoff we receive from our local mountains. In fact, without Delta water, San Bernardino Valley Municipal Water District would be hard pressed to satisfy the needs of 13 local water agencies from Rialto to Yucaipa and their 700,000 business and residential customers, let alone maintain the integrity of local groundwater basins.

So when a federal judge ordered a 30 percent cutback in Delta water deliveries two years ago to protect the delta smelt, a small fish, many water agencies in San Bernardino County and throughout Central and Southern California had no choice but to impose immediate water restrictions.

The problems involving the Delta are complex. While some argue that water exports threaten the delta smelt and other endangered fish, others assert that these fish are equally threatened by contaminated runoff from agriculture, wastewater treatment plant discharges and invasive non-native species, which compete with smelt and other fish species for food. Another problem involves the Delta's antiquated system of levees, which could easily fail during an earthquake or flood, resulting in ocean

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water rushing into vast areas of the Delta, leaving large parts of California without an adequate water supply for months or years.

Given the magnitude of these problems, many argue that the best way to maintain the Delta's viability as an ecological and water resource is simply to bypass the existing network of canals with a new canal or perhaps even a tunnel, which would enable the state to better control water flows in and around the Delta for the benefit of both fish and people.

Unfortunately, every plan to re-route water supplies around the Delta is met with some level of opposition from sports fishermen, environmental groups or local interests who seem to be more interested in doing nothing rather than taking concrete steps to address the biggest single threat facing Californians and the state's economy, which is continued cutbacks in Delta water deliveries.

To make matters worse, the courts are clogged with lawsuits that have been filed by state, federal and local agencies as well as environmental organizations, further complicating efforts to restore the flow of Delta water throughout the state.

But while it may be tempting for some to simply give up on the idea of waging a political battle to ensure that an alternative conveyance system is put in place to protect the long-term viability of the Delta, water agencies in Southern California and throughout the state know this is one battle we cannot afford to lose.

"We cannot give up on our imported water supply," said Brian Thomas, assistant general manager and chief financial officer of Metropolitan Water District, in his remarks to water conference attendees.

Kirby Brill, general manager of Mojave Water Agency, made a similar call to action. "I challenge everybody not to give up on the Delta," he said, adding, "We really need to step up and make sure our voice is heard in this 'fixing the Delta' discussion."

As the largest provider of imported water in San Bernardino County, we at San Bernardino Valley Municipal Water District also believe that it is critical that our elected representatives act now to ensure that an alternative conveyance or "bypass" system is built to ensure the long-term viability of Delta water

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supplies.

Douglas Headrick, deputy general manager of San Bernardino Valley Municipal Water District, was a panelist at the San Bernardino County Water Conference.

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This story is taken from Sacbee / Opinion

Editorial: Don't rush water package into law

Published Friday, Sep. 11, 2009

With the clock ticking toward the scheduled end tonight of this year's legislative session, lawmakers are closer than they have ever been to adopting a comprehensive plan to protect the state's water supply and restore and preserve the fragile and declining Sacramento-San Joaquin Delta.

Legislators have been prodded and pounded by all sides – by business interests and labor, farmers and farmworkers, Southern California governments, Silicon Valley computer chip-makers and environmentalists. Legislative leaders, including Senate President Pro Tem Darrell Steinberg of Sacramento, want desperately to demonstrate that they, and the institution in which they serve, are capable of solving big, seemingly intractable problems.

And so it is with considerable reluctance that we urge a timeout. This issue is too important, and the stakes are too high, to rush it to judgment, even after more than a decade of wrangling.

The package of five bills that has emerged from weeks of mostly back-room negotiations looks promising to us. But the measures also look too complex and raise too many questions to pass them into law with only a day or two of serious review. And perhaps the most important piece – the financing – still wasn't public by Thursday afternoon.

We're not naive. We realize that the pressure of a deadline is usually the only thing that will get lawmakers to act on tough issues such as this one. Like lawyers negotiating on the courthouse steps as a trial is about to begin, legislators don't want to make difficult compromises until they think they absolutely must do so.

But this is the first year of the Legislature's two-year session, and tonight's deadline is not set in stone. The Legislature can return, next week or next month, either in an extended regular session or in a special session called by the governor.

If they do so, they can address several questions about this package, among them:

- How will it protect the water supply and the water quality of the people who live and work in the Delta?
- How much will it cost to restore and protect the Delta, and who is going to pay for it? Will those costs be spread fairly?

- Will it allow the state to build a new canal to move water from north to south around and through the Delta without a vote of the people, and if so, how will Northern California interests be safeguarded?
- What additional water storage, including reservoirs, will be built, and will the people and businesses using the water stored in them be asked to pay the cost of their construction and upkeep?

Steinberg, Assembly Speaker Karen Bass and other key players in this deal deserve tremendous credit for pushing this package to the brink of passage and building consensus on some very tough issues.

But now that their handiwork has seen the light of day, they should take some time to sell it to the people who were not at the negotiating table. Otherwise, they risk seeing their work bogged down by lawsuits, ballot measures and more years of regulatory infighting.

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Cucamonga Valley customers to get hike in their water bills

Wendy Leung, Staff Writer

Created: 08/12/2009 04:52:33 PM PDT
 RANCHO CUCAMONGA - Cucamonga Valley Water District customers will see their water bill increase by an average of \$4.16 starting Sept. 1.

Board members approved the rate hike on Tuesday after receiving five letters of protest and one letter of support.

Under Proposition 218, also known as the Right to Vote on Taxes Act, a majority of district customers, more than 28,000 property owners, need to submit a protest letter in order to strike down the rate hike.

Board members voted unanimously for the increase, calling the move a direct result of a major increase by the Metropolitan Water District, which sells imported water to Cucamonga Valley.

"I realize the time couldn't be worse with the housing market and so many people

losing their jobs," said board member Hank Stoy. "We have no choice."

An average household that pays \$97.66 every two months will now pay \$4.16 more.

This year, the local water agency reduced its operating budget by \$2.5 million and laid off 13 employees. But the cuts weren't enough to absorb the higher rates by Metropolitan, officials say.

Since 2004, MWD rates have remained either stagnate or increased by less than 6 percent. But in January, Metropolitan raised rates by about 17 percent and is raising it by another 17 percent next month.

"I'm disappointed that Metropolitan went a number of years without raising," said board member Kathy Tiegs. "They're raising it at one time rather than over a period of time which would've been more palatable."

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Upland working toward water conservation education

Sandra Emerson, Staff Writer

Created: 08/12/2009 03:56:49 PM PDT
 UPLAND - Alison Loukeh knows the water business.

Loukeh, a water conservation and education specialist, was hired by the city in May to lead the way for some of the city's water conservation efforts.

"What I've started on is not only watching legislation, what's coming up with the drought, what's going on with the state, but also how to make Upland more aware that we actually are in a drought and everybody needs to do their part," Loukeh said.

To enforce a water conservation ordinance implemented in the 1990s, Loukeh intends educate through public outreach.

Starting tonight, a booth will be set up during the Upland Farmer's Market at least twice a month. Loukeh will be there

sharing conservation tips and regulations the city is enforcing.

"Our focus is to reduce water use, not penalize people," Loukeh said.

The city's youth certainly won't be left out of any conservation education within the city. Loukeh will be working with the high schools in order to educate teens on water usage.

Homeowners associations, which are big water users, will be part of the education programs as well, Loukeh said.

State legislation is also a concern of the city's Public Works Department. Loukeh will be keeping an eye out for any new legislation that would affect the city's water.

The governor has called for water usage in the state to be reduced by 20 percent by 2020.

"We have looked at legislation, making sure we're in compliance with any law that comes up and we're ready," she said. "There's always legislation at the state level, so I watch that pretty closely to see how that effects us in the future."

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The city has its own water rights, but gets a portion of its water from the San Antonio Water Company and West End Consolidated Water Co.

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Some water is imported in through the Metropolitan Water District, which is at a low due to restrictions in the Sacramento Delta area due to threatened to the Delta smelt fish population there.

The city is working on implementing a recycled water program, which will be used for golf courses, public right of way, schools and other public landscaping.

"It will be like adding tons of water to what is available to our community and it will be vital for the long term and that means decades into the future," said Councilman Ken Willis. "The sooner it can be accomplished the better, and I am certain that if we can get this up and running on schedule, it will be a huge benefit to our citizens."

The program is expected to be designed and ready to implement in a couple years.

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Conservation key

City, agency officials find consensus on drought

Liset Márquez, Staff Writer

Created: 08/20/2009 08:57:12 PM PDT
ONTARIO - Examining the real value of delivering water and identifying local conservation solutions will be key components in dealing with a drought in the midst of a recession, according to area water and city officials.

From offering cash incentives to installing recycled water lines, agencies are doing their share to conserve, said Scott Coler, president of the Building Industry Association's Baldy View Chapter.

The next step will be getting homeowners to do their part, said Tim Piasky, chief operating officer with Victory Homes.

The officials made the suggestions Thursday at the San Bernardino County Water Conference in Ontario.

"The only way to circumvent what is happening today is we need to get smarter and implement land use and



Fred Agudelo, with the Baldy View Chapter of the Building Industry Association, drinks a glass of water as he speaks with Jonathan Weldy of the Meridian Land Development Co. during a break at the San Bernardino County Water Conference on Thursday at the Ontario Convention Center. (Will Lester / Staff Photographer)

environmental conservation designs," said Josie Gonzales, San Bernardino County's

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5th District supervisor.

The building industry has responded to the call, implementing greener standards in new developments for the past five years, Piasky said.

When it comes to conservation, new home developments - which Piasky likened to a Toyota Prius - already meet green standards.

"The problem we have is the existing homes - it's like they are the Hummer. How do we improve it?" Piasky said.

Improving older homes would mean retrofitting pipelines and installing low-flow toilets as well as shower heads.

"Older homes (are) difficult because you have to tear up streets to put in purple pipelines," said Ken Willis, an Upland councilman who served as a moderator of a panel discussion.

Even if cities can't afford to install new piping for recycled water, most homeowners can still do their part to conserve water by cutting in half how much they water their lawns, said Celeste Cantu, general manager of the Santa Ana Watershed Project Authority.

"We still have not a drop to waste," Cantu said. "If we move our households on that scale, then we'll be just fine."

In Upland and Ontario, homeowners and businesses have made small strides and cut water consumption by about 15 percent, said Rich Atwater, general manager of the Inland Empire Utilities Agency.

State water agencies are not only facing limitations in how much water can be imported because of environmental regulations, but they are also in the middle of a state of emergency for California's water supply.

Gov. Arnold Schwarzenegger declared the emergency last year, urging everyone to cut use by 20 percent.

In 2003, the Inland Empire Utilities Agency began a program where it stored excess water, which reduced the amount of water imported by half, Atwater said.

The move has helped the agency during the drought.

A "cash for grass" program put on by the Mojave Water Agency has resulted in three quarters of a million square feet of

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turf being removed in the Apple Valley area, said Scott Weldy, general manager of the Apple Valley Ranchos Water Co.

The Mojave agency gives 50 cents per square foot to replace lawn for low water-use landscaping.

"All the tools are available to promote conservation. We have to educate our constituents on what exactly the problem is," Weldy said.

Atwater said the IEUA has also implemented the program.

Officials in Apple Valley decided to implement tiered water rates to promote conservation, Weldy said.

That was three years ago. Since then, there has been a drop in water consumption, he said.



Lorri Gray, lower Colorado regional director for the Bureau of Reclamation, speaks at the 2009 San Bernardino County Water Conference on Thursday at the Ontario Convention Center. (Will Lester / Staff Photographer)

Cantu said she agrees in implementing a tiered system because it helps homeowners "live within our water budget - it's not wastewater," she said.

The price of water increases with each tier.

The system gets people to pay attention if they have to pay the full value of delivering water, Cantu said.

"It is the most economical way to get significant water savings," she said. "Water is underrated - everyone takes it for granted."

The conference was created three years ago by the county and the Building

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Industry Association in order to start a dialogue about water supply, Coler said.

promote conservation.

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MAKING STRIDES

Gov. Arnold Schwarzenegger wants use cut by 20 percent. How some local communities are working toward that goal:

- Upland and Ontario homeowners and businesses have cut water consumption by about 15 percent.
- The Inland Empire Utilities Agency has reduced the amount of water it imports by half through a program in which they store excess water for use during drought.
- Mojave Water Agency and IEUA have a "Cash for grass" program, giving 50cents per square foot to replace lawn for low water-use landscaping. So far 750,000 square feet of turf has been removed in the Apple Valley.
- City officials in Apple Valley implemented tiered water rates to

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Wise water use urged

Conservation seen as way to cut costs

Matt Wrye, Staff Writer

Created: 08/20/2009 06:41:04 PM PDT

Cash-strapped businesses and consumers looking to save on overhead might want to consider a tip: Use less water.

The price of water is going up, and there's no stopping it for the foreseeable future - unless conservative measures are taken to battle drought conditions.

That's what business leaders and water experts said Thursday at the San Bernardino County Water Conference at the Ontario Convention Center.

While the recession is forcing consumers and businesses to drastically cut their spending, rising water rates could squeeze them that much more.

Some policy-shapers argue that a "tiered" water-rate pricing system - where water gets exceptionally expensive the more you use - is the best way to make water users realize its value in fueling the economy.

"If we were to price it more appropriately, people would pay more attention," said Celeste Cantu, general manager of the Riverside-based Santa Ana Watershed Project Authority, which

focuses on protecting the quality of Santa Ana River water.

Conservation efforts have proven successful, but pricier water rates could give customers the extra nudge needed to take conservation to the next level.

"Our water is undervalued - everyone takes it for granted," Cantu said. "(Tiered pricing) is the most economical way to save water."

Water rates are rising for several reasons, but the two main culprits are a supply decrease at the wholesale level, coupled with higher infrastructure transport costs for wholesalers.

"They have to raise rates to offset the loss of revenues," said Rob Sears, territory manager for Measurement Control Systems, a Santa Ana-based high-tech water meter distributor.

He said wholesale rates have recently jumped 20percent to 30percent for businesses across Southern California.

"The trend everywhere is up," Sears said. "I don't know anyone who's able to hold their rates down."

The economic connection goes further than just higher water rates.

The long-term availability of water is raising eyebrows at land use and planning commission meetings in San Bernardino County, according to Kirby Brill, general manager of the Apple Valley-

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based Mojave Water Agency.

He said retail and residential builders play huge roles in creating local jobs and attracting peripheral development, but some city officials are starting to question whether enough water is available to support projects - a move that could limit economic growth.

Tim Piasky agrees but thinks water agencies should shape their strategies differently.

The chief operating officer for Arcadia-based Victory Homes said California's drought issue demands a federal response. Billions in stimulus dollars have been set aside for green energy projects, but water conservation seems to be mostly left out of the equation.

"On the existing-home side of things, we're still inefficient (water wise) compared to new homes," Piasky said. "It'd be a boost to the economy if we had those water dollars."

Even with water issues at hand, the Inland Empire is still a target for economic growth, he said.

"Where else are you going to go?" Piasky said. "The area has been set up for it."

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WATER CONFERENCE

Wise water use urged

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By Matt Wrye Staff Writer

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Will Lester Staff Photographer

David Schroeder, a water conservation specialist with the Chino Basin Water Conservation District, speaks with Upland Councilman Ray Musser during a break at the the San Bernardino County Water Conference on Thursday at the Ontario Convention Center.

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For water's sake, regulate softeners

Rich Atwater

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An extraordinary coalition of business, agriculture, environmental and local governments have come together to support Assembly Bill 1366 (Feuer/Caballero/A. Strickland), which will provide our community with the authority to protect our water quality from the salinity impacts caused by a specific type of residential water softener - the self-regenerating devices that require the use of bags and bags of salt to make the equipment work.

As California struggles through the third year of drought and moves forward with discussions about how to solve problems in the San Francisco Bay Delta, we need to tackle all aspects of our water crisis. For years, however, state law has unduly constrained local water agencies from determining how best to address one significant water supply and quality issue - excess salinity in some surface and groundwater supplies caused, in part, by residential self-regenerating water softeners. AB 1366 takes a measured approach to solve this problem.

Current law gives local and regional agencies wide latitude to regulate salinity inputs from every other source - agricultural, commercial and industrial, except home water softeners. Never mind that one typical self-regenerating home

water softener can dump up to 30 pounds of salt into the sewer system each month, contributing salinity that can make water recycling cost-prohibitive.

It is time to change the law that continues to place the interests of one industry over the interests of all other businesses, agriculture and, significantly, ratepayers.

The experience of the Santa Clarita Valley in northern Los Angeles County underscores why.

The Sanitation District instituted a voluntary rebate program followed by ban on residential use of self-regenerating water softeners, with reimbursement for any units that were removed.

The result: The vast majority of Santa Clarita's water softeners are now gone. As a result, the salt added has dropped by almost half.

Had the Sanitation District been forced to remove the equivalent amount of salt through advanced wastewater treatment upgrades with reverse osmosis desalination - as has occurred elsewhere in California - ratepayers would have paid more than 30 times as much as the rebate and reimbursement program cost.

The lesson of Santa Clarita is clear - expanding the options of publicly accountable local agencies in dealing with salinity issues, as AB 1366 aims to do, can save ratepayers millions of dollars.

Here in the Inland Empire our residents and

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businesses have invested hundreds of millions in the development of our local recycled water and groundwater supplies to drought proof our economy. With the state now predicting dramatic reductions in California's future water supplies due to problems in the Delta and climate change, we must take action to protect the water supplies we have. This means we need to support the passage of AB 1366 and start using non-salt-based water softening devices.

Rich Atwater is general manger of Inland Empire Utilities Agency, which is a co-sponsor of AB 1366. Other co-sponsors are: Metropolitan Water District of Southern California, Irvine Ranch Water District, the Water Replenishment District of Southern California, and the WateReuse Association. The agency offers a residential self-regenerating water softener rebate of up to \$2,000 with free disconnection and removal. For more information, please visit www.ieua.org .

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