



CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

Tuesday, April 14, 2009

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

AT THE CHINO BASIN WATERMASTER OFFICES

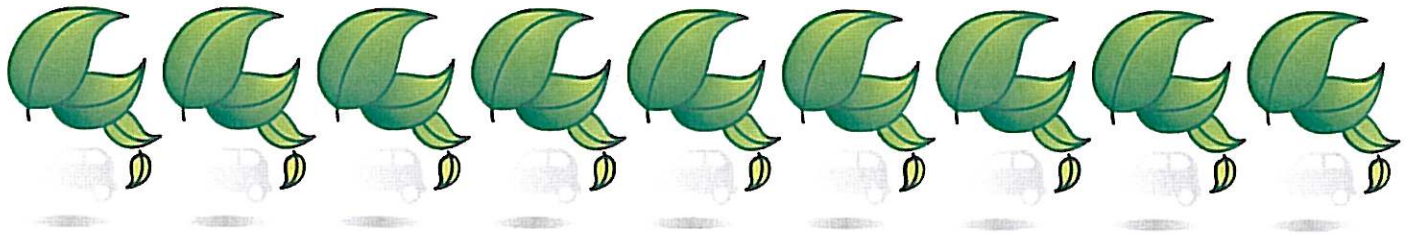
9641 San Bernardino Road
Rancho Cucamonga, CA 91730
(909) 484-3888

Tuesday, April 21, 2009

9:00 a.m. – Agricultural Pool Meeting

AT THE INLAND EMPIRE UTILITIES AGENCY OFFICES

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



CHINO BASIN WATERMASTER

Tuesday, April 14 2009

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

Tuesday, April 21, 2009

9:00 a.m. – Agricultural Pool Meeting

AGENDA PACKAGE



**CHINO BASIN WATERMASTER
JOINT APPROPRIATIVE & NON-AGRICULTURAL POOL MEETING
WITH**

*Mr. Ken Jeske, Chair, Appropriative Pool
Mr. Mark Kinsey, Vice-Chair, Appropriative Pool
Mr. Bob Bowcock, Chair, Non-Agricultural Pool
Mr. Kevin Sage, Vice-Chair Non-Agricultural Pool*

10:00 a.m. – April 14, 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 Joint Appropriative and Non-Agricultural Pool Meeting held March 12, 2009
(Page 1)

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of March 2009 (Page 9)
2. Watermaster Visa Check Detail (Page 13)
3. Combining Schedule for the Period July 1, 2008 through February 28, 2009 (Page 15)
4. Treasurer's Report of Financial Affairs for the Period February 1, 2009 through February 28 2009 (Page 17)
5. Budget vs. Actual July 2008 through February 2009 (Page 19)

C. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – Cucamonga Valley Water District is purchasing 500 acre-feet of water from West valley Water District. This purchase is made from WVWD's water in storage and is to be placed in CVWD's Excess Carryover Account. Date of Application: March 10, 2009 (Page 21)
2. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 1,000.000 acre-feet of water from the Jurupa Community Services District Toward Replenishment Obligation. Date of Application: March 17, 2009 (Page 33)
3. **Consider Approval for Notice of Sale or Transfer** – On March 9, 2009, Watermaster received Form 5 "Application to Transfer Annual Production Right or Safe Yield, with KCO, LLC (Koll) as Transferor and the City of Ontario (as Overlying Non-Agricultural party) as Transferee in the amount of 22.000 acre-0feet – a permanent transfer of its share of safe yield. Date of Application: March 9, 2009 (Page 47)

II. BUSINESS ITEM

A. BUDGET TRANSFER T-09-04-02

Consider Budget Transfer No. T-09-04-02 for Agricultural Pool Legal & Technical from OBMP Account 6906 to Account 8467 in the Amount of \$30,000 (*Page 57*)

B. STATUS REPORT 2008-2

Consider Approval of Status Report 2008-2 for Filing with the Court (*Page 61*)

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. April 27, 2009 Hearing
2. Hanson Aggregates Update
3. Notice Application for Storage Account by Inland Empire Utilities Agency, Three Valleys Municipal Water District, and Western Municipal Water District on behalf of Metropolitan Water District of Southern California for an additional 74,000,000 acre-feet in addition to the 100,000,000 acre-feet existing DYY Storage Account
4. Development and Use of the City of Upland's Storm Drains Agreement

B. ENGINEERING REPORT

1. Recharge Master Plan Update and Schedule
2. Summary of Findings from Max Benefit/Hydraulic Control Monitoring Report
3. Results of InSAR Work

C. FINANCIAL REPORT

1. Budget Workshop and Related Items

D. CEO/STAFF REPORT

1. Legislative Update
2. Recharge Update
3. Zone 1 Repair to San Sevaine Channel Agreement

IV. INFORMATION

1. Newspaper Articles (*Page 73*)

V. POOL MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

1. Meeting with Agricultural Pool Regarding Special Projects
2. Personnel Committee Matters

VIII. FUTURE MEETINGS

April 14, 2009	10:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
April 21, 2009	9:00 a.m.	Agricultural Pool Meeting @ IEUA
April 21, 2009	2:00 p.m.	Budget Workshop
April 23, 2009	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
April 23, 2009	9:00 a.m.	Advisory Committee Meeting
April 23, 2009	11:00 a.m.	Watermaster Board Meeting
April 23, 2009	1:00 p.m.	WE Workshop #2 Task 6.1
April 27, 2009	9:30 a.m.	Chino Basin Watermaster Hearing, San Bernardino Court
April 28, 2009	9:00 a.m.	GRCC Meeting

Meeting Adjourn

**CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING
WITH**

*Mr. Bob Feenstra, Chair
Mr. Jeff Pierson, Vice-Chair*

9:00 a.m. – April 21, 2009

At The Offices Of

**Inland Empire Utilities Agency
6075 Kimball Ave., Bldg. A, Board Room
Chino, CA 91710**

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April 28, 2009	9:00 a.m.	GRCC Meeting

Meeting Adjourn



CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Joint Appropriative and Non-Agricultural Pool Meeting – March 12, 2009



Draft Minutes
CHINO BASIN WATERMASTER
JOINT APPROPRIATIVE & NON-AGRICULTURAL POOL MEETING
March 12, 2009

The Joint Appropriative and Non-Agricultural Pool Meeting were held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on March 12, 2009 at 10:00 a.m.

APPROPRIATIVE POOL MEMBERS PRESENT

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

NON-AGRICULTURAL POOL MEMBERS PRESENT

Kevin Sage	Vulcan Materials Company (Calmat Division)
Mohamad El Amamy	City of Ontario

Watermaster Board Members Present

Michael Camacho	Inland Empire Utilities Agency
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Watermaster Staff Present

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

Watermaster Consultants Present

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

Others Present

Jennifer Novak	State of California Dept. of Justice
Marv Shaw	Inland Empire Utilities Agency
Sandra Rose	Monte Vista Water District
Eunice Ulloa	Chino Basin Water Conservation District
Marty Zvirbulis	Cucamonga Valley Water District
David DeJesus	Three Valleys Municipal Water District
Ben Adlin	Coro

Chair Jeske called the Joint Appropriative and Non-Agricultural Pool Meeting to order at 10:00 a.m.

AGENDA - ADDITIONS/REORDER

Chair Jeske asked that the closed session be moved directly after the Consent Calendar on the agenda.

I. CONSENT CALENDAR**A. MINUTES**

1. Minutes of the Joint Appropriative and Non-Agricultural Pool Meeting held February 12,

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of February 2009
2. Watermaster Visa Check Detail
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C. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – Santa Ana River Water Company hereby transfers to Jurupa Community Services District in the quantity of 1,000 acre-feet of corresponding Operating Safe Yield. Date of Application: February 2, 2009
2. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 1,800.000 acre-feet of water from the Santa Ana River Water Company. Watermaster will purchase the water at \$295.00 per acre-foot, which is the MWD's replenishment rate (not including IEUA and OCWD fees). The transfer will be made first from SARWC's net under-production in Fiscal Year 2008-09, with any remainder to be recaptured from storage. Date of Application: March 2, 2009
3. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 5,085.000 acre-feet of water from the City of Chino. Date of Application: March 2, 2009

*Motion by Garibay, second by Moorrees, and by unanimous vote – Non-Ag concurred
Moved to approve Consent Calendar A through C, as presented*

Chair Jeske closed the regular open meeting at 10:06 a.m. to hold the confidential session.

VI. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Jeske stated the confidential session direction to the chair was allow have him to attend the meeting regarding the Agricultural Pool special projects issue which will be scheduled by Board member, Robert Bowcock, and to obtain a written offer to meet and discuss solutions regarding this matter with the Agricultural Pool representatives.

Chair Jeske dismissed the confidential session at 10:37 a.m. to continue with the open meeting.

II. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. Court Hearing Update**

Counsel Fife stated a notice went out regarding the April 16, 2009 hearing; however, that hearing has now been rescheduled to April 9, 2009. Recently the court has contacted legal and informed them that the April 9, 2009, hearing date will not work due to the Judge's vacation schedule and noted another date will be scheduled for later in the month of April. Counsel Fife stated that, once a new date is scheduled another notice will go out.

2. Auction Price Floor Agreement & Storage & Recovery Agreement

Counsel Fife stated a meeting took place recently with Watermaster staff and the Appropriative Pool members. As to date, Western Municipal Water District, does not want to be the floor bidder for the water that will be available for the upcoming auction. Different ways to restructure the auction are being considered and once a more definitive plan is done more information will be given to this Pool. Chair Jeske offered comment on the recent meeting and noted a to-do list was given out at that meeting and another meeting was scheduled.

3. Peace II CEQA Notice of Preparation

Counsel Fife stated in the Peace II Agreement there was commitment to do a CEQA analysis and Mr. Dodson has been hired to perform that work. Inland Empire Utilities Agency (IEUA) is acting as the lead agency and this is in process. The CEQA document is going to review the Peace II agreements and also will be an update to the original PEIR that was done in 2000. A notice of preparation did go out on February 25, 2009 which begins a 30 day comment period. Recently there was a scoping meeting held at IEUA which was attended by IEUA staff and Watermaster staff and no members of the public showed up to make comments which is a very good sign that the CEQA process may proceed smoothly.

B. ENGINEERING REPORT

1. Recharge Master Plan Progress Report

Mr. Wildermuth stated the work on the Recharge Master Plan is proceeding on schedule. A technical consultant meeting took place recently and was a very informative meeting. The production optimization work is currently underway and is on schedule. Supplemental water recharge requirements and facilities availability have been completed. Safe yield methodology description is complete and staff is wrapping up the planning criteria. There are four task memorandums that are going to be made available next week on our web site. Those four documents will be the content for the March 26, 2009 Workshop.

2. Storage Loss Calculation Update

Mr. Wildermuth stated the calculations for the storage losses are complete and an initial set of loss rate computations will be produced shortly and will present these findings at the next Advisory Committee meeting. Wildermuth is preparing a technical memorandum for staff to review in the near future.

3. Budget Schedule Update

Mr. Wildermuth stated this will be presented in detail at the next Advisory Committee meeting on March 26, 2009.

C. FINANCIAL REPORT

1. Dry Year Yield Financial Update

Ms. Rojo stated the Dry Year Yield Program that was entered into between Chino Basin Watermaster, Metropolitan Water District, with Inland Empire Utilities Agency acting as the lead agency started last fiscal year 2007-2008. MWD originally agreed to reimburse Watermaster \$400,000 and some of that has been received and the balance will be received this fiscal year. The project was completed in December, 2008, and staff is now anticipating receiving the final reimbursements between Watermaster and IEUA.

D. CEO/STAFF REPORT

1. Legislative Update

Mr. Manning stated there are a number of bills being introduced in Sacramento and the deadline for introduction was two weeks ago. There were about a third less bills introduced this year than in previous years. In Washington there are a lot of bills going through the congress and the senate under a variety of different names; mostly under stimulus kinds of activities. IEUA sends out a detailed list of current legislation status which is always very informative.

2. Recharge Update

Mr. Manning stated staff has not received the most current numbers to formulate the Recharge Update so it will be provided to the parties at the Advisory Committee meeting in a few weeks.

Mr. Manning introduced Ben Adlin who is a Coro Foundation fellowship member and he will be with Watermaster for the next four to five weeks. Mr. Adlin will be constructing a Power Point presentation that will go onto the Watermaster web site while he is here.

3. Watermaster Consolidated Schedule of Reporting Due Dates

Ms. Maurizio gave the Consolidated Schedule of Reporting Due Dates presentation. Ms. Maurizio stated the request for this information was made by an Appropriative Pool member and noted that requests from Watermaster staff often get confused, especially at the end of the fiscal year. This schedule is in the form of a consolidated single-sheet which is easily distributed among staff and will be sent to each party. Ms. Maurizio reviewed the reporting sheet in detail. A discussion regarding the presentation ensued.

4. PERS Retirement Plan

Mr. Manning stated the Personnel Committee met recently and at that meeting the PERS retirement plan that Watermaster currently has in place was reviewed and a proposal for a revised plan was presented. Mr. Manning stated the revision regarded changing the percentage number from 2.0% at 55 years of age to 2.5% at 55 years of age. The Personnel Committee made the recommendation that Watermaster can hold an election with staff of 2.5% at 55, if the Watermaster staff picked up the increase in cost between the 2.0% and the 2.5% which is approximately 3% of their payroll. This recommendation was taken to staff and staff via an election voted to move to 2.5% with staff paying the difference. This recommendation will be coming to the board in March for a July, 2009 start date.

III. INFORMATION1. Newspaper Articles

No comment was made regarding this item.

IV. POOL MEMBER COMMENTS

No comment was made regarding this item.

V. OTHER BUSINESS

No comment was made regarding this item.

VI. CONFIDENTIAL SESSION - POSSIBLE ACTION

Moved to after the Consent Calendar Item.

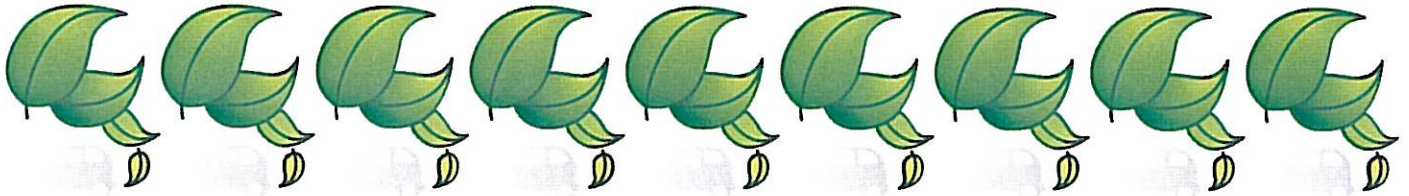
VII. FUTURE MEETINGS

March 10, 2009	9:00 a.m.	GRCC Meeting
March 12, 2009	8:00 a.m.	MZ1 Technical Committee Meeting
March 12, 2009	10:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
March 17, 2009	9:00 a.m.	Agricultural Pool Meeting @ IEUA
March 26, 2009	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
March 26, 2009	9:00 a.m.	Advisory Committee Meeting
March 26, 2009	11:00 a.m.	Watermaster Board Meeting
March 26, 2009	1:00 p.m.	Wildermuth Environmental Workshop

The Appropriative Pool meeting was dismissed by Chair Jeske at 11:00 a.m.

Secretary: _____

Minutes Approved: _____



CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Agricultural Pool Meeting – March 17, 2009



Draft Minutes
CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING

March 17, 2009

The Agricultural Pool Meeting was held at the offices of the office of Inland Empire Utilities Agency, 6075 Kimball Avenue, Chino, CA, on March 17, 2009 at 9:00 a.m.

Agricultural Pool Members Present

Bob Feenstra, Chair	Dairy
Rob Vanden Heuvel	Milk Producers Counsel
Nathan deBoom	Dairy
Jeff Pierson	Crops
Glen Durrington	Crops
John Huitsing	Dairy
Jennifer Novak	State of California Department of Justice for CIM
Nathan Mackamul	State of California/CIW

Watermaster Staff Present

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

Watermaster Consultants Present

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

Others Present

Steven Lee	Reid & Hellyer
Eunice Ulloa	Chino Basin Water Conservation District
Marv Shaw	Inland Empire Utilities Agency

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

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A. MINUTES

1. Minutes of the Agricultural Pool Meeting held February 17, 2009

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A discussion regarding cash disbursements for February ensued. It was noted Jeff Pierson wants to receive copies of invoices that Watermaster receives from Brownstein, Hyatt, Farber & Schreck, and Wildermuth Environmental Inc. each month; Ms. Rojo stated that would be taken care of. A discussion regarding water transactions and water in storage ensued.

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

Moved to approve Consent Calendar A through C, as presented

II. REPORTS/UPDATES

1. Court Hearing Update

Counsel Fife stated a notice went out regarding the April 16, 2009 hearing; however, that hearing has now been rescheduled to April 9, 2009. Recently the court has contacted legal and informed them that the April 9, 2009, hearing date will not work due to the Judge's vacation schedule and noted another date will be scheduled for later in the month of April. Counsel Fife stated that once a new date is scheduled another notice will go out.

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3. Peace II CEQA Notice of Preparation

Counsel Fife stated in the Peace II Agreement there was commitment to do a CEQA analysis, and Mr. Dodson has been hired to perform that work. Inland Empire Utilities Agency (IEUA) is acting as the lead agency and this is in process. The CEQA document is going to review the Peace II agreement and also will be an update to the original PEIR that was done in 2000. A notice of preparation did go out on February 25, 2009 which begins a 30 day comment period. Recently there was a scoping meeting held at IEUA which was attended by IEUA staff and Watermaster staff and no members of the public showed up to make comments which is a very good sign that the CEQA process may proceed smoothly.

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D. CEO/STAFF REPORT

1. Legislative Update

Mr. Manning stated there are a number of bills being introduced in Sacramento and the deadline for introduction was two weeks ago. There were about a third fewer bills introduced this year than in previous years. In Washington there are a lot of bills going through the congress and the senate under a variety of different names; mostly under stimulus kinds of activities. IEUA sends out a detailed list of current legislation status which is always very informative.

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III. INFORMATION

1. Newspaper Articles

No comment was made regarding this item.

IV. POOL MEMBER COMMENTS

No comment was made regarding this item.

V. OTHER BUSINESS

No comment was made regarding this item.

VI. CONFIDENTIAL SESSION - POSSIBLE ACTION

No comment or recommendation was made regarding this item.

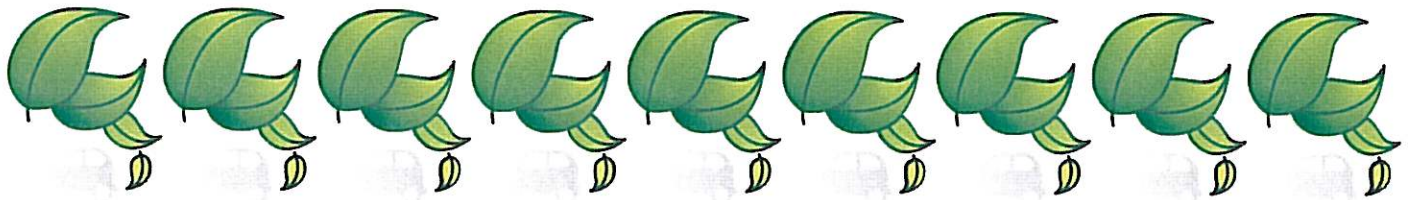
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March 26, 2009	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
March 26, 2009	9:00 a.m.	Advisory Committee Meeting
March 26, 2009	11:00 a.m.	Watermaster Board Meeting
March 26, 2009	1:00 p.m.	Wildermuth Environmental Workshop

The Agricultural Pool meeting was dismissed by Chair Feenstra at 11:10 a.m.

Secretary: _____

Minutes Approved: _____

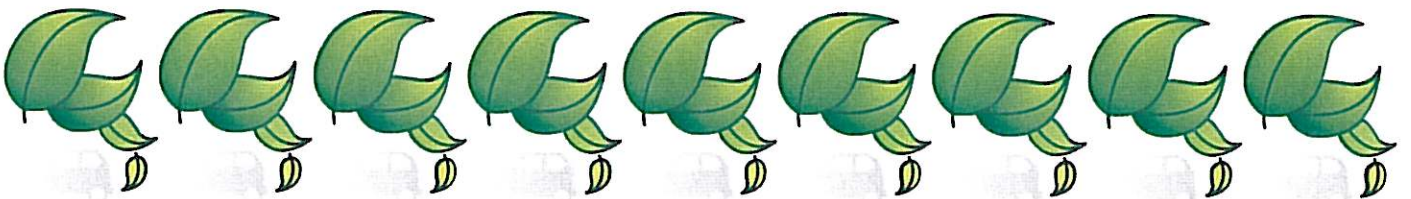


CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of March 2009
2. Watermaster Visa Check Detail
3. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2008 through February 28, 2009
4. Treasurer's Report of Financial Affairs for the Period February 1, 2009 through February 28, 2009
5. Profit & Loss Budget vs. Actual July 2008 through February 2009





CHINO BASIN WATERMASTER

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

KENNETH R. MANNING
Chief Executive Officer

STAFF REPORT

DATE: April 14, 2009
April 21, 2009
April 23, 2009

TO: Committee Members
Watermaster Board Members

SUBJECT: Cash Disbursement Report

SUMMARY

Issue – Record of cash disbursements for the month of March 2009.

Recommendation – Staff recommends the Cash Disbursements for March 2009 be received and filed as presented.

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

BACKGROUND

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

DISCUSSION

Total cash disbursements during the month of March 2009 were \$834,447.31. The most significant expenditures during the month were Wildermuth Environmental Inc. in the amount of \$404,455.31, Inland Empire Utilities Agency in the amount of \$163,789.07, and Brownstein Hyatt Farber Schreck in the amount of \$64,221.69.

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CHINO BASIN WATERMASTER
Cash Disbursement Detail Report
March 2009

Type	Date	Num	Name	Amount
Mar 09				
Bill Pmt -Check	3/3/2009	13078	APPLIED COMPUTER TECHNOLOGIES	-3,105.00
Bill Pmt -Check	3/3/2009	13079	ARROWHEAD MOUNTAIN SPRING WATER	-97.37
Bill Pmt -Check	3/3/2009	13080	BLACK & VEATCH CORPORATION	-10,925.00
Bill Pmt -Check	3/3/2009	13081	BOWCOCK, ROBERT	-250.00
Bill Pmt -Check	3/3/2009	13082	CALIFORNIA WATER AWARENESS CAM...	-375.00
Bill Pmt -Check	3/3/2009	13083	CALPERS	-4,008.12
Bill Pmt -Check	3/3/2009	13084	CAMACHO, MICHAEL	-500.00
Bill Pmt -Check	3/3/2009	13085	CARPET CARE CONNECTION	-177.95
Bill Pmt -Check	3/3/2009	13087	CPR AND SPORTS MEDICINE SERVICES...	-248.16
Bill Pmt -Check	3/3/2009	13088	CUCAMONGA VALLEY IAAP	-25.00
Bill Pmt -Check	3/3/2009	13089	DIRECTV	-76.98
Bill Pmt -Check	3/3/2009	13090	INLAND EMPIRE UTILITIES AGENCY	-149,915.07
Bill Pmt -Check	3/3/2009	13091	JAMES JOHNSTON	-855.00
Bill Pmt -Check	3/3/2009	13092	KONICA MINOLTA BUSINESS SOLUTIONS	-347.69
Bill Pmt -Check	3/3/2009	13093	KUHN, BOB	-250.00
Bill Pmt -Check	3/3/2009	13094	MAYER HOFFMAN MC CANN P.C.	-8,850.00
Bill Pmt -Check	3/3/2009	13095	OFFICE DEPOT	-211.57
Bill Pmt -Check	3/3/2009	13097	PAYCHEX	-202.70
Bill Pmt -Check	3/3/2009	13098	PUMP CHECK	-4,735.00
Bill Pmt -Check	3/3/2009	13099	SAFETY CLEAN JANITORIAL SERVICES	-651.31
Bill Pmt -Check	3/3/2009	13100	STANDARD INSURANCE CO.	-580.01
Bill Pmt -Check	3/3/2009	13101	STATE COMPENSATION INSURANCE FU...	-752.52
Bill Pmt -Check	3/3/2009	13102	TLC STAFFING	-960.00
Bill Pmt -Check	3/3/2009	13103	VANDEN HEUVEL, GEOFFREY	-375.00
Bill Pmt -Check	3/3/2009	13104	VERIZON	-410.50
Bill Pmt -Check	3/3/2009	13105	VISION SERVICE PLAN	-62.19
Bill Pmt -Check	3/3/2009	13106	W.C. DISCOUNT MOBILE AUTO DETAILI...	-75.00
Bill Pmt -Check	3/3/2009	13107	WEST VALLEY ELECTRIC	-191.83
Bill Pmt -Check	3/3/2009	13108	WHITEHEAD, MICHAEL	-250.00
Bill Pmt -Check	3/3/2009	13109	WILLIS, KENNETH	-375.00
Bill Pmt -Check	3/3/2009	13110	YUKON DISPOSAL SERVICE	-142.88
Bill Pmt -Check	3/5/2009	13111	ASSOCIATION OF GOVERNMENT ACCO...	-74.00
Bill Pmt -Check	3/5/2009	13112	CUCAMONGA VALLEY WATER DISTRICT	-5,495.00
Bill Pmt -Check	3/5/2009	13113	PARK PLACE COMPUTER SOLUTIONS, I...	-4,725.00
General Journal	3/7/2009	09/03/03	PAYROLL	-7,702.58
General Journal	3/7/2009	09/03/03	PAYROLL	-27,239.14
Bill Pmt -Check	3/13/2009	13114	ACWA SERVICES CORPORATION	-209.95
Bill Pmt -Check	3/13/2009	13115	CITISTREET	-2,595.66
Bill Pmt -Check	3/13/2009	13116	EMPIRE CLEANING SUPPLY	-19.06
Bill Pmt -Check	3/13/2009	13117	EXCEL LANDSCAPE	-5,408.00
Bill Pmt -Check	3/13/2009	13118	HSBC BUSINESS SOLUTIONS	-406.32
Bill Pmt -Check	3/13/2009	13119	PETTY CASH	-400.17
Bill Pmt -Check	3/13/2009	13120	PREMIERE GLOBAL SERVICES	-209.78
Bill Pmt -Check	3/13/2009	13121	SAFEGUARD DENTAL & VISION	-57.68
Bill Pmt -Check	3/13/2009	13122	SOURCE 1 PRINTING, PACKAGING & ME...	-4,281.25
Bill Pmt -Check	3/13/2009	13123	THE STANDARD INSURANCE COMPANY	-156.60
Bill Pmt -Check	3/13/2009	13124	TLC STAFFING	-432.00
Bill Pmt -Check	3/13/2009	13125	UNION 76	-125.19
Bill Pmt -Check	3/13/2009	13126	UNITED PARCEL SERVICE	-106.98
Bill Pmt -Check	3/13/2009	13127	WESTERN DENTAL SERVICES, INC.	-28.06
Bill Pmt -Check	3/13/2009	13128	CITISTREET	-2,595.66
Bill Pmt -Check	3/20/2009	13129	BANC OF AMERICA LEASING	-3,186.17
Bill Pmt -Check	3/20/2009	13130	BANK OF AMERICA	-2,739.67
Bill Pmt -Check	3/20/2009	13131	CALPERS	-4,008.12
Bill Pmt -Check	3/20/2009	13132	COMPUTER NETWORK	-118.53
Bill Pmt -Check	3/20/2009	13133	CUCAMONGA VALLEY WATER DISTRICT	-5,495.00
Bill Pmt -Check	3/20/2009	13134	CUCAMONGA VALLEY IAAP	-50.00
Bill Pmt -Check	3/20/2009	13135	DELUXE BUSINESS FORMS & SUPPLIES	-125.39
Bill Pmt -Check	3/20/2009	13136	FIRST AMERICAN REAL ESTATE SOLUTI...	-125.00
Bill Pmt -Check	3/20/2009	13137	INLAND EMPIRE UTILITIES AGENCY	-13,784.00
Bill Pmt -Check	3/20/2009	13138	MCI	-1,218.99
Bill Pmt -Check	3/20/2009	13139	MIJAC ALARM	-30.00
Bill Pmt -Check	3/20/2009	13140	PRE-PAID LEGAL SERVICES, INC.	-103.60
Bill Pmt -Check	3/20/2009	13141	QUILL	-766.05
Bill Pmt -Check	3/20/2009	13142	R&D PEST SERVICES	-85.00
Bill Pmt -Check	3/20/2009	13143	RAUCH COMMUNICATION CONSULTAN...	-5,851.18
Bill Pmt -Check	3/20/2009	13144	REID & HELLYER	-16,676.75
Bill Pmt -Check	3/20/2009	13145	RICOH BUSINESS SYSTEMS-Lease	-1,777.88

CHINO BASIN WATERMASTER
Cash Disbursement Detail Report
March 2009

Type	Date	Num	Name	Amount
Bill Pmt -Check	3/20/2009	13146	SANTA ANA WATERSHED PROJECT AU...	-9,100.00
Bill Pmt -Check	3/20/2009	13147	STAULA, MARY L	-136.61
Bill Pmt -Check	3/20/2009	13148	TLC STAFFING	-480.00
Bill Pmt -Check	3/20/2009	13149	VERIZON WIRELESS	-612.25
General Journal	3/21/2009	09/03/05	PAYROLL	-7,771.00
General Journal	3/21/2009	09/03/05	PAYROLL	-27,170.72
Bill Pmt -Check	3/23/2009	13150	JASON KARNER	-40.00
Bill Pmt -Check	3/23/2009	13151	BROWNSTEIN HYATT FARBER SCHRECK	-64,221.69
Bill Pmt -Check	3/24/2009	13152	MWH LABORATORIES	-9,683.00
Bill Pmt -Check	3/24/2009	13153	WILDERMUTH ENVIRONMENTAL INC	-404,455.31
Bill Pmt -Check	3/26/2009	13154	SAN BERNARDINO COUNTY FLOOD CO...	-1,990.00
Check	3/31/2009			-395.47
Mar 09				-834,447.31

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CHINO BASIN WATERMASTER
Check Detail
March 2009

Type	Num	Date	Name	Account	Paid Amount
Bill Pmt -Ch...	13130	3/20/2009	BANK OF AMERICA	1012 - Bank of America Gen'l Ckg	
Bill	4024...	2/28/2009		6191 - Conferences	-2,089.39
				6212 - Meeting Expense	-155.97
				6312 - Meeting Expenses	-255.73
				6141.3 - Admin Meetings	-90.56
				6111 - Membership Dues	-110.20
				6031.7 - Other Office Supplies	-37.82
TOTAL					-2,739.67

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CHINO BASIN WATERMASTER
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL
 FOR THE
 PERIOD JULY 1, 2008 THROUGH FEBRUARY 28, 2009

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT		POOL ADMINISTRATION AND SPECIAL PROJECTS AGRICULTURAL NON-AGRIC.		GROUNDWATER REPLENISHMENT		GROUNDWATER OPERATIONS SB222		EDUCATION FUNDS	GRAND TOTALS	BUDGET 2008-2009
		POOL	POOL	POOL	POOL	FUNDS	FUNDS	FUNDS	FUNDS			
Administrative Revenues												
Administrative Assessments		7,993,307		172,817							8,166,124	\$7,841,054
Interest Revenue		54,254	6,258	1,328					18		61,858	174,368
Mutual Agency Project Revenue		358,784	107,587	11,973							478,344	148,410
Grant Income												0
Miscellaneous Income												0
Total Revenues		8,406,345	113,845	186,118					18		8,706,326	8,163,832
Administrative & Project Expenditures												
Watermaster Administration	429,113										429,113	619,960
Watermaster Board-Advisory Committee	38,500										38,500	61,201
Pool Administration		15,011	113,792	3,206							132,009	166,523
Optimum Basin Mgmt Administration		969,143									969,143	1,913,484
OBMP Project Costs		3,858,378									3,858,378	5,392,289
Education Funds Use									375		375	375
Mutual Agency Project Costs												10,000
Total Administrative/OBMP Expenses	467,613	4,827,521	113,792	3,206					375		5,427,518	8,163,832
Net Administrative/OBMP Income	(467,613)	(4,827,521)										
Allocate Net Admin Income To Pools	467,613		105,174	11,704								
Allocate Net OBMP Income To Pools		3,620,899	1,085,789	120,833								
Agricultural Expense Transfer		1,283,548	(1,283,548)									
Total Expenses	5,270,193	21,206	135,744	50,374					375		5,427,518	8,163,832
Net Administrative Income	3,136,151	92,639							(357)		3,278,808	
Other Income/(Expense)												
Replenishment Water Assessments					6,437,643						6,437,643	0
MZ1 Supplemental Water Assessments												0
Water Purchases												0
Balance Adjustment												0
Groundwater Replenishment												0
Net Other Income					6,437,643						6,437,643	0
Net Transfers To/(From) Reserves												
		3,136,151	92,639	50,374	6,437,643				(357)		9,716,451	
Working Capital, July 1, 2008		5,413,216	481,995	143,157	294,397	158,251			1,343		6,492,359	
Working Capital, End Of Period		8,549,367	574,634	193,531	6,732,040	158,251			966		16,208,810	
07/08 Assessable Production		103,077,958	30,909,693	3,439,822							137,427,473	
07/08 Production Percentages		75.005%	22.492%	2.503%							100.000%	

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**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
FEBRUARY 1 THROUGH FEBRUARY 28, 2009**

DEPOSITORIES:	
Cash on Hand - Petty Cash	\$ 500
Bank of America	
Governmental Checking-Demand Deposits	215,404
Zero Balance Account - Payroll	-
Local Agency Investment Fund - Sacramento	-
<hr/>	
TOTAL CASH IN BANKS AND ON HAND	\$ 215,404
TOTAL CASH IN BANKS AND ON HAND	\$ 215,404
	15,540,455
	\$ 15,756,359
	15,595,490
	\$ 160,869

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets:	
Accounts Receivable	-
Assessments Receivable	141,520
Prepaid Expenses, Deposits & Other Current Assets	9,855
Accounts Payable	201,942
Accrued Payroll, Payroll Taxes & Other Current Liabilities	13,114
Transfer to/(from) Reserves	(205,562)
	\$ 160,869

	Petty Cash	Gov't'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
\$	500	\$ 54,535	\$ -	\$ 15,540,455	\$ 15,595,490
Balances as of 1/31/2009	-	1,150,900	-	-	1,150,900
Deposits	-	(69,597)	69,597	-	-
Transfers	-	(920,434)	(69,597)	-	(990,031)
Withdrawals/Checks	-	-	-	-	-
Balances as of 2/28/2009	500	215,404	-	15,540,455	15,756,359
PERIOD INCREASE OR (DECREASE)	-	160,869	-	-	160,869

SUMMARY OF FINANCIAL TRANSACTIONS:

Balances as of 1/31/2009	15,595,490
Deposits	1,150,900
Transfers	(69,597)
Withdrawals/Checks	(990,031)
Balances as of 2/28/2009	15,756,359
PERIOD INCREASE OR (DECREASE)	160,869

CHINO BASIN WATERMASTER
 TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
 FEBRUARY 1 THROUGH FEBRUARY 28, 2009

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
TOTAL INVESTMENT TRANSACTIONS							
			\$	-			-

* The earnings rate for L.A.I.F. is a daily variable rate; 2.54% was the effective yield rate at the Quarter ended December 31, 2008.

INVESTMENT STATUS
 February 28, 2009

Financial Institution	Principal Amount	Number of Days	Interest Rate	Maturity Date
Local Agency Investment Fund	\$ 15,540,455			
TOTAL INVESTMENTS	\$ 15,540,455			

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

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

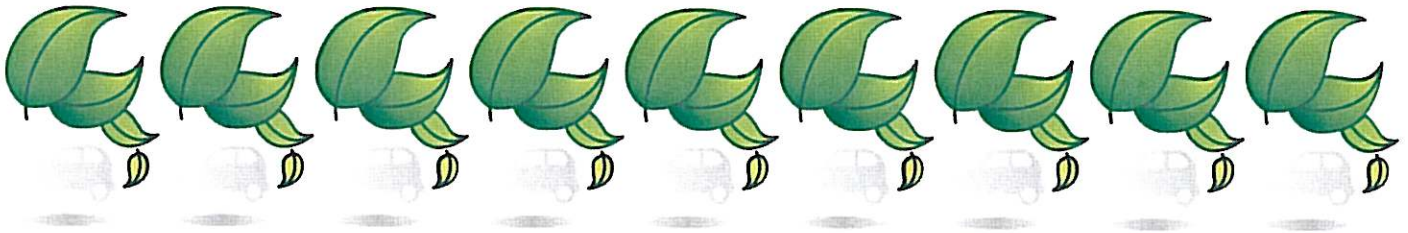
Respectfully submitted,



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

	<u>Jul '08 - Feb 09</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4010 · Local Agency Subsidies	478,344	148,410	329,934	322.31%
4110 · Admin Asmnts-Approp Pool	7,993,307	7,860,411	132,896	101.69%
4120 · Admin Asmnts-Non-Agri Pool	172,817	132,237	40,580	130.69%
4700 · Non Operating Revenues	61,857	174,368	-112,511	35.48%
Total Income	8,706,326	8,315,426	390,900	104.7%
Gross Profit	8,706,326	8,315,426	390,900	104.7%
Expense				
6010 · Salary Costs	372,553	484,302	-111,749	76.93%
6020 · Office Building Expense	53,385	102,000	-48,615	52.34%
6030 · Office Supplies & Equip.	14,633	46,500	-31,867	31.47%
6040 · Postage & Printing Costs	43,162	87,380	-44,218	49.4%
6050 · Information Services	85,600	144,000	-58,400	59.45%
6060 · Contract Services	72,085	98,000	-25,915	73.56%
6080 · Insurance	15,706	17,730	-2,024	88.58%
6110 · Dues and Subscriptions	11,449	16,750	-5,302	68.35%
6140 · WM Admin Expenses	1,048	4,000	-2,952	26.21%
6150 · Field Supplies	864	2,500	-1,636	34.54%
6170 · Travel & Transportation	18,273	39,200	-20,927	46.62%
6190 · Conferences & Seminars	20,418	26,500	-6,082	77.05%
6200 · Advisory Comm - WM Board	10,194	19,181	-8,987	53.15%
6300 · Watermaster Board Expenses	28,306	42,020	-13,714	67.36%
8300 · Appr PI-WM & Pool Admin	15,011	24,008	-8,997	62.53%
8400 · Agri Pool-WM & Pool Admin	14,027	24,820	-10,793	56.52%
8467 · Ag Legal & Technical Services	76,339	98,000	-21,661	77.9%
8470 · Ag Meeting Attend -Special	4,700	12,000	-7,300	39.17%
8471 · Ag Pool Expense	18,725	0	18,725	100.0%
8500 · Non-Ag PI-WM & Pool Admin	3,206	7,695	-4,489	41.67%
6500 · Education Funds Use Expens	375	375	0	100.0%
9500 · Allocated G&A Expenditures	-280,063	-448,902	168,839	62.39%
	599,997	848,059	-248,062	70.75%
6900 · Optimum Basin Mgmt Plan	883,780	1,785,421	-901,641	49.5%
6950 · Mutual Agency Projects	0	10,000	-10,000	0.0%
9501 · G&A Expenses Allocated-OBMP	85,363	137,959	-52,596	61.88%
	969,143	1,933,380	-964,237	50.13%
7101 · Production Monitoring	85,546	107,515	-21,969	79.57%
7102 · In-line Meter Installation	32,006	87,931	-55,925	36.4%
7103 · Grdwtr Quality Monitoring	120,729	210,458	-89,729	57.37%
7104 · Gdwtr Level Monitoring	271,392	372,538	-101,146	72.85%

	<u>Jul '08 - Feb 09</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
7105 · Sur Wtr Qual Monitoring	3,842	46,717	-42,875	8.22%
7107 · Ground Level Monitoring	248,167	651,468	-403,301	38.09%
7108 · Hydraulic Control Monitoring	375,295	713,949	-338,654	52.57%
7200 · PE2- Comp Recharge Pgm	715,111	1,245,266	-530,155	57.43%
7300 · PE3&5-Water Supply/Desalte	58,433	108,477	-50,044	53.87%
7400 · PE4- Mgmt Plan	202,674	272,515	-69,841	74.37%
7500 · PE6&7-CoopEfforts/SaltMgmt	35,473	76,411	-40,938	46.42%
7600 · PE8&9-StorageMgmt/Conj Use	251,536	61,909	189,627	406.3%
7690 · Recharge Improvement Debt Pymt	1,261,894	1,261,594	300	100.02%
7700 · Inactive Well Protection Prgm	0	6,296	-6,296	0.0%
9502 · G&A Expenses Allocated-Projects	196,279	310,943	-114,664	63.12%
	<u>3,858,378</u>	<u>5,533,987</u>	<u>-1,675,609</u>	<u>69.72%</u>
Total Expense	<u>5,427,518</u>	<u>8,315,426</u>	<u>-2,887,908</u>	<u>65.27%</u>
Net Ordinary Income	3,278,807		3,278,807	100.0%
Other Income/Expense				
Other Income				
4210 · Approp Pool-Replenishment	6,427,596			
4220 · Non-Ag Pool-Replenishment	10,047			
Total Other Income	<u>6,437,643</u>			
Other Expense				
9999 · To/(From) Reserves	9,716,450			
Total Other Expense	<u>9,716,450</u>			
Net Other Income	<u>-3,278,807</u>			
Net Income	<u><u></u></u>	<u><u></u></u>	<u><u></u></u>	<u><u></u></u>



CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

C. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – Cucamonga Valley Water District is purchasing 500 acre-feet of water from West Valley Water District. This purchase is made from WVWD’s water in storage and is to be placed in CVWD’s Excess Carryover Account. Date of Application: March 10, 2009
2. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 1,000.000 acre-feet of water from the Jurupa Community Services District Toward Replenishment Obligation. Date of Application: March 17, 2009
3. **Consider Approval for Notice of Sale or Transfer** – On March 9, 2009, Watermaster received Form 5 “Application to Transfer Annual Production Right or Safe Yield, with KCO, LLC (Koll) as Transferor and the City of Ontario (as Overlying Non-Agricultural party) as Transferee in the amount of 22.000 acre-feet – a permanent transfer of its share of safe yield. Date of Application: March 9, 2009



CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

April 9, 2009

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

NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **March 10, 2009**

Date of this notice: **April 9, 2009**

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

- A. Notice of Sale or Transfer – Cucamonga Valley Water District is purchasing 500 acre-feet of water from West Valley Water District. This purchase is made from WVWD's water in storage and is to be placed in CVWD's Excess Carryover Account.

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

Appropriative Pool: April 14, 2009

Non-Agricultural Pool: April 14, 2009

Agricultural Pool: April 21, 2009

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

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

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

Watermaster address:

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

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

CHINO BASIN WATERMASTER

NOTICE OF TRANSFER OF WATER

Notification Dated: April 9, 2009

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

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CHINO BASIN WATERMASTER

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

KENNETH R. MANNING
CHIEF EXECUTIVE OFFICER

DATE: April 9, 2009
TO: Watermaster Interested Parties
SUBJECT: Summary and Analysis of Application for Water Transaction

Summary –

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

Issue –

- **Notice of Sale or Transfer** – Cucamonga Valley Water District is purchasing 500 acre-feet of water from West Valley Water District. This purchase is made from WWVD's water in storage and is to be placed in CVWD's Excess Carryover Account.

Recommendation –

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

Fiscal Impact –

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

Background

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

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

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

- Cucamonga Valley Water District is purchasing 500 acre-feet of water from West Valley Water District. This purchase is made from WWVD's water in storage and is to be placed in CVWD's Excess Carryover Account.

Notice of the water transaction identified above was mailed on April 9, 2009 along with the materials submitted by the requestors.

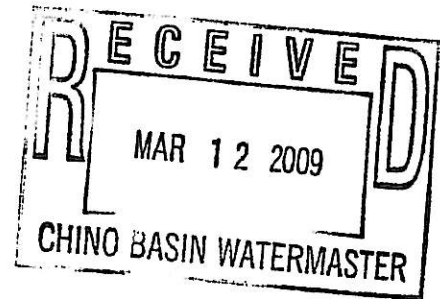
DISCUSSION

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

Robert A. DeLoach
General Manager
Chief Executive Officer

March 10, 2009

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



Re: Water Transfer from West Valley Water District to Cucamonga Valley Water District

Dear Mr. Manning:

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

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

Yours truly,


Martin E. Zvirbulis
Deputy General Manager

Attachment: Forms 3 & 4

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

TRANSFER FROM LOCAL STORAGE AGREEMENT # _____

West Valley Water District
Name of Party

March 10, 2009
Date Requested

Date Approved

855 W. Baseline Road
Street Address

500 Acre-feet
Amount Requested

Acre-feet
Amount Approved

Rialto CA 92376
City State Zip Code

Telephone: (909) 875-1804

Facsimile: (909) 875-7284

[Handwritten Signature]
Applicant (WVWD)

TRANSFER TO:

Cucamonga Valley Water District

Attach Recapture Form 4

10440 Ashford Street
Street Address

Rancho Cucamonga CA 91730
City State Zip Code

Telephone: (909) 987-2591

Facsimile: (909) 476-8032

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

WATER QUALITY AND WATER LEVELS

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

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

MATERIAL PHYSICAL INJURY

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

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

N/A

ADDITIONAL INFORMATION ATTACHED

Yes [] No [X]


Applicant (CVWD)

TO BE COMPLETED BY WATERMASTER:

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____ Agreement # _____

**APPLICATION OR AMENDMENT TO APPLICATION
TO
RECAPTURE WATER IN STORAGE**

APPLICANT

Cucamonga Valley Water District
Name of Party

March 10, 2009
Date Requested

Date Approved

10440 Ashford Street
Street Address

500 Acre-feet
Amount Requested

Acre-feet
Amount Approved

Rancho Cucamonga CA 91730
City State Zip Code

Varies
Projected Rate of
Recapture

July 1, 2009–June 30, 2010
Projected Duration of
Recapture

Telephone: (909) 987-2591

Facsimile: (909) 476-8032

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

IF YES, ATTACH APPLICATION TO BE AMENDED

IDENTITY OF PERSON THAT STORED THE WATER: West Valley Water District

PURPOSE OF RECAPTURE

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

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

N/A

PLACE OF USE OF WATER TO BE RECAPTURED

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

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

N/A

WATER QUALITY AND WATER LEVELS

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

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

MATERIAL PHYSICAL INJURY

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

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

N/A

ADDITIONAL INFORMATION

Yes [] No [X]

ATTACHED



Applicant

TO BE COMPLETED BY WATERMASTER

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____ Agreement # _____

CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

April 9, 2009

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

NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **March 17, 2009**

Date of this notice: **April 9, 2009**

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

- A. Notice of Sale or Transfer – Chino Basin Watermaster will purchase 1,000.000 acre-feet of water from the Jurupa Community Services District.

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

Appropriative Pool: April 14, 2009

Non-Agricultural Pool: April 14, 2009

Agricultural Pool: April 21, 2009

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

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

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

Watermaster address:

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

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

CHINO BASIN WATERMASTER

NOTICE OF TRANSFER OF WATER

Notification Dated: April 9, 2009

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

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CHINO BASIN WATERMASTER

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

KENNETH R. MANNING
CHIEF EXECUTIVE OFFICER

DATE: April 9, 2009

TO: Watermaster Interested Parties

SUBJECT: Summary and Analysis of Application for Water Transaction

Summary –

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

Issue –

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 1,000,000 acre-feet of water from the Jurupa Community Services District. Watermaster will purchase the water at \$295.00 per acre-foot, which is the MWD replenishment rate (not including IEUA and OCWD fees). The transfer will be made from Jurupa Community Services District's water in storage.

Recommendation –

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

Fiscal Impact –

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

Background

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

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

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

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 1,000,000 acre-feet of water from the Jurupa Community Services District. Watermaster will purchase the water at \$295.00 per acre-foot, which is the MWD replenishment rate (not including IEUA and OCWD fees). The transfer will be made from Jurupa Community Services District's water in storage.

Notice of the water transaction identified above was mailed on April 9, 2009 along with the materials submitted by the requestors.

DISCUSSION

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

Chino Basin Watermaster has a total replenishment obligation (due to overproduction within the Basin) of 20,833.80 AF for Assessment Year 2008-09. Due to the fact that MWD does not expect to have replenishment water available this fiscal year and perhaps not next fiscal year either, Watermaster wishes to use the option to purchase water from appropriators to fulfill the replenishment obligation. Watermaster is taking advantage of Jurupa Community Services District's offer to sell 1,000,000 AF of water to Watermaster. The transfer will be made from Jurupa Community Services District's water in storage. The 85/15 Rule does not apply to this transfer because 85/15 payments and credits were already established in the Assessment Package. This transfer is functioning in a similar manner as replenishment Watermaster purchases from MWD/IEUA.



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

RECEIVED

March 2, 2009

MAR 03 2009

Eldon Horst
Jurupa Community Services District
11201 Harrel Street
Mira Loma, CA 91752

RE: Purchase of replenishment water from Jurupa Community Services District to Watermaster

Dear Mr. Horst:

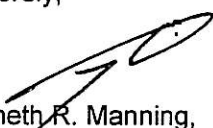
Chino Basin Watermaster has a total replenishment obligation (due to overproduction within the Basin) of 20,833.80 AF for Assessment Year 2008-09. Due to the fact that MWD does not expect to have replenishment water available this fiscal year and perhaps not next fiscal year either, Watermaster wishes to use the option to purchase water from appropriators to fulfill the replenishment obligation.

Watermaster would like to take advantage of Jurupa Community Services District's offer to sell 1,000,000 AF of water to Watermaster. Watermaster will purchase the water at \$295.00 per acre-foot, which is the 2009 MWD replenishment rate (not including IEUA and OCWD fees). The transfer will be made from Jurupa Community Services District's stored water.

Please sign the attached forms (listed below). Once Watermaster has received these completed forms, the transaction will be Noticed and agendized in the same manner that any other water transfer would be handled.

If you have any questions, please feel free to contact myself or Danni Maurizio.

Sincerely,


Kenneth R. Manning,
Chief Executive Officer

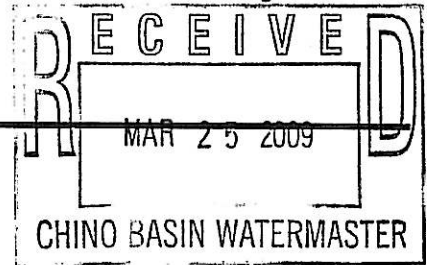
Attachments: JCS D's

- City of Chino's Acceptance of Watermaster's Water Transfer Terms
- Form 3: Application for Sale or Transfer of Right to Produce Water from Storage
- Form 4: Application or Amendment to Application to Recapture Water in Storage



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

March 2, 2009

JURUPA COMMUNITY SERVICES DISTRICT'S ACCEPTANCE OF WATERMASTER'S WATER TRANSFER TERMS

Chino Basin Watermaster will purchase 1,000,000 AF of water from Jurupa Community Services District. Watermaster will purchase the water at \$295.00 per acre-foot, which is the 2009 MWD replenishment rate (not including IEUA and OCWD fees). The transfer will be made from Jurupa Community Services District's stored water.

If these terms are acceptable to Jurupa Community Services District, please sign below and return to Watermaster at your earliest convenience.

Signature:

Printed Name:

ELDON HORST

Title:

GENERAL MANAGER

Date Signed:

3-19-09

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

TRANSFER FROM LOCAL STORAGE AGREEMENT # -

Jurupa Community Services District

Name of Party

11201 Harrel Street

Street Address

Mira Loma CA 91752

City State Zip Code

Telephone: 951-685-7434

Applicant (Signature)

03/02/09

Date Requested

Date Approved

1,000.000 Acre-feet

Amount Requested

Acre-feet

Amount Approved

Facsimile: 951-685-1153

TRANSFER TO:

Chino Basin Watermaster

Name of Party

9641 San Bernardino Road

Street Address

Rancho Cucamonga CA 91730

City State Zip Code

Telephone: 909-484-3888

Attach Recapture Form 4

Facsimile: 909-484-3890

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

WATER QUALITY AND WATER LEVELS

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

This transfer will have no affect on water quality or water levels. The water has already been pumped from the Basin by overproducers and this transfer will help fulfill Watermaster's replenishment obligation.

MATERIAL PHYSICAL INJURY

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

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

(Four horizontal lines for mitigation measures)

ADDITIONAL INFORMATION ATTACHED

Yes [] No [X]

Applicant 

TO BE COMPLETED BY WATERMASTER:

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____ Agreement # _____

**APPLICATION OR AMENDMENT TO APPLICATION
TO
RECAPTURE WATER IN STORAGE**

APPLICANT

<u>Chino Basin Watermaster</u>			<u>03/02/09</u>	
Name of Party			Date Requested	Date Approved
<u>9641 San Bernardino Road</u>			<u>1,000,000</u> Acre-feet	<u></u> Acre-feet
Street Address			Amount Requested	Amount Approved
<u>Rancho Cucamonga</u>	<u>CA</u>	<u>91730</u>	<u>N/A</u>	<u>N/A</u>
City	State	Zip Code	Projected Rate of Recapture	Projected Duration of Recapture
Telephone: <u>909-484-3888</u>			Facsimile: <u>909-484-3890</u>	

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

IDENTITY OF PERSON THAT STORED THE WATER: Jurupa Community Services District

PURPOSE OF RECAPTURE

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain Watermaster is purchasing from JCSD to meet its replenishment obligation.

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

The water has already been pumped from the Basin by overproducers located throughout the Basin.

PLACE OF USE OF WATER TO BE RECAPTURED

The water has already been pumped from the Basin by overproducers located throughout the Basin.

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

WATER QUALITY AND WATER LEVELS

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

This transfer will have no affect on water quality or water levels. The water has already been pumped from the Basin by overproducers and this transfer will help fulfill Watermaster's replenishment obligation.

MATERIAL PHYSICAL INJURY

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

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

_____ -


_____ -

_____ -

_____ -

ADDITIONAL INFORMATION ATTACHED

Yes [] No [X]



 Applicant

TO BE COMPLETED BY WATERMASTER

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____ Agreement # _____

CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

April 9, 2009

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

NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **March 9, 2009**

Date of this notice: **April 9, 2009**

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

- A. Notice of Sale or Transfer – On March 9, 2009, Watermaster received Form 5 “Application to Transfer Annual Production Right or Safe Yield,” with KCO, LLC (Koll) as Transferor and the City of Ontario (as Overlying Non-Agricultural party) as Transferee in the amount of 22.000 acre-feet – a permanent transfer of its share of safe yield.

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

Appropriative Pool: April 14, 2009

Non-Agricultural Pool: April 14, 2009

Agricultural Pool: April 21, 2009

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

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

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

Watermaster address:

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

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

CHINO BASIN WATERMASTER

NOTICE OF TRANSFER OF WATER

Notification Dated: April 9, 2009

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

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CHINO BASIN WATERMASTER

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KENNETH R. MANNING
CHIEF EXECUTIVE OFFICER

DATE: April 9, 2009
TO: Watermaster Interested Parties
SUBJECT: Summary and Analysis of Application for Water Transaction

SUMMARY

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

Issue -

- Notice of Sale or Transfer – On March 9, 2009, Watermaster received Form 5, "Application to Transfer Annual Production Right or Safe Yield," with KCO, LLC (Koll) as Transferor and the City of Ontario (as Overlying Non-Agricultural party) as Transferee in the amount of 22.000 acre-feet--a permanent transfer of its share of safe yield. This Staff Report provides a summary and analysis of the proposed transfer.

Recommendation –

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

Fiscal Impact –

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

BACKGROUND

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

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

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

- Notice of Sale or Transfer – On March 9, 2009, Watermaster received Form 5, "Application to Transfer Annual Production Right or Safe Yield," with KCO, LLC (Koll) as Transferor and the City of Ontario (as Overlying Non-Agricultural party) as Transferee in the amount of 22.000 acre-feet-- a permanent transfer of its share of safe yield. This Staff Report provides a summary and analysis of the proposed transfer.

Notice of the water transaction identified above was mailed on April 9, 2009 along with the materials submitted by the requestors.

DISCUSSION

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

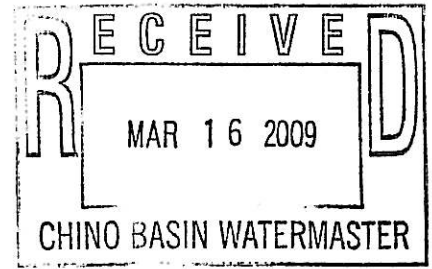
In the 1978 Judgment, Sunkist Growers, Inc. was adjudicated rights of 1,873.403 acre-feet within the Overlying (Non-Agricultural) Pool. In 2006, Sunkist Growers, Inc. sold a portion (i.e., 15 acres) of its real property to Koll, and in 2008 permanently transferred 22.000 AFY of its adjudicated rights to Koll for use on the Koll Property. After the Koll transfer, Sunkist's remaining adjudicated right was 1,851.402 AFY. Sunkist transferred the remaining 1,851.402 acre-feet, as well as all its water in storage, to the City of Ontario, as an Overlying Non-Agricultural party, later in the year.

Koll and the City of Ontario (as Non-Ag) have submitted Form 5, "Application to Transfer Annual Production Right or Safe Yield," The Application indicates that the amount of water rights to be permanently transferred is 22.000 acre-feet. According to the City of Ontario's recent Intervention, the groundwater extracted will be solely utilized for uses authorized in the Judgment including providing water service to properties in Ontario.

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



The Koll Company
4343 Von Karman Avenue
Suite 150
Newport Beach, CA 92660
(949) 833-3030



March 9, 2009

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

Subject: Permanent Transfer of Safe Yield and Water in Storage

Dear Mr. Manning:

This is to notify Watermaster that KCO, LLC ("Transferor") is hereby requesting the permanent transfer to Ontario Non-Ag ("Transferee") 22 acre-feet of Koll's Quantified Production Right (Safe Yield), adjudicated to Transferor or its predecessor in interest in the Judgment rendered in the Case of "CHINO BASIN MUNICIPAL WATER DISTRICT vs. CITY OF CHINO, et al." RCV 51010 (formerly Case No. SCV 164327).

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

Sincerely,

Gerald O. Yahr

Member

KCO, LLC

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APPLICATION
TO
TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD

Effective March 2, 2009, KCO, LLC ("Transferor") hereby requests a permanent transfer to Ontario Non-Ag ("Transferee") the quantity of 22 acre-feet per year of corresponding Quantified Production Right (Non-Agricultural Pool) adjudicated to Transferor or its predecessor in interest in the Judgment rendered in the Case of "CHINO BASIN MUNICIPAL WATER DISTRICT vs. CITY OF CHINO, et al." RCV 51010 (formerly Case No. SCV 164327).

Said Transfer shall be conditioned upon:

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

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

WATER QUALITY AND WATER LEVELS

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

None

MATERIAL PHYSICAL INJURY

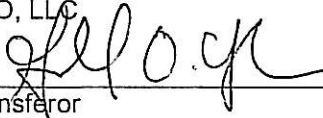
Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes [] No [X]

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

ADDITIONAL INFORMATION ATTACHED

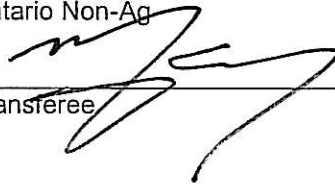
Yes [] No [X]

Gerald O. Yahr,, Member
KCO, LLC



Transferor

Mohamed El-Amamy, Member
Ontario Non-Ag



Transferee

TO BE COMPLETED BY WATERMASTER:

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM AGRICULTURAL POOL: _____

DATE OF APPROVAL FROM APPROPRIATIVE POOL: _____

HEARING DATE, IF ANY: _____

DATE OF ADVISORY COMMITTEE APPROVAL: _____

DATE OF BOARD APPROVAL: _____ Agreement # _____



CHINO BASIN WATERMASTER

II. BUSINESS ITEM

- A. BUDGET TRANSFER # T009-04-02
AG POOL LEGAL & TECHNICAL





CHINO BASIN WATERMASTER

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

KENNETH R. MANNING
Chief Executive Officer

STAFF REPORT

DATE: April 14, 2009
April 21, 2009
April 23, 2009

TO: Committee Members
Board Members

SUBJECT: Agricultural Pool Legal & Technical Budget Transfer

COST: \$30,000 – Budget Transfer Request #T-09-04-02

SUMMARY

As a result of recent legal activity by the Agricultural Pool, the budgeted funds will not be sufficient to last throughout the fiscal year. Staff is requesting a transfer in the amount of \$30,000.00 to transfer to this account. The money will be taken from the budgeted CEQA funds, where the actual costs came in below budget.

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**CHINO BASIN WATERMASTER
BUDGET TRANSFERS**

Fiscal Year 2008-2009
T-09-04-02

To: **All Parties**

From: Sheri Rojo Date: 4/8/2009

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

Budgetary account reduction

<i>Line Item Description</i>	<i>Account Number</i>	<i>Current Budget</i>	<i>Amount</i>
OBMP	6906	\$ 919,373	\$ (30,000)

Budgetary account addition

Ag Pool Legal & Technical	8467	\$ 80,000	\$ 30,000
			\$ -

Should be zero

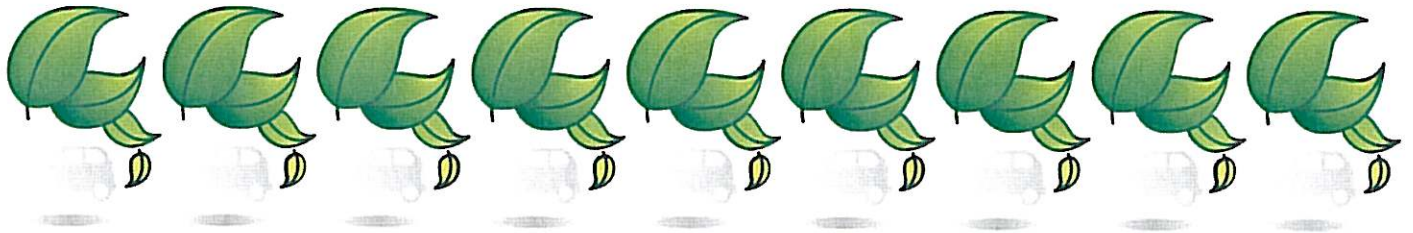
Transfer Procedure

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

Finance Use Only

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

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CHINO BASIN WATERMASTER

II. BUSINESS ITEM

B. STATUS REPORT 2008-2





CHINO BASIN WATERMASTER

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

KENNETH R. MANNING
Chief Executive Officer

STAFF REPORT

DATE: April 14, 2009
April 21, 2009
April 23, 2009

TO: Committee Members
Watermaster Board Members

SUBJECT: Status Report 2008-2

SUMMARY

Recommendation – Approve Status Report 2008-2 for filing with the Court

BACKGROUND

Status Report 2008-2 covers the period of July 1, 2008 through December 31, 2008. While the bulk to the report describes work conducted for each element of the Optimum Basin Management Program (OBMP) during the six-month period, it also references the reports and court filings made to address the issues of the Peace II implementation.

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

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Optimum Basin Management Program

Status Report 2008-2: July to December 2008



CHINO BASIN WATERMASTER

Optimum Basin Management Program

Highlighted Activities

Ongoing work to prepare the Recharge Master Plan. Watermaster held a Strategic Planning Conference in September 2008 followed by a workshop held on November 12, 2008. A working group was formed in the workshop to coordinate the multi-agency effort and is meeting every two weeks to continue the effort. In addition, a website has been developed to post the progress and to share the data (<http://rmp.wildermuthenvironmental.com>).

- In compliance with the Superior Court's "Order Concerning Motion for Approval of Peace II Documents," dated December 21, 2007, Conditions Subsequent Numbers 1-6 were filed and the Court approved the compliance at the hearing held on November 13, 2008. Condition Subsequent Number 7, which requires Watermaster to prepare and submit to the Court a revised schedule for reconciliation of new yield and storm water estimates for the fiscal year 2000/01 through 2006/07 and a discussion of how Watermaster will account for un-replenished overproduction for that period, was transmitted to the Court on December 23, 2008.
- Chino Basin Facilities Improvement Project (CBFIP) Phase II, a joint effort of Watermaster, the Chino Basin Water Conservation District (CBWCD), Inland Empire Utilities Agency (IEUA), and the San Bernardino County Flood Control District (SBCFCD) to increase the annual recharge of storm, imported, and recycled water and to reduce long-term maintenance costs, has shown a considerable progress in its construction and is expected to be completed by June 2009.



2008 Fall Strategic Conference

Important Court hearings and orders

- DEC 23 – COMPLIANCE WITH CONDITION SUBSEQUENT #7
- NOV 5 – CVWD'S SUPPLEMENTAL REPLY IN SUPPORT OF MOTION TO DISCONTINUE THE SPECIAL REFEREE
- SEPT 16 – NOTICE OF REASSIGNMENT OF CASE TO JUDGE WADE
- JULY 15 – MOTION TO RECEIVE AND TRANSMIT 30TH ANNUAL REPORT & STATUS REPORT 2007-1

Program Element 1: Develop and Implement a Comprehensive Monitoring Program

Groundwater Level Monitoring

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

Optimum Basin Management Program

Program Element 1: Develop and Implement a Comprehensive Monitoring Program (Continued)



Sampling the Kaiser Plume

"A 10-YEAR-LONG PERIOD OF BELOW AVERAGE RAINFALL, COMBINED WITH A STATEWIDE DROUGHT, CAUSED SERIOUS WATER SUPPLY IMPACTS FOR THE CHINO BASIN WATER COMMUNITY, RESIDENTS AND BUSINESSES."



Deer Creek Channel Sampling

Groundwater Quality Monitoring

Watermaster initiated a comprehensive monitoring program as part of the implementation of the OBMP. The groundwater quality monitoring program consists of the following four components: 1) An Annual Key Well Water Quality Monitoring Program designed to target privately owned agricultural wells in the southern portion of Chino Basin that are otherwise not included in an established sampling program, 2) Quarterly sampling at nine HCMP multi-port monitoring wells strategically placed between the Chino Basin Desalter well fields and the Santa Ana River. Results of the quarterly sampling are used to analyze the effect of the desalter pumping over time by comparing water quality of the native groundwater and the Santa Ana River, 3) Monthly sampling at four near-river wells to characterize the Santa Ana River's influence to nearby groundwater. These shallow monitoring wells along the Santa Ana River consist of two former United States Geologic Survey (USGS) National Water Quality Assessment Program (NAWQA) wells (Archibald 1 and Archibald 2), and two wells (well 9 and well 11) owned by the Santa Ana River Water Company (SARWC), and 4) a cooperative basin wide data collection effort known as the Chino Basin Data Collection (CBDC) program which relies on municipal producers and other government agencies to supply groundwater quality data on a cooperative basis. Watermaster supplements these data with data obtained through its own sampling and analysis programs. These sources include the appropriators, Department of Toxic Substance Control (DTSC), Regional Water Quality Control Board (RWQCB), US Geological Survey (USGS), the Counties, and other cooperators. All water quality data are routinely collected, QA/QC'd, and loaded into Watermaster's relational database.

Groundwater-Production Monitoring

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

Surface Water Monitoring

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

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

Optimum Basin Management Program

Program Element 1: Develop and Implement a Comprehensive Monitoring Program (Continued)

HCMP Annual Report

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

Pursuant to the Basin Plan Amendment and the Watermaster/IEUA permit to recharge recycled water, Watermaster and IEUA have conducted groundwater and surface water monitoring programs. During this reporting period Watermaster measured 713 manual water levels at private wells throughout the Chino Basin, conducted two quarterly downloads at the 134 wells containing pressure transducers, and collected 103 groundwater quality samples, and 218 surface water quality samples. Quarterly Surface Water Monitoring Program reports that summarize data collection efforts were submitted to the RWQCB in July and October of 2008.

Chino Basin Groundwater Recharge Program

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

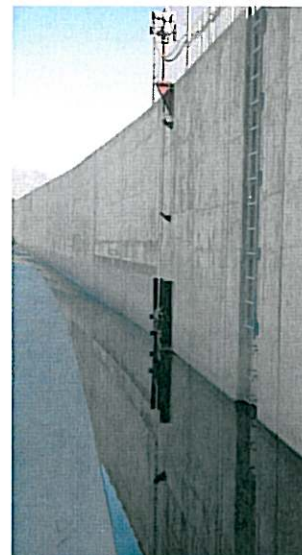
Recharge Activities. On-going recycled water recharge occurred in the Brooks, 8th Street, and Ely Basin this reporting period.

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

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

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

- 2Q08 Quarterly Report, submitted to the RWQCB – August 2008
- 3Q08 Quarterly Report, submitted to the RWQCB – November 2008



New inlet gate in San Seivaine Channel to Jurupa Basin

THE DRY YEARS, TOPPED BY RECORD-LOW RAINFALL TWO YEARS AGO, BROUGHT NEW CHALLENGES: A DECLINE IN BASIN WATER LEVELS AND LIMITS ON IMPORTED REPLENISHMENT WAETR. FUNDING LIMITATIONS CAUSED BY A SEVERE ECONOMIC DOWNTURN MAGNIFIED THE SUPPLY PROBLEM.



San Seivaine Basin #5 during December storm

Optimum Basin Management Program

Program Element 1: Develop and Implement a Comprehensive Monitoring Program (Continued)

Land Surface Monitoring

The MZ-1 Subsidence Management Plan (MZ-1 Plan) was approved by Watermaster in October 2007, and was approved by the Court in November 2007 which ordered its implementation (see Program Element 4: Develop and Implement a Comprehensive Groundwater Management Plan for Management Zone 1). The MZ-1 Plan calls for a number of activities with the goal of minimizing or completely abating the future occurrence of land subsidence and ground fissuring in Chino Basin. Some of these activities include:

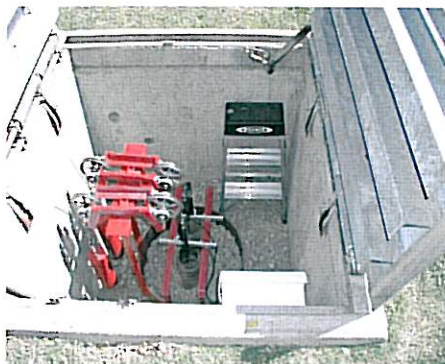


Stormwater captured in Victoria Basin

- Continuing the scope and frequency of monitoring within the so-called Managed Area (southwest MZ-1) that was conducted during the period when the MZ-1 Plan was being developed.
- Expanding the monitoring of the aquifer system and land subsidence into other areas of MZ-1 and Chino Basin where the data indicate concern for future subsidence and ground fissuring.
- Detailed monitoring of horizontal strain across the historical fissure zone.
- Further evaluating the potential contribution of pumping in the central and northern portions of MZ-1 on groundwater conditions in the central and southern portions of MZ-1.
- Conducting additional testing and monitoring to refine the Guidance Criteria.
- Developing alternative pumping plans for the MZ-1 producers that are impacted by the MZ-1 Plan.
- Constructing and testing a lower-cost extensometer facility at Ayala Park.
- Evaluating and comparing ground-level surveying and InSAR, and recommending future monitoring protocols for both techniques.
- Conducting an ASR (aquifer injection and recovery) feasibility study at a production well owned by the City of Chino Hills within the Managed Area.

During this reporting period, Watermaster began implementation of some of these activities called for in the MZ-1 Plan, which included:

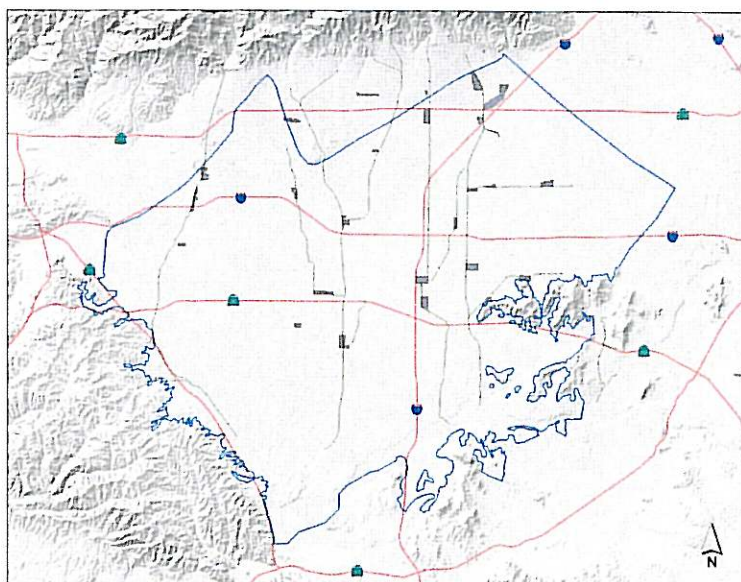
- The continuation of detailed water-level monitoring at wells within the Managed Area and at wells in central MZ-1.
- Replacement of five (5) water-level-recording transducers at wells where these transducers have failed after about seven years of reliable service. Installation of two (2) transducers at newly-discovered wells within the Managed Area.
- The continuation of monitoring and maintenance at the Ayala Park Extensometer Facility.
- Planning and coordination between the City of Chino Hills and Watermaster on the ASR pilot test at a well owned by the City. A DWR grant to support this project was increased from \$214,000 to \$250,000.



New cable extensometer at Ayala Park in Chino

Optimum Basin Management Program

Program Element 1: Develop and Implement a Comprehensive Monitoring Program (Continued)



Recharge Basins

- Installation of a lower-cost pair of cable extensometers within two piezometers at Ayala Park to test this technology for possible application in other parts of the basin. Data collection began at this experimental facility during the reporting period.
- Collection of InSAR data from radar satellites during all six months of the reporting period, which will be analyzed for land surface displacement during the next reporting period.
- Collection of ground-level-survey data across MZ-1 during November 2008, which will be analyzed for land surface displacement during the next reporting period.

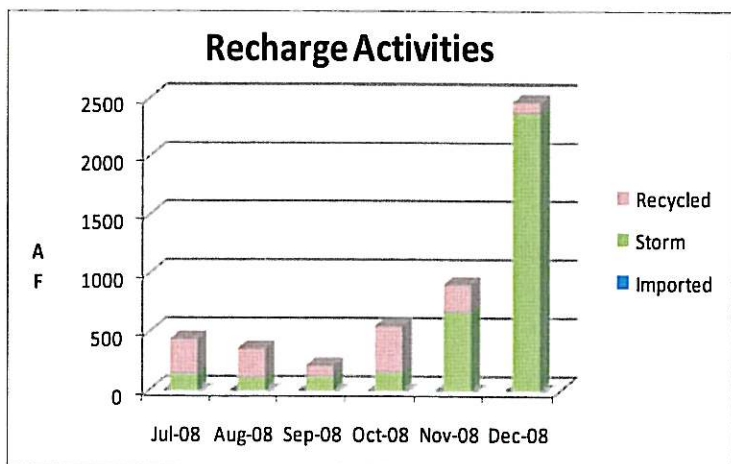
Program Element 2: Develop and Implement a Comprehensive Recharge Program

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

In FY 2007/08, the CBFIP Phase I facilities were able to recharge approximately 13,000 AF of storm and recycled water. With the completion of the Phase II facilities by June 2009, the total recharge capacity will be about 96,000 AF. By the start of FY 2009/10, most of the basins will be able to operate on a 12 months-per-year basis with combinations of storm, imported, and recycled water, with occasional downtime for silt and organic growth removal. Operations and basin planning are coordinated through the Groundwater Recharge Coordinating Committee (GRCC), which met quarterly during this reporting period.

Because of the drought and Delta water quality, water supply, and environmental issues, MWDSC has been unable to provide replenishment water to southern California since May 1, 2007. This greatly restricts Watermaster's ability to recharge recycled water, since the California Department of Public Health requires that four parts of diluent water (imported or storm water) be blended with each part of recycled water. Watermaster and IEUA are working closely with DPH and the Regional Water Quality Control Board to reduce the blend ratio. For this reporting period, just under 5,000 AF of storm and recycled water have been recharged.

Preparation of the Recharge Master Plan update is in underway, in satisfaction of Condition Subsequent No. 5. On March 28, 2008, the initial meeting of the Recharge Master Plan group occurred. A detailed outline of the scope and content of the Recharge Master Plan update was filed with the Court for approval on June 30, 2008. Pro-



Optimum Basin Management Program

Program Element 3: Develop and Implement Water Supply Plan for the Impaired Areas of the Basin; and Program Element 5: Develop and Implement Regional Supplemental Water Program

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



Rubber Dam in action

During the reporting period, negotiations continued between the Chino Desalter Authority (CDA) and Western Municipal Water District (WMWD) to allow WMWD to join the CDA and to expand the Chino II Desalter by 10.5 MGD (11,800 AFY). The CDA approved WMWD membership in November 2008. Planning and engineering investigations related to the expansion are ongoing. The expansion will be completed in 2013. Raw water will be drawn from existing CDA II wells, and possible additional new wells if needed. In addition, a new Chino Creek Desalter Well Field, required for hydraulic control, will provide additional raw water to the Chino I Desalter, enabling existing Well Nos. 13, 14, and 15 to shift production to the expanded Chino II Desalter facility if needed.

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

MZ-1 Management Plan

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

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

From 2001-2005, Watermaster developed, coordinated, and conducted an Interim Monitoring Program (IMP) under the guidance of the MZ-1 Technical Committee, which is composed of representatives from all major MZ-1 producers and their technical consultants. The IMP was an aquifer-system and land subsidence investigation focused in the southwestern region of MZ-1 that would support the development of a long-term management plan to minimize and abate subsidence and fissuring (MZ-1 Plan). The IMP involved the construction of highly-sophisticated monitoring facilities, such as deep borehole extensometers and piezometers, the monitoring of land surface



Chino Desalter I Feed Pumps and RO Membranes

Optimum Basin Management Program

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

displacements through traditional ground-level surveys and remote-sensing techniques, the detailed monitoring of the aquifer system with water-level-recording transducers installed at an array of production and monitoring wells, and the purposeful stressing of the aquifer system through multiple controlled pumping tests.

The investigation methods, results, and conclusions are described in detail in the MZ-1 Summary Report, dated February 2006. The investigation provided enough information for Watermaster to develop Guidance Criteria for the MZ-1 producers in the investigation area that, if followed, would minimize the potential for subsidence and fissuring during the completion of the MZ-1 Plan. The Guidance Criteria included a listing of Managed Wells and their owners subject to the criteria, a map of the so-called Managed Area, and an initial threshold water level (Guidance Level) of 245 feet below the top of the PA-7 well casing. The MZ-1 Summary Report and the Guidance Criteria were adopted by the Watermaster Board in May 2006. The Guidance Criteria formed the basis for the MZ-1 Plan, which was approved by Watermaster in October 2007. The Court approved the MZ-1 Plan in November 2007 and ordered its implementation. Watermaster began implementation of the MZ-1 Plan at the start of this reporting period (see Land Surface Monitoring under *Program Element 1: Develop and Implement a Comprehensive Monitoring Program*).

MZ-3 Monitoring Program

Watermaster performed a groundwater investigation to characterize groundwater levels and quality in Management Zone 3 (MZ-3) of the Chino Basin. The OBMP Implementation Plan states that MZ-3 is hydrologically out of balance and that new storm water and supplemental water recharge will be required to keep MZ-3 in balance. The blend of storm water, imported water, and recycled water used in the future to hydrologically balance MZ-3 must be of a quality to protect beneficial uses and comply with the proposed Title 22 regulations for planned recharge projects that use recycled water. Watermaster drilled, installed, developed, and sampled two nested, multiple-depth piezometers in the projected path of the Kaiser Steel plume, which is an immediate threat to potable supply wells – potable supply wells owned by the City of Ontario and Jurupa Community Services District. The monitoring program also incorporated four quarters of sample collection and analyses from 22 wells in MZ-3 to assess other groundwater quality issues, including total dissolved solids (TDS), nitrate, and perchlorate. The perchlorate may have originated from the Mid-Valley Landfill (in Rialto Basin, across the Rialto-Colton fault) or it may be a non-point source that resulted from the historical application of Chilean fertilizer. Watermaster completed and submitted the final report to the California Department of Water Resources (DWR) in December 2008, in partial fulfillment of the AB303 Grant requirements.

Program Element 6: Develop and Implement Cooperative Programs with the Regional Water Quality Control Board, Santa Ana Region (RWQCB) and Other Agencies to Improve Basin Management; and Program Element 7: Develop and Implement a Salt Management

Ontario International Airport

Watermaster coordinated with EcoGeo and GeoTrans, Inc. regarding the drilling schedule for the Ontario International Airport (OIA) monitoring wells and Watermaster technical input on

Optimum Basin Management Program

Program Element 6: Develop and Implement Cooperative Programs with the Regional Water Quality Control Board, Santa Ana Region (Regional Board) and Other Agencies to Improve Basin Management; and Program Element 7: Develop and Implement a Salt Management Program (Continued)

well design. Watermaster reviewed the proposed MW-1 well design from GeoTrans and prepared for and participated in a conference call on July 9, 2008 to discuss the proposed MW-1 well design. Watermaster reviewed and approved the proposed zone test plan for MW-2, including the RWQCB's requested modifications to the initial MW-2 well design and prepared for and attended an onsite meeting at MW-2 on August 28, 2008. Watermaster worked with the RWQCB and EcoGeo concerning the proposed location of MW-4 to help delineate the source of the OIA trichloroethylene (TCE) plume.

Perchlorate Source Assessment in MZ-3

Watermaster completed perchlorate and other water quality and water level data from the Fontana Water Company, West Valley Water District, and the Mid-Valley Landfill (GeoTracker). QA/QC'd the data and uploaded these data into Watermaster's database.

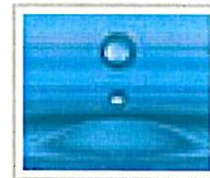
Acquisition of Monitoring Wells in MZ-3

Watermaster opened a dialog with Alcoa concerning the acquisition of their offsite wells (AOS No. 1, 2, and 3). These wells would assist Watermaster and the Jurupa Community Service District (JCSD) in monitoring groundwater elevations and groundwater quality in that portion of the Chino Basin.

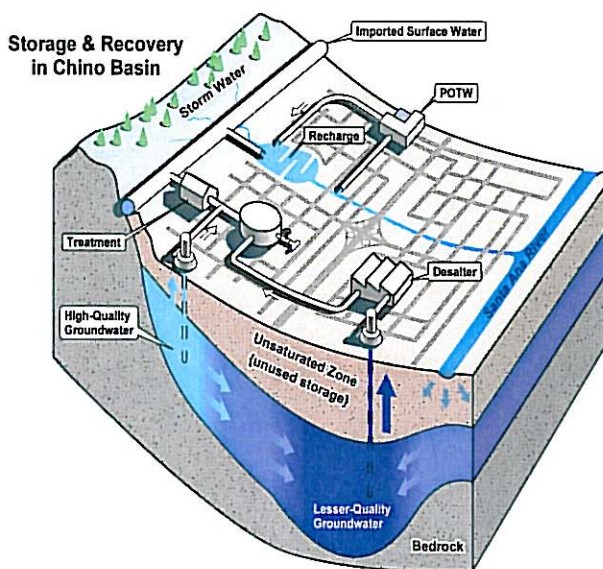
Program Element 8: Develop and Implement a Groundwater Storage Management Program; and Program Element 9: Develop and Implement a Storage and Recovery Program

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

- City of Ontario – Wellhead treatment ion exchange (IX) facility: construction continued and is anticipated to be completed by February 2009. DYY Wells: Equipping Well Nos. 44 and 52 began in March 2008 and is now completed.
- Cucamonga Valley Water District – Five new wells (Nos. 39-43): construction and equipping is now completed.
- City of Upland – New IX treatment facility complete and online.
- City of Pomona – Expansion of existing IX treatment facility is complete and online.
- City of Chino Hills – Refurbishing the Pellisier well did



THE DROUGHT GRIPPING CALIFORNIA IS DIFFERENT THAN ANY WE HAVE EXPERIENCED BEFORE, CAUSED BY A CONFLUENCE OF ISSUES THAT CANNOT BE SOLVED BY RAINFALL ALONE. IF THE CALLS FOR WATER CONSERVATION SEEM LIKE BUSINESS AS USUAL, THINK AGAIN. THIS IS NOT A CASE OF THE COMMON DROUGHT.



Optimum Basin Management Program

Program Element 8: Develop and Implement a Groundwater Storage Management Program; and Program Element 9: Develop and Implement a Storage and Recovery Program (Continued)

not yield the results the City was hoping to achieve. As a result, in January 2008, the DYY grant money and shift obligation was transferred to MVWD's Well No. 32.

- Monte Vista Water District – Well No. 31: well construction completed July 2006 and well equipping was completed in September 2008. Well No. 32 is completed. Well No. 33 and treatment facility (joint MVWD/Chino project): Well construction was completed in early 2008; the treatment facility construction was completed in November 2008.
- JCSD – Expansion of the Teagarden IX facility is completed and the system is online.

Due to the current drought conditions throughout the state of California, Metropolitan has not provided water for the DYY account since April 2007. As of June 30, 2008, about 86,000 AF had been stored in the Basin in Metropolitan's DYY account. On May 1, 2008, Metropolitan called for the parties to begin withdrawing water from the DYY account in the amount of 33,000 AF per 12-month period. At the end of the calendar year, the account balance was 56,092 AF.

In February 2008, the DYY Expansion Project was initiated by IEUA and Watermaster to evaluate increasing the DYY storage account. The purpose of the DYY Expansion Project was to determine the facilities needed to store up to 150,000 AF and to recover up to 50,000 AFY. The recovered water would be served to during dry years in-lieu of imported water from Metropolitan. The expansion project evaluated the technical, financial, and institutional framework for individual projects to move forward, groundwater modeling results evaluating material physical injury, and California Environmental Quality Act (CEQA) requirements. The CEQA process was completed in December 2008 with the submission of the Notice of Determination to the State Clearinghouse. Negotiations related to actual projects and the amount of expansions are ongoing.

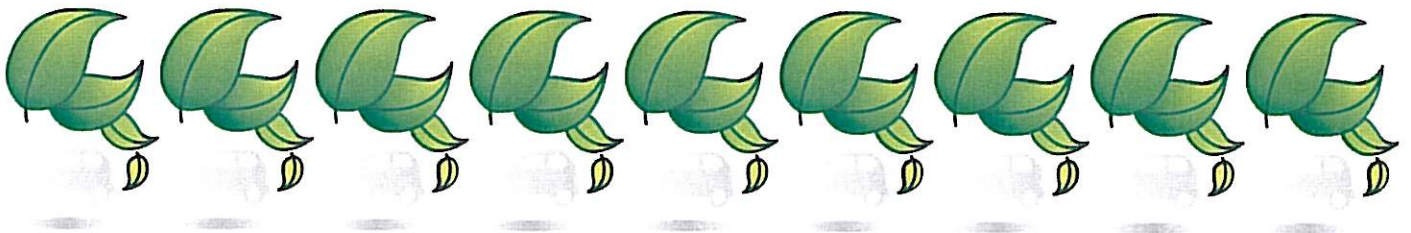
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CHINO BASIN WATERMASTER

IV. INFORMATION

1. Newspaper Articles



dailybulletin.com

3/31/09

Stimulus could grow green jobs

Jannise Johnson, Staff Writer

Posted: 03/30/2009 04:34:41 PM PDT

Several Inland Empire organizations hope that President Obama's stimulus package will provide the seeds necessary to grow green jobs in the area.

Sondra Elwood, public information officer for the Inland Empire Utilities Agency in Chino, said that organization has applied for \$19 million in stimulus money to fund their recycled water program.

"Recycled water is a sure way to reduce drought in the area," Elrod explained. "It leaves drinking water for drinking."

Recycled water can be used for plant maintenance, such as watering residential lawns or the greens at golf courses, she said.

Elrod explained that some of the funds will go to either expanding the water utility's current desalinization plants or building a new one, thereby creating jobs in construction.

The water utility has one plant in Chino and another in the Jurupa Community Services District.

Desalinization is the process used to clean

ground water.

"Any time you can use desalted water for irrigation of lawns or golf courses instead of drinking water that is quite a savings," Elrod said.

The water authority is just one of many organizations helping to change the environmental face of the Inland Empire.

The Green Valley Initiative is another. That is a network of about 500 local politicians, businesses and organizations that are green-minded.

Supporters include 40 Inland Empire cities, San Bernardino and Riverside county governments and several regional organizations.


The initiative was founded by Iranian immigrant Ali Sahabi.

With leaders in Washington D.C. touting energy-efficiency, Sahabi's goal of transforming the Inland Empire into California's green capital could come to fruition.

He is the developer behind the 534-acre Dos Lagos mixed-use community in south Corona. He believes there's no better region for green industry companies to call home.

Since June 2007, the collaboration has spoken as one voice to federal and state officials, and it's analyzed what resources the Inland Empire already has to launch the area into a

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viable green-job, green-development and green-energy community.

Sahabi has high hopes for 2009, especially since the Green Valley initiative caught the attention of Commerce Department officials in October.

The initiative's economic plan for the two-county region was approved by the department's Economic Development Agency, which allows for local businesses and governments to apply for federal grants to help fund energy-saving projects.

Funding for those local projects may come from President Obama's stimulus package.

In an indirect way, the stimulus money just allocated to the San Bernardino County Workforce Investment Board may lead to training for green jobs.

The board just received news that it will get \$15.7 million in stimulus money.

That breaks down to \$7.2 million for projects aimed at youth, \$3 million for projects aimed at adults and \$5.5 million to be set aside for people who have been laid off, said Michael J. Gallo.

Gallo is the former chairman of the workforce investment board and the founder and CEO of Kelly Space & Technology, Inc. in San Bernardino.

The job training money will be used "to position the work force to compete for these

jobs," Gallo said in reference to both green and non-environmental jobs.

The San Bernardino Community Action Partnership has applied for some of the \$15.7 million allocated to the board, he said.


Some of those funds will be used for the Low Income Home Energy Assistance Program where workers are sent out to weatherize low-income family's houses, Gallo said.

The weatherizing benefits the environment by making the houses more energy-efficient, while providing the workers trained in the program with marketable skills.

The \$15.7 million in stimulus money needs to be distributed out over the next several weeks, Gallo explained.

Federal rules also state the funds need to be spent over the next eight months, he explained.

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3/31/09

County, come clean on pollution

Anthony Araiza

Created: 03/30/2009 07:50:34 PM PDT

We are unfortunately compelled to call public attention to the inaccurate information about San Bernardino County's role in contaminating local groundwater provided to you a few days ago by the office of Supervisor Josie Gonzales.

In a point of view ("County is cleaning up perchlorate," March 26), Supervisor Gonzales stated: "Before the county purchased property in north Rialto for the future expansion of the Mid-Valley Landfill, the county hired an expert to test the land for hazardous materials. Those tests did not find significant contamination in the soil."

We strongly disagree with these statements. It is time for the County of San Bernardino, and its elected supervisors, to honestly and openly talk about the illegal conduct associated with the county's Mid-Valley Sanitary Landfill expansion, and the serious harm these activities have inflicted on the citizens of the county, the environment and our precious local drinking water supply.


With all due respect to Supervisor Gonzales, the facts now being disclosed about the Mid-Valley Landfill clearly demonstrate that county officials acted, and continue to act, in complete and utter disregard of applicable state and federal laws.

Based on reports provided by the county, it now appears that county officials knowingly - and with reckless disregard of the law - demolished contaminated bunkers at a state-permitted hazardous waste site, and spread the contaminated waste debris onto adjacent parcels and unknown locations offsite. Much of this hazardous debris was improperly used to construct noise berms on the perimeter of the county's property. The hazardous chemicals in this debris included lead, arsenic, mercury, asbestos and perchlorate - the chemical currently contaminating groundwater and the region's drinking water wells.

The county has been well aware that demolition of the bunkers without proper decontamination would contaminate groundwater. Indeed, as early as 1993, county consultants identified hazardous levels of contaminants requiring cleanup and were fully aware of hazardous levels of lead, arsenic and mercury. The county's own consultants detected perchlorate inside some of the bunkers at levels exceeding 3 million parts per billion. The regulatory action level for perchlorate in groundwater is 6 parts per billion. These extremely high perchlorate levels were in addition to the hazardous levels of lead in soil (e.g., 1,330 mg/kg) requiring cleanup and high levels of asbestos (e.g., 35 percent). The county's consultant stated "that soils in the former Bunker Area likely continue to be a threat to water quality in the area."

It is a serious violation of civil and criminal law to transport hazardous wastes without a licensed hauler and without the required documents.

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Supervisor Gonzales' office, however, in an article that appeared in this newspaper on March 23, publicly admitted "some of the demolished material was left on the site and said that the county doesn't have complete records documenting what happened to the hazardous material..."!

After almost seven years of ignoring state regulatory demands, and only after pressure from West Valley Water District and other public agencies, the county is now willing to provide the California Department of Toxic Substances Control with an "oral summary" of the demolition and burial activities at issue. Such a late and incomplete disclosure is totally illegal and demonstrates the county's lengthy efforts to conceal information and obstruct investigative efforts of the DTSC.

All reasonable persons should be demanding that county officials, including Supervisor Gonzales, explain why they are only now, after seven years, responding to the DTSC and providing information regarding the burial of the hazardous facility. Why has Supervisor Gonzales not directed county staff to provide this information immediately to the DTSC? As of last week, the county has still not provided DTSC with any of the requested information or mandated records.

The county's repeated failure to provide timely information to DTSC has had serious negative impacts to the environment. Had the county honestly disclosed the requested documents and information in 2002, the DTSC would have had an

opportunity to undertake timely and effective measures to abate contamination migrating from illegally buried hazardous wastes in order to protect the public, the environment and regional drinking water supply.

The county has no excuse for withholding the requested information and not preserving the relevant documentation and records. This willful indifference should no longer be tolerated.

The county should stop acting like a corporate polluter and start acting on behalf of the citizens who are bearing this terrible cost.

The county's behavior to date has created and continues to cause a serious groundwater problem in the region. This misconduct and dissemination of false information must stop.

Anthony Araiza is general manager of West Valley Water District in Rialto.

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Key Water Supply Legislation for the Chino Basin and Riverside County Await President's Signature

The Chino Basin Desalter Authority (CDA), the Inland Empire Utilities Agency (IEUA) and Western Municipal Water District (Western) are pleased to announce that the Omnibus Public Lands Package, which included a bill sponsored by Senator Dianne Feinstein and Congressman Gary Miller to increase groundwater desalination in the Chino Basin, was sent to President Obama for his signature.

The legislation will fund \$26 million for the Chino Basin Desalter program, which provides a new fresh drinking water supply for the cities of Chino, Chino Hills and Ontario, the Jurupa Community Services District, Santa Ana Mutual Water Company, Western and the city of Norco in Riverside County.

"The CDA is very appreciative of Senators Dianne Feinstein and Barbara Boxer, as well as our congressional delegation, House of Representatives Joe Baca, Ken Calvert, David Dreier, Jerry Lewis, Gary Miller, and Grace Napolitano for supporting the efforts to expand our local water supplies," commented CDA Chairman Glenn Duncan, who is also a council member for the city of Chino.

"This is wonderful news from D.C.," commented CDA Member Jim Bowman, who is also the mayor pro tem for the city of Ontario. "With this funding, we will be able to expand our groundwater desalination from its current 9.2 billion gallons per year to

13 billion gallons per year."

Another significant piece of the Omnibus Package is Western's drought-proofing project, the Riverside-Corona Feeder. Sponsored by Congressman Ken Calvert and Senator Dianne Feinstein, the Riverside-Corona Feeder Water Supply Act authorizes \$26 million in federal funding for the Bureau of Reclamation to design, plan and construct a series of groundwater wells, pumps and pipelines that will comprise the conjunctive use project. "One of the biggest challenges we face as a region is securing additional sources of water as imported supplies continue to diminish. Signing of this bill will be a critical step to diversify our local water supply" said Western General Manager John V. Rossi.

The city of Corona, Elsinore Valley Municipal Water District and Rancho California Water District also benefit from Wednesday's movement of the legislation to the President's Office as it will help fund their recycled programs.



U.S. Senator Dianne Feinstein



Congressman Gary Miller
R-42nd District



Congressman Joe Baca
D-43rd District



Congressman Jerry Lewis
R-41st District



U.S. Senator Barbara Boxer



Congressman David Dreier
R-26th District



Congressman Ken Calvert
R-44th District



Congresswoman
Grace Napolitano
D-38th District

"The CDA, IEUA and Western would like to thank our partners, the Bureau of Reclamation, Chino Basin Watermaster, Metropolitan Water District, Orange County Water District, and the Santa Ana Watershed Project Authority for their efforts on helping to secure this funding," stated IEUA Board President Terry Catlin. "This is a great example of a team effort and how regional watershed partnerships are critical to solving our southern California water problems."

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Crisis On Tap: California's water reckoning

CLICK PLAY TO LIST

08:05 PM PDT on Saturday, March 21, 2009

By DOUGLAS QUAN, KIMBERLY PIERCEALL and JANET ZIMMERMAN
The Press-Enterprise

Storms that drenched much of the state in February may have turned parched earth into fields of wildflowers, but they did little to reverse three consecutive years of drought.

In fact, the signals have grown more ominous, culminating in an emergency declaration late last month by Gov. Arnold Schwarzenegger and warnings of mandatory water rationing.

California endured droughts in the late 1970s and early 1990s, but lack of rain isn't the only situation driving the current crisis, water experts say.

Story continues below



Ed Crisostomo / The Press-Enterprise
Russell E. van Löben Sels grows 40 million pounds of tomatoes for Campbell's soup, plus pears for fruit cups and grapes for wine. A fourth-generation farmer in the Sacramento-San Joaquin Delta, he worries about water: Will it be available and good enough to use?

The state's population has ballooned.

Water exports from Northern California have been slashed to protect threatened and endangered fish.

And a trend among farmers to grow tree fruit and other permanent crops rather than plantings that die off every year has made it harder for them to fallow their land.

Evidence of the diminishing water supply can be seen in the "bathtub rings" that run along the banks of California's reservoirs.

Diamond Valley Lake, the Inland region's largest reserve of drinking water for droughts and emergencies, has been drawn down by half.

All private boat launches on the lake south of Hemet were suspended in October because levels had fallen so low.

Boaters aren't the only ones affected by the drought.

Homeowners are paying more for water and, in some areas, those caught excessively watering their lawns could get slapped with fines.

Consumers will likely pay more for fresh produce.

Tens of thousands of farming jobs in the Central Valley could be wiped out by year's end.

Some say the state desperately needs new reservoirs and canals to capture and deliver water more efficiently.

Others say that's a waste of money and that the government should focus on getting farmers, homeowners and businesses to conserve more water, and on getting communities to recycle more wastewater -- though sometimes getting residents to overcome the "ick" factor can be a challenge.

The situation has gotten so dire, some say, that cities inevitably will have to limit growth.

Reaching a consensus won't be easy. Territorial rifts have been a hallmark of the state's water history.

Farmers blame environmentalists. Environmentalists blame developers. Northern Californians blame Southern Californians.

Experts say all sides are going to have to suck it up.

At a 2007 water conference in Riverside, Celeste Cantú, general manager of the Santa Ana Watershed Project Authority, said the state was facing the "four horsemen of the apocalypse" -- climate change, drought, population growth, and a court-ordered reduction in water deliveries from the Sacramento-San Joaquin Delta, the hub of California's water supply, to protect threatened and endangered fish species.

"The four horsemen have arrived," Cantú said in a recent interview. "We don't have a drop to waste."

Bleak Forecast

Californians rely on a Byzantine network of reservoirs, canals, pipes and pumping stations to deliver water to their faucets, showerheads and sprinklers.

The two main conduits of that supply, the Delta and the Colorado River, rely on rain and snow to keep the water flowing.

Since 2006, precipitation across the state has been down about one-quarter, not as bad as California's worst drought in 1976-77 but comparable to the 1987-92 dry years, water officials say.

Several factors are exacerbating the problem:

The state's population has grown by 9 million since 1992, putting extra strain on the system.

A federal court order in late 2007 scaled back pumping in the Delta to protect smelt and other imperiled fish species, resulting in a 30 percent reduction in water deliveries from the Delta.

More and more farmers over the years have switched from growing annual crops to permanent crops.

While permanent crops are more desirable because they have a higher value and require less water, farmers cannot idle those crops without incurring a heavy cost.

It appears the drought will only get worse in the long term:

Projections show that the state population, now at 38 million, could soar to 60 million by 2050.

The warming earth is causing less snow to fall in the winter. That means a diminished mountain snowpack, a key source of the state's water.

And what snow does fall is melting faster, meaning less water available for the drier and hotter months.

State water officials say the winter snowpack in the Sierra Nevada range, a 400-mile string of peaks and a major source of the state's water, is expected to decrease 25 to 40 percent by 2050.

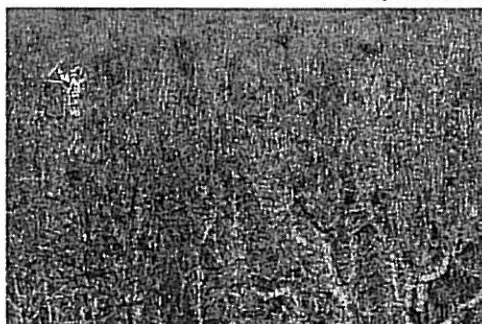
Researchers at the Scripps Institution of Oceanography at UC San Diego say there is a 50 percent chance that Lake Mead, the massive reservoir on the Colorado River 30 miles southeast of Las Vegas, could be dry by 2021.

Melting arctic ice caps could raise the sea level 4 to 16 inches by midcentury, increasing the risk that saltwater from San Francisco Bay could infiltrate and degrade Delta water.

And the levees protecting the Delta are aging and at risk from a major earthquake and flooding caused by rising seas.

If the levees fail, freshwater exports to Southern California could be cut off for more than a year.

Story continues below



Ed Crisostomo / The Press-Enterprise
A worker prunes pear trees at Amistad Ranches in the

Sacramento-San Joaquin Delta. The pears go to Del Monte for fruit bowls. When water is scarce, some fields can be fallowed; permanent crops like tree fruit are more problematic.

Ripple Effects

The drought's impacts have been immediate and far-reaching.

Water deliveries to regional and local suppliers have been cut, mandatory conservation is spreading, and water rates are climbing.

The state Department of Water Resources oversees the delivery of water to most urban water agencies, including the Metropolitan Water District of Southern California, the region's major water wholesaler.

Last year, the department was able to deliver only 35 percent of the water those agencies requested.

This year, the department expects to deliver 20 percent.

With supplies diminishing, officials of the MWD, responsible for delivering water to local agencies serving 2.3 million Inland residents, say there is a 75 percent chance they will cut allocations this year.

The agency hasn't rationed water since the last drought in the early '90s.

A decision on rationing is expected in April.

Many local water agencies, anticipating cutbacks, already have imposed mandatory restrictions on when residents can water their lawns, how they wash their cars, and how well they manage their sprinkler systems.

The Eastern Municipal Water District, one of the Inland region's largest water agencies and dependent on MWD for two-thirds of its water, is among those imposing restrictions.

"It's only smart to put those into effect now, because we don't know if the current water situation will get worse," said Peter Odencrans, a spokesman for Perris-based Eastern.

Eastern approved a tiered rate system earlier this year that penalizes households for using excess water. The rates took effect March 1.

Other areas that have adopted or are considering tiered rates include Coachella, Redlands, Rancho Cucamonga and southwest Riverside County.

Some customers are not happy.

Bruce Osgood, a Moreno Valley resident, said homeowners are shouldering too much of the burden.

Osgood blames the district for allowing too

much development.

The district can't keep charging homeowners "up the ying yang," he said.

Farmers are feeling the pinch, too.

The federal Bureau of Reclamation oversees the delivery of water to most Central Valley farmers, who produce a quarter of the country's food.

Last year, the bureau delivered only 40 percent of the water farmers had asked for.

This year, farmers have been told they are getting nothing -- for now.

Many farmers in the San Joaquin Valley have curtailed production or shut down.

Last year, the state lost \$309 million worth of rangeland and crops, and farmers left 106,000 acres unplanted or abandoned, the California Farm Bureau reported.

This year, in the western San Joaquin Valley alone, farmers anticipate they will let more than 300,000 acres go without water.

Richard Howitt, an agricultural economics professor at UC Davis, predicts 30,000 to 60,000 jobs in the Central Valley could be wiped out by year's end, along with as much as \$1.6 billion in agriculture-related revenue.

Experts say that the basic laws of supply and demand dictate that the price of lettuce, melons, tomatoes, almonds, walnuts and other produce will likely go up.

Joe Pezzini, director of operations for Castroville-based Ocean Mist Farms, the largest grower of artichokes in the nation with crops in the Coachella Valley, said he expects the trade-offs between agriculture and urban users to become more contentious.

"Truthfully, there's not enough water to go around now," Pezzini said.

No Simple Fix

Some experts say the state desperately needs new ways to capture and deliver water more effectively.

"We're operating a system that was designed and constructed a half-century ago . . . (that is) inherently incapable of balancing the needs of the aqua system and water-supply reliability for the California economy," said Timothy Quinn, executive director of the Association of California Water Agencies.

The most ambitious plan under consideration is a canal that would funnel fresh water around the Delta, instead of through it.

The peripheral canal, as it is known, would protect imperiled fish in the Delta and ensure a

more reliable flow of water from the Delta to Central and Southern California, given that the current Delta's levees are aging, proponents say.

Cost estimates range from \$5 billion to \$8 billion, plus land acquisition and habitat restoration.

It would be paid for by water users.

The governor is pushing to fast-track the timeline and start construction in 2011.

Opponents, including some farmers and environmentalists, have vowed to tie up the plan in court.

The state also is looking into building new dams to capture runoff during storms.

Increasing surface and groundwater storage was a key component of a \$9.3 billion water bond measure proposed in July 2008 by the governor and U.S. Sen. Dianne Feinstein, D-Calif.

The proposal also set aside money for rehabilitating the Delta and for wastewater recycling and conservation projects.

It failed to get on the November state ballot.

State Sens. Dave Cogdill, R-Modesto, and Dean Florez, D-Shafter, tried to kick-start the idea recently by introducing separate water bond bills.

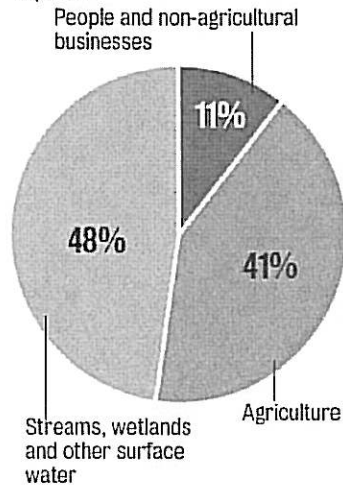
In the near-term, it appears some money will be available for drought solutions.

State water officials say they hope to release guidelines next month for distributing to communities \$100 million approved last year for local recycling, conservation and other projects.

The state also hopes for an infusion of money from the federal stimulus package to combat the drought, though it remains to be seen how much it will get and for what projects.

Story continues below

WHERE WATER GOES: In 2000, considered an average year, the state distributed 82.5 million acre-feet of water (1 acre-foot equals about 326,000 gallons) from rain, snow, wells and imports.



SOURCE: CALIFORNIA DEPARTMENT OF WATER RESOURCES
THE PRESS-ENTERPRISE

Conservation

One remedy that has almost unanimous support is conservation: Everyone -- residential consumers, businesses and farmers -- needs to use less.

Landscape irrigation is an obvious target for water agencies.

Sixty to 70 percent of household water goes to keep lawns green, experts say.

"Grass is really my enemy," said Cantú of the Santa Ana Watershed Project Authority.

Most homeowners could easily cut their lawn watering in half and their lawns would still survive, she said.

Some water agencies are working aggressively to get the message out, providing rebates and other incentives for homeowners to cut water use.

The Eastern Municipal Water District has assigned a worker to look for oversaturated lawns.

Violators get two warnings. Subsequent violations could lead to fines up to \$100.

Since the program took effect in September, the agency has warned or fined more than 2,200 residents and businesses.

Farmers are being asked to pitch in, too.

For the first time since the early 1990s, the state has activated a water bank in which

farmers upstream from the Delta can voluntarily let their land go fallow and sell their water to those in need.

In farm and water-rich areas of Southern California -- the Palo Verde Valley and Imperial County -- farmers already have been selling their water to the MWD, San Diego and the Coachella Valley in long-term agreements allowing the growers to get paid for not farming their land.

Their water goes to Southern California urban users instead.

Some water observers say farmers should simply stop growing certain low-value, water-intensive crops.

"Alfalfa and cotton crops are not valuable enough to justify the amount of water" needed to grow them, said Cary Lowe, a San Diego-based land-use lawyer and urban planning consultant who works with developers.

Wendy Fink-Weber, a spokeswoman for the Western Growers Association, said the market, not government, should dictate what farmers sell.

A better solution is to ease environmental restrictions and improve water delivery and surface water storage, Fink-Weber said.

Alfalfa feeds dairy cows, farmers say, and growing less of it would send the price of milk, cheese and butter climbing and, worse, send the dairy industry out of state entirely.

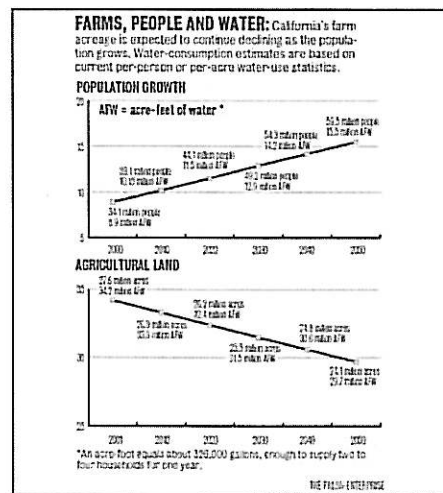
Some farmers and agricultural and water officials said they worry about food safety if the state becomes too reliant on imports.

Production of garlic, melons, onions and tomatoes has already been scaled back in some areas due to the drought.

Valuable almond trees in the San Joaquin Valley and avocado trees in Temecula and San Diego County have also been cut.

"I don't want to rely on a foreign country for my food. We do that with oil, and it's not working out so well," said Randy Record, a member of the Eastern Municipal Water District's board.

Story continues below



[Click to enlarge](#)

Curb Growth?

If homeowners and farmers have to make sacrifices, what about developers?

Curbing "mindless development" has to be considered, said Tim Barnett, a marine research physicist at the Scripps Institution of Oceanography at UC San Diego and co-author of the Lake Mead study.

"Have you been to Palm Springs or Palm Desert? . . . We have to learn what sustainability means."

Curtailling growth is not going to be an easy sell.

When Barnett floated the idea at a conference of California mayors last year, the reaction was almost universally negative, he said.

The response was that people have a right to live where they want, he said.

Some attempts have been made to reconcile growth and water supply.

In 2001, California passed a law requiring developers of large projects to secure in writing guarantees from water agencies that they can deliver water for 20 years.

But the law hasn't been enforced, say researchers with the Pacific Institute, a nonprofit organization that looks at the state's natural resources.

They also say the law should apply to more proposed projects and should require a water source beyond 20 years.

"Obviously, there are a lot of loopholes," said Juliet Christian-Smith, a senior research associate with the institute.

In early 2008, Eastern Municipal Water District officials temporarily halted several large projects, including a giant Skechers warehouse, because they weren't certain they could meet

the long-term water demand.

A few months later, the district approved all of them.

Officials said recycled water, desalination and conservation would make an extra 60,000 acre-feet of water available annually.

As long as developers meet the law's requirements, Record said he has trouble saying no to new homes and businesses, because the projects create jobs.

He said he has even more trouble supporting calls to stop growth when he sees water flowing down gutters from saturated lawns.

Some environmental groups have succeeded in blocking developments.

A few years ago, Vineyard Area Citizens for Responsible Growth sued the city of Rancho Cordova in Sacramento County over a large housing and commercial development.

In 2007, the California Supreme Court ruled in favor of the group, saying local officials had failed to evaluate the long-term water supplies for the project and the potential impact of groundwater pumping on river flows and fish migration.

Joel Kotkin, a futurist and fellow at Chapman University in Orange, worries about this trend.

"What the greens want to do is make it impossible for the state to grow," Kotkin said. "If California wants to become a place that can't accommodate people, people will continue to leave."

But California can't simply grow forever, Barnett said.

"If you want to continue to grow, where are you going to get the water?" he asked. "There has to be limits. It's a no-brainer."

Reach Douglas Quan at 951-368-9479 or dquan@PE.com

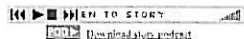
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Water worries weigh on farmers

With supplies stretched thin, some farmers idle fields and sell some of their water to serve urban users



08:12 PM PDT on Saturday, March 21, 2009

By KIMBERLY PIERCEALL
The Press-Enterprise



Video: Water cutbacks and rising prices force avocado growers to make tough choices

In California, water policy has always dictated that residents, not farms, come first.

Farmers are facing the consequences of that approach now more than ever.

Growth, drought, an aging water system and environmental limits on pumping from Northern California have stretched the state's water supply too thin, and increasing volumes of water are being diverted from agricultural fields to homes and businesses.

The impacts are serious and far-reaching, among them increased unemployment and fear for the future of farming in California.

Some of the nation's most productive farmland stretches across the state, from Riverside and San Diego counties to the San Joaquin Valley in Central California.

The state has 81,000 farms that produce more than \$30 billion in crops and livestock, and employ nearly 400,000 people.

In the San Joaquin Valley, where a quarter of the nation's produce is farmed, many growers were told to expect a zero allocation from their water system this year.

They are digging deeper wells, paying more for water, or using a saltier supply.

Many aren't growing at all.

Story continues below

Stories

[Crisis On Tap: California's water](#)



Ed Crisostomo / The Press-Enterprise
Fallbrook area avocado farmer Charley Wolk glances at the trees workers cut back in January after water allotments were reduced. Wolk hopes the trees, painted white to protect the bark from sunburn, will produce fruit again by 2011.

Last year, drought cost the state \$309 million in rangeland and crops, and farmers left 106,000 acres unplanted or abandoned, the California Farm Bureau reported.

The situation is expected to get worse this year.

"We don't know if we're in year three of a three-year drought or if we're in year three of a 10-year drought," said Ryan Jacobsen, executive director of the Fresno County Farm Bureau and a fourth-generation grape grower. "We're dealing with such dire circumstances; we're dealing with people's jobs, people's livelihoods. ... It's completely disheartening."

Praying For Rain

Dan Errotabere doesn't grow much cotton anymore.

He's not going to grow cantaloupes or onions, either.

The third-generation Fresno County farmer will grow less garlic and tomatoes this year, too, now that he won't be able to water 1,500 of his 5,600 acres of farmland.

His plight isn't unique in the county, where the total agricultural output is more valuable than in any other county in the nation.

More than a third of the county's 1.64 million acres of farmland is expected to lose out on water allocations this year.

Errotabere is praying for rain.

"There isn't much else to do," said Errotabere, president of the Fresno County Farm Bureau and a board member of the Westlands Water District in Fresno, a retailer that serves 600 family-owned farms in the San Joaquin Valley.

The farmers can hope for price increases in the crops they have left, but it's doubtful with the country's economic troubles, he said.

Normally, water agencies tap the pumps in the Sacramento-San Joaquin Delta in spring, after

the snowmelt collects, and send the water to storage in places like the San Luis Reservoir, which feeds farms on the west side of the San Joaquin Valley.

Not last year.

A judge restricted pumping in the Delta to protect a threatened species of fish.

Without rain, the rivers didn't rise to fill the reservoir.

Water cutbacks could cost the Central Valley up to 60,000 agriculture-related jobs and \$1.15 billion in wages, said Richard Howitt, an agriculture economist at UC Davis.

With the governor's recent declaration of a water emergency and the establishment of a state water bank to match parties who have water with willing buyers, there's hope that growers in Fresno County and other parts of the San Joaquin Valley will be able to survive the season.

"This is the one thing that can be done this year," Howitt said.

The San Joaquin Valley is the state's agriculture powerhouse, producing everything from almonds to melons to lettuce worth billions of dollars.

If water isn't transferred, crop acreage on the west side of the valley, where the federal cutbacks and lack of wells make the situation dire, could decrease 35 to 55 percent, Howitt said.

San Joaquin Valley farmers who can't plant still have to pay the property taxes on land that isn't bringing in money.

Sometimes, because of contractual agreements, they also have to pay fees for water they won't get.

Other farmers have chosen to sell some of their water to urban suppliers.

Story continues below



Ed Crisostomo / The Press-Enterprise
Mark Osterkamp, a third-generation farmer, grows wheat and other crops near Brawley, in Imperial County. Osterkamp and many other desert-area farmers are paid to leave some of their land idle so water can be diverted to cities such as San Diego.

Dry Fields

Mark Osterkamp, 56, is a third-generation

farmer who fallowed hundreds of the 5,000 acres he works near Brawley, in Imperial County between the Salton Sea and Mexico.

Imperial County growers raise nearly all of the winter vegetables in the state.

Osterkamp, like other farmers in the area, is paid by the local water district for not irrigating all of his land.

The unused water, imported from the Colorado River, is sent to residents in San Diego, the Coachella Valley and other Southern California communities.

Groundwater in the Imperial Valley is too salty to use, so farmers can't sink wells to irrigate.

As long as he is being compensated for the crops he does not grow, Osterkamp said he doesn't mind fallowing his fields.

He doesn't take too kindly, though, to seeing water being used on opulent landscape features like those in the Palm Springs area.

"They've got lakes with houses around them. That is disturbing," he said.

Osterkamp, like many of his fellow farmers, wonders how far the trend will go -- to let farms dry up as California continues to grow.

"You could dry up the entire Imperial Valley," he said. "You'd also be pretty hungry."

One of his 70-acre fields could produce enough wheat for more than a half-million packages of pasta, or alfalfa to feed cows producing 157,000 gallons of milk, or Bermuda grass to feed 269 horses for one year, he said.

Standing between two of his fields flanked by a canal and separated by a homemade dam, Osterkamp looked over lush, green sugar beats on one side and, on the other, lifeless blades of Kline grass he stopped watering in June.

He hopes sugar beet prices are strong this year so he can profit.

"That's why we plant any crop," he said. "It's always a gamble."

Stumping

In 1994, the Metropolitan Water District of Southern California offered its agricultural customers cheaper rates, with a catch -- the water wholesaler could cut their allocations 30 percent if supplies ran short.

The cuts were imposed for the first time last year.

The action sent ripples through local farming communities, where growers moved quickly to cut their crops 30 percent.

Charley Wolk, owner of Bejoca Grove

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Management in Fallbrook, stumped almost a third of the avocado trees in the 12-acre grove he manages.

Expecting another cutback in July from the San Diego Water District, he stumped more trees, some of them three decades old.

Some might once again bear fruit to be mashed for guacamole or sliced for sandwiches, but not anytime soon.

For now, they are stark trunks, painted white to protect them from the sun, like tombstones among the mature trees that haven't been sacrificed.

The scene saddens Wolk, who remembers when growers paid \$75 an acre-foot for water. Now they pay close to 10 times that.

San Diego County has lost 4,000 acres of avocado trees to drought and another 3,000 acres to the fires of 2007.

The California Avocado Commission expects this year's crop to be the smallest in 20 years.

San Diego, Riverside, Ventura, Santa Barbara and San Luis Obispo counties are the top producers of avocados in the state.

Story continues below



Ed Crisostomo / The Press-Enterprise
Mark Osterkamp leaves hundreds of acres idle at his Imperial Valley farms so he can sell his water to serve urban areas. He said he doesn't object to seeing the water go to residents' taps, but he doesn't think it should be used on lush landscaping and lakes in the desert.

Beyond The Farm

In the Palo Verde Valley near Blythe, farmers have fallowed 25,947 acres of farmland since 2005.

The MWD signed agreements with 90 of the valley's landowners to give up some of their water for 35 years. In return, they got \$84 million and promises of more for each acre they didn't plant each year.

The water they would have gotten is instead going to the MWD, which sends it to the taps of 18 million residents and businesses in Southern California.

In the Imperial Valley south of the Salton Sea, the Imperial Irrigation District started a fallowing program in 2003 so water could be diverted to San Diego.

For 5,764 acres that wasn't planted, farmers received \$1.77 million.

Last year, farmers were told to leave 16,172 acres, mainly wheat, grass and alfalfa, idle in exchange for \$6.25 million from the district.

A fund of \$50 million has been set aside from a settlement with the San Diego Water Authority to help individuals and small businesses hurt by fallowing, a ripple effect that goes beyond growers, farmworkers and consumers.

Among those affected: beekeepers, who have less work because there are fewer fields for their bees to pollinate.

"We didn't anticipate that one," said Gustavo Reza, interim director of the Imperial Valley Small Business Development Center.

Statewide, fallowing will eventually impact truckers who haul produce, processors who package it and marketing departments that persuade people to buy it, said Dan Sumner, an agricultural economist with UC Davis.

"All will die if the farms go dry," Sumner said.

Researchers at UC Riverside are working toward a solution: crops that need much less water.

Biochemistry professor Daniel Gallie is working with corn and tobacco plants to come up with drought-tolerant grains and leafy crops.

Corn and tobacco, like lab mice, stand in for other species in the research process.

He discovered that cutting water 75 percent damaged a normal corn crop but had little effect on a drought-resistant variety.

That's good news for Grant Chaffin, a third-generation farmer in Blythe.

Chaffin joined a fallowing agreement a few years ago that pays him for letting some of his alfalfa and wheat fields go without water.

"Drought-resistant crops can make a big difference," he said.

If his crops needed less water to grow, the excess could be used elsewhere.

With increasing demand on the state's troubled water supply, drought-tolerant crops will become vital, he said.

"If previous history is any indication of where we're heading in 10 years, the population is not going to get smaller."

Staff writer Janet Zimmerman contributed to

this report.

Reach Kimberly Pierceall at 951-368-9552 or kpierceall@PE.com



A Press-Enterprise special report on the water crisis in California.

Special Report: [Crisis On Tap](#)

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Sacramento-San Joaquin Delta becomes water war's front line



08:07 PM PDT on Saturday, March 21, 2009

By JANET ZIMMERMAN
The Press-Enterprise



Video: A tour of the Sacramento-San Joaquin Delta, a major water source for California



Photo Gallery: California's Delta

Bumping along a rutted levee road in his pickup, Steve Mello surveys some of the 3,100 acres he and his son farm in the Sacramento-San Joaquin Delta.

The sinking sun warms the landscape to shades of gold and pink, and Mello's fingers trace the upward arc of sandhill cranes, geese and egrets abandoning their evening meal in an old corn field.

Mello, 53, took over this land from his father, who started as a field hand.

More than a century before, farmers carved the Delta from a swamp.

They built earthen levees to protect crops from the rivers' rising tides, pushed inward with saltwater from nearby San Francisco Bay.

Little did those early settlers know, California's modern-day struggle for water would zero in on this verdant estuary along Interstate 5, just south of Sacramento.

This triangular slice of land, a checkerboard of green and brown fields dotted with quaint farmhouses and serpentine rivers and sloughs, is the cornerstone of the state's fresh-water system.

Rainfall and snowmelt from the Sierra feed the Sacramento, the San Joaquin and smaller rivers.

That water is channeled through hundreds of

miles of canals and pipelines making up the federal Central Valley Project and the State Water Project that ends at Lake Perris.

Two-thirds of the state's water comes from the Delta.

It quenches the thirst of 23 million Southern Californians and supplies farms in the San Joaquin Valley that grow much of the country's grapes, almonds, cotton, tomatoes, apricots and asparagus.

But those supplies are threatened.

Delta exports have been drastically reduced under a court order to protect threatened fish species.

The cutback, paired with ongoing drought, has caused water agencies statewide to dip into reserves and impose rationing, and forced farmers to fallow their fields.

In addition, the Delta's 1,100-mile levee system is vulnerable to failure from rising sea levels and a large-magnitude earthquake.

Most of the land within the Delta already sits below sea level, a result of subsidence caused by farming of the rich black peat soil.

A catastrophic levee collapse would cause widespread flooding and draw saltwater from San Francisco Bay toward the pumps that pull water from the Delta and move it 244 feet uphill into the start of the California Aqueduct.

Story continues below



Ed Crisostomo / The Press-Enterprise
Farmer Steve Mello depends on a levee system in the Sacramento-San Joaquin Delta to irrigate the corn, alfalfa and other crops he and his son grow. As the state struggles to keep water flowing to a growing population, farmers worry about their future.

In that scenario, exports to the south would be cut off for more than a year because the water would not be fit to drink, the state Department of Water Resources says.

Nearly everyone agrees the Delta must be fixed, but how to do that is the source of a long-standing and contentious debate.

What is considered the ideal solution varies by geography and demographics.

"The Delta is the Bermuda Triangle of California. It is the single biggest ecosystem, water supply and headache in the state," said Barry Nelson, western water project director in San Francisco for the Natural Resources Defense Council.

Solutions Vary

Perhaps most controversial among the possible solutions is the state's revival of a decades-old proposal to build a canal to route fresh water around the Delta instead of through it and allow more seawater into the Delta from the San Francisco Bay.

The canal would be part of the Bay Delta Conservation Plan to restore the environmental health of the Delta by expanding floodplains and marshes to provide food, habitat and spawning ground for countless fish and fowl.

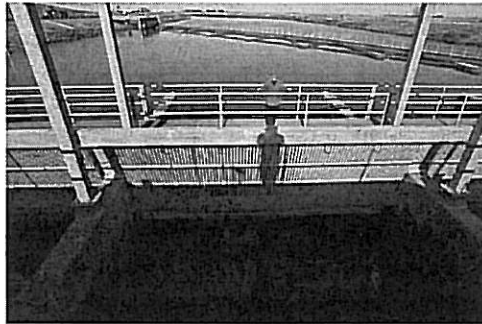
The canal, about 42 miles long and 600 feet wide, would cut through existing farmland, said Paul Marshall, principal engineer at the Department of Water Resources.

The state estimates the cost at \$5 billion to \$8 billion, not including land acquisition and wetlands restoration.

Others say such a project could total \$18 billion.

Water users, including about 2 million customers in the Inland area, would foot the bill.

Story continues below



Ed Crisostomo / The Press-Enterprise
Utility worker Jewel Huckaby shows where screens keep endangered fish from pumps that siphon water from the Delta into canals for delivery to other parts of the state.

An \$8 billion price tag would translate to an estimated \$50 per year boost to consumers' water bills, according to the Metropolitan Water District, Southern California's main wholesaler.

The MWD would be responsible for about 25 percent of the total project cost; the remainder would be covered by other water users.

The peripheral canal idea was first floated in 1965 as a way to bypass Delta channels and carry water more efficiently to pumping plants.

The plan was to release fresh water back into the Delta at intervals for irrigation and to reduce

salinity.

When the proposition went before voters in 1982, it was soundly defeated.

Northern Californians feared that such a canal would act as a giant funnel through which thirsty Southern California would take more water, a perspective still held by many today.

But water managers, environmentalists and state experts agree the purpose of a canal would be to provide a more dependable supply and to restore fish and wildlife species.

A canal wouldn't mean a larger share of water for Southern California, but it would ensure reliability, said Randy Van Gelder, general manager of the San Bernardino Valley Municipal Water District.

That would prevent problems like this year's expected 20 percent allocation of requested supplies from the State Water Project, a near-record low, he said.

"We've got to do it, even if it doesn't produce more water in aggregate, but a bigger block of water more of the time," Van Gelder said.

The state's water picture has grown dire since the last canal proposal in 1982:

The list of fish species receiving protection under the state and federal endangered species acts grew from zero to six.

Farmers have shifted from row crops to higher-value, permanent crops such as orchards and vineyards that are not easily fallowed without great economic impact.

The state's population has jumped by more than 10 million, driving Delta water exports to all-time highs in recent years.

The other major import supply, the Colorado River, has dwindled because of a decade-long drought and more states drawing their shares.

And three consecutive years of below-normal rainfall has left Californians wondering when, or even whether, the drought will end.

"It really is a question of balance. The old balance no longer works," said Peter Gleick of the Pacific Institute in Oakland, an independent research group that studies water issues. "We now are faced with the need to rethink what we're doing."

The state wants to begin construction on a peripheral canal in 2011.

State officials said such a plan does not require public or legislative consent based on the Burns-Porter Act, approved by voters in 1960 to authorize bond financing for State Water Project facilities.

Critics and supporters agree the issue will likely end up in court.

The Department of Water Resources has outlined several potential canal routes -- one on the east side of the Delta, one on the west, and a through-Delta alignment that would fortify the existing natural waterway by strengthening critical levees and installing gates to protect fish.

The pumps that move the water are so powerful that they reverse the flow of the river, sucking in smelt, salmon and other threatened species.

Moves to protect the fish have drastically cut water exports from the Delta.

The state began environmental review of the canal project last year and is expected to release more details in the coming weeks.

Nelson, of the Natural Resources Defense Council, is waiting for those details about the canal's size, alignment and management before taking a position on it.

Story continues below



Ed Crisostomo / The Press-Enterprise
Russell E. van Löben Sels and his dog, Pacha, walk next to his tomato fields in the Sacramento-San Joaquin Delta. Van Löben Sels' great-grandfather built many of the levees that control water in the Delta, part of the richest agricultural region in the nation.

His group was one of the environmental organizations that filed suit in 2007 to protect the threatened Delta smelt, a tiny silver fish that scientists say is an indicator of the health of the entire Delta ecosystem.

Some environmental groups, including The Nature Conservancy, favor the canal idea. They want less water taken from the Delta for exports in order to restore the ecological balance.

Many Delta farmers and residents favor the through-Delta route with repair of the levee system, which they say has worked for more than a century.

The farmers want more storage for the wettest times of the year, when the land is prone to flooding; that water could be released south in dry times.

They fear that once a canal is built, interest in

preserving the Delta would fade, agricultural land would be lost to habitat restoration and with it would go the businesses that support the farm industry and the tax base.

"This is the legacy my mother and father worked a lifetime to create, and I'm protecting it," said Mello, the farmer. "We won't go quietly into the night, for obvious reasons."

Different Perspectives

The 1,153-mile Delta is the largest estuary on the West Coast, though it remains unknown to many.

It is home to about 400,000 people.

Marci Coglianese lives in Rio Vista, one of the largest small towns along the Delta with a population of 8,000.

She was a city girl when she moved there with her husband, a teacher, in 1966.

She couldn't wait to leave.

But it wasn't long before the "Tom Sawyer way of life" grew on her, she said.

Coglianese came to appreciate the friendly residents and the way people pull together, especially when there are problems with the levees.

Coglianese, who was Rio Vista's mayor from 2000 to 2004, said the seismic risk of the levees is overstated.

She believes government used levee breaks in New Orleans during Hurricane Katrina as an opportunity to push for the peripheral canal.

"It sounds like it is an easy solution, but I think it creates as many problems as it solves," she said. "Once the state makes such a huge investment, it may not have the ability to deal with the impact it creates. It may not even help the fish."

In addition to losing the tax base, Coglianese worries about the town's water quality, if fresh water is drawn off and seawater is allowed to penetrate farther into the Delta.

Similar worries plague Russell van Löben Sels, a fourth-generation farmer to the north in Courtland.

It's possible that the canal's eastern alignment could cut through the middle of the grape crop he sells to Beringer Winery for chardonnay.

Van Löben Sels' great-grandfather built many of the Delta's levees, and his grandfather worked some of the same land Russell van Löben Sels does today.

The 8 million pounds of pears he grows each season go into Del Monte's fruit bowls; his

tomatoes are used for Campbell's soup.

"The big fear is if good quality water is not maintained, you can't farm," he said.

But his view differs from his neighbors to the south.

Burt Robbins of Hemet is tired of hearing about pumping restraints in the Delta, and he accused the judge who restricted pumping of kowtowing to environmentalists.

Robbins, a retired Metropolitan Water District surveyor, said he's seen plenty of smelt alive and well in Lake Skinner, though he doesn't know if they're Delta smelt.

What's more, he said, the Sacramento is a big river and far from fragile.

"The Northern California people would rather see that water run right out into the ocean than see us have it," Robbins said. "They can't take that water away legally."

Reach Janet Zimmerman at 951-368-9586 or jzimmerman@PE.com

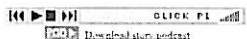


A Press-Enterprise special report on the water crisis in California.

Special Report: [Crisis On Tap](#)

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Experts: Stop water waste



08:14 PM PDT on Saturday, March 21, 2009

By JANET ZIMMERMAN
The Press-Enterprise



Photo Gallery: Signs of Drought

California is in the third year of drought and imported supplies are scarce, but experts say there's plenty more water to be wrung from conservation.

There will have to be, because the state is headed toward chronic shortages, said Peter Gleick, one of the world's leading experts on water issues and president of the Pacific Institute, a nonpartisan research group based in Oakland.

"There are enormous opportunities on the demand side to rethink what we do with the water we do have, and especially to increase efficiency and reduce waste," Gleick said. "I don't think we can afford not to do these things . . . given the crisis we face."

The Pacific Institute's 2003 report on potential conservation estimated that California could cut water use almost one-third by using existing technology in homes and businesses.

Indoors, that means fixing leaks and replacing inefficient toilets, dishwashers, showerheads and washing machines.

It comes down to steps like turning off the tap while brushing teeth, shaving or doing dishes, which saves three to five gallons per minute, Gleick said.

Outside, where most water is used, savings will come from weather-based irrigation controllers, low-water plants, and use of gray water from showers and sinks for landscapes, he said.

Story continues below



Frank Bellino / The Press-Enterprise
A water audit determined that Menifee homeowner Louise Skari, 79, left, could save more than 7,500 gallons a year with low-flow toilets and other efficient appliances. Stephanie

Stout, a surveyor with WaterWise, inspects Skari's sprinklers during the audit. Experts say such steps will be essential as California copes with uncertain water supplies.

Much is left to be done, said Gleick, who criticized the drought response so far as "grossly inadequate."

Last year, Gov. Arnold Schwarzenegger called for a voluntary 20 percent reduction in urban water use statewide by 2020, enough to serve 2 million families a year. He took it a step further last month, declaring a state of emergency because of the drought and appealing to all Californians to immediately cut their water use by 20 percent.

Millions of dollars are being spent on conservation programs, including rebates and incentives for everything from new washing machines to lawn removal.

Calls for conservation have had varying success.

In Southern California, Long Beach's mandatory cutbacks in August 2007 have had some of the best results, with an almost 10 percent reduction in the past year, to the city's lowest usage level in a decade.

State officials are looking to Australia as an example of changing behavior in the face of drought, a campaign that starts as early as teaching kindergartners about the source of their water and its value, said Wendy Martin, drought coordinator for the state Department of Water Resources.

In northern Australia, a 10-year drought and depleted reservoirs triggered a crusade to reduce average daily water use from 80 gallons per person to 37 gallons.

Two weeks into the 2007 campaign, which focused on four-minute showers and turning off the tap while brushing teeth, per-capita daily use dropped to 32 gallons.

Many people refuse to acknowledge how serious the water shortage is in California, Martin said.

"Very severe conditions oftentimes are the only things that can cause people to change their behavior," she said. "We may be in a situation this year where that is the case. If not, it just means we bought ourselves a little time."

Moreno Valley resident Linda Ruiz wanted to cut water use and save money, so she took advantage of a free home water audit offered in November by the Eastern Municipal Water District.

The \$100,000 budget for the surveys has since been exhausted, but the district proposed continuing them.





The audits produce an 8 to 10 percent overall

water savings in the long term, spokesman Peter Odencrans said.

Story continues below

SAVE WATER

50-75 gallons: Amount of water an average person uses in a day. Here's how to use less.

 <p>STOP LEAKS</p> <ul style="list-style-type: none"> ■ 100 gallons a month: wasted by a 1/8" leaky faucet ■ 20-100 gallons a day: lost from running toilet ■ 670 gallons a day: potential loss from leaking toilet gasket 	 <p>UPGRADE</p> <ul style="list-style-type: none"> ■ 10 gallons per load: saved by 14.5-gal. water ■ 6 gallons per load: new clothes dryer ■ 1.6 gallons per flush: old toilet ■ 1.6 gallons per flush: new toilet ■ 41 gallons per load: lost loading in new washer ■ 23 gallons per load: lost loading in new washer 	 <p>CHANGE HABITS</p> <ul style="list-style-type: none"> ■ 2 gallons per day: saved if you turn off the water brushing your teeth ■ 5 gallons a day: saved if you turn off the water when shaving ■ 17 gallons a day: saved if you turn off the water when brushing your teeth ■ 100 gallons: saved each time someone leaves a faucet running ■ 40-80 gallons a day: saved by turning off the water when you leave the house ■ 10 gallons a day: saved for a soft flush toilet ■ 40 gallons: saved for each load 	 <p>PAY ATTENTION</p> <ul style="list-style-type: none"> ■ 40 gallons a day: saved if you turn off the water when brushing your teeth ■ 75 gallons a day: saved if you turn off the water when brushing your teeth ■ 10 gallons a day: saved if you turn off the water when brushing your teeth ■ 11 percent: average water savings if bars in restaurant have enough automatic pumps
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Water Savings by Upgrade Chart, based on EPA's 1992 survey of water use in homes. For more information, contact the EPA's Office of Water Conservation, Washington, D.C. 20460. © 1992 EPA.

[Click to enlarge](#)

Ruiz, a married mother of three, was surprised by the potential savings if the family shortened shower time and installed low-flow showerheads, which use two gallons per minute instead of five.

Ruiz made those changes.

She also added aerators to five bathroom and kitchen faucets, uses the dishwasher with full loads instead of hand washing and plans to replace two toilets with low-flow models.

Her water use in the last year was 134,640 gallons.

In the two months after the audit, she reduced consumption 25 percent, from 11,968 gallons per month in November to 8,976 gallons per month in January; her water bill decreased \$7.85.

Several family members who were living with Ruiz at the time of the audit have since moved out, which contributed to the decrease.

"I didn't realize how much you can save by just little things," Ruiz said.

Even the most modest water users can make changes.

Louise Skari, of Menifee, already turns off her shower to soap up and runs full laundry and dishwasher loads, but a professional water audit showed she could save 7,595 gallons a year.

The suggestions included switching to a front-loading washing machine and using low-flow toilets.

Urban water conservation is one of the four sources making up what Barry Nelson of the Natural Resources Defense Council calls "the virtual river."

Story continues below



Frank Bellino / The Press-Enterprise
Stephanie Stout prepares to give the homeowner the lowdown after the audit, provided through Eastern Municipal Water District. The audits look at everything from leaky toilets to broken sprinklers to faucet flow rates.

The other parts include agricultural water conservation, wastewater recycling, and capturing more storm runoff, steps that can save more than 10 million acre-feet a year statewide, enough to serve as many as 70 million people.

"Those four tools are the biggest new source of water in the state," said Nelson, director in San Francisco of the group's western water project. "There's a massive potential there."

But others doubt that conservation will be enough to meet the needs of the next population wave.

By 2030, the state's population is expected to be 53 million, 16 million more than today.

Once everyone switches to low-flow toilets, front-loading washers and new irrigation controllers, it's a case of diminishing returns, said Randy Van Gelder, general manager of the San Bernardino Valley Municipal Water District, a wholesaler to communities in southwestern San Bernardino County.

"We're wringing out a smaller and smaller piece," Van Gelder said. "It's not going to be the answer for the next 10 million people living in California."

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A Press-Enterprise special report on the water crisis in California.

Special Report: [Crisis On Tap](#)