



# CHINO BASIN WATERMASTER



## NOTICE OF MEETINGS

**Thursday, June 17, 2010**

9:00 a.m. – Advisory Committee Meeting

*AT THE CHINO BASIN WATERMASTER OFFICES*

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





# **CHINO BASIN WATERMASTER**

**Thursday, June 17, 2010**

9:00 a.m. – Advisory Committee Meeting

## **AGENDA PACKAGE**





**CHINO BASIN WATERMASTER  
ADVISORY COMMITTEE MEETING**

9:00 a.m. – June 17, 2010

WITH

*Mr. Robert DeLoach, Chair, Appropriative Pool  
Mr. Bob Bowcock, Vice-Chair, Non-Agricultural Pool*

**At The Offices Of**

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

**AGENDA**

**CALL TO ORDER**

**AGENDA - ADDITIONS/REORDER**

**I. CONSENT CALENDAR**

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

**A. MINUTES**

1. Minutes of the Advisory Committee Meeting held May 20, 2010 *(Page 1)*

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of April 2010 *(Page 7)*
2. Watermaster Visa Check Detail for the month of April 2010 *(Page 11)*
3. Combining Schedule for the Period July 1, 2009 through April 30, 2010 *(Page 13)*
4. Treasurer's Report of Financial Affairs for the Period April 1, 2010 through April 30, 2010 *(Page 15)*
5. Budget vs. Actual July 2009 through April 2010 *(Page 17)*

**C. LOCAL AGENCY INVESTMENT FUND**

Revised Resolution 10-02 – Resolution Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF) - *(Page 19)*

**D. WATER TRANSACTION**

**Consider Approval for Notice of Sale or Transfer** – Monte Vista Water District will purchase 2,000 acre-feet of water from the Monte Vista Irrigation Company. This purchase is made first from the Irrigation Company's net underproduction, if any, in Fiscal Year 2009-2010, with any remainder to be recaptured from storage. Date of Application: April 5, 2010 *(Page 21)*

**II. BUSINESS ITEMS**

**A. CHINO CREEK WELL FIELD LOCATIONS**

Consider Approval of the CDA's Proposed Locations of Wells I-16 and I-18, Provided That They are Constructed with Perforations in the Shallow Aquifer in Accordance with Wildermuth Environmental Inc. Ongoing Evaluation to Achieve Hydraulic Control and Will Not Conflict with the OBMP Goal to Minimize or Abate Permanent Subsidence *(Page 33)*

**B. CHINO BASIN WATERMASTER 2010-2011 BUDGET**

Consider Approval of the Chino Basin Watermaster 2010-2011 Budget *(Page 37)*

**C. CONDITION SUBSEQUENT NO. 8**

Consider Approval of Resolution Adopting Updated Recharge Master Plan for Submittal to the Court in Fulfillment of Condition Subsequent Number 8 (Page 59)

**III. REPORTS/UPDATES**

**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**

1. Paragraph 31 Motion
2. ACL Complaint
3. CDA Facilitation

**B. CEO/STAFF REPORT**

1. Legislative Update
2. Recharge Update
3. Potential Implementation of MWD's Water Supply Allocation Plan Update

**C. INLAND EMPIRE UTILITIES AGENCY**

1. MWD Water Rates and Budget Update - *Oral*
2. State Water Project Allocation Update - *Oral*
3. DYY Third Call Year - *Oral*
4. MWD WSAP Second Allocation Year - *Oral*
5. Prop 84 Funding - *Oral*
6. Peace II SEIR Schedule- *Oral*
7. Imported Water Recharge - *Oral*
8. Monthly Water Use Report (Page 67)
9. State and Federal Legislative Reports (Page 81)
10. Community Outreach/Public Relations Report (Page 117)

**D. OTHER METROPOLITAN MEMBER AGENCY REPORTS**

**IV. INFORMATION**

1. Newspaper Articles (Page 119)

**V. COMMITTEE MEMBER COMMENTS**

**VI. OTHER BUSINESS**

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

**VIII. FUTURE MEETINGS**

Wednesday, June 16, 2010	2:00 p.m.	Personnel Committee Meeting @ CBWM
Thursday, June 17, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, June 17, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, June 17, 2010	11:00 a.m.	Non-Agricultural Pool Budget Workshop @ CBWM
Friday, June 18, 2010	10:30 a.m.	CBWM Court Hearing @ Chino Court Room C1
Thursday, June 24, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM
Thursday, July 1, 2010	1:00 p.m.	Appropriative Pool Meeting @ CBWM
Thursday, July 1, 2010	2:30 p.m.	Non-Agricultural Pool Meeting @ CBWM
Thursday, July 8, 2010	9:00 a.m.	Agricultural Pool Meeting @ IEUA
Thursday, July 15, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, July 15, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, July 22, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM

**Meeting Adjourn**



# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Advisory Committee Meeting held on May 20, 2010





***Draft Minutes***  
**CHINO BASIN WATERMASTER**  
**ADVISORY COMMITTEE MEETING**  
*May 20, 2010*

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga CA, on May 20, 2010 at 9:00 a.m.

**ADVISORY COMMITTEE MEMBERS PRESENT WHO SIGNED IN**

**Appropriative Pool**

Robert DeLoach, Chair	Cucamonga Valley Water District
Mark Kinsey	Monte Vista Water District
Dave Crosley	City of Chino
John Mura	City of Chino Hills
Shaun Stone	City of Upland
Josh Swift	Fontana Union Water Company
Robert Young	Fontana Water Company
Tom Harder	Jurupa Community Services District

**Agricultural Pool**

Bob Feenstra	Ag Pool - Dairy
Jeff Pierson	Ag Pool – Crops
Nathan Mackamul	State of California - CIW

**Non-Agricultural Pool**

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

Michael Camacho	Inland Empire Utilities Agency
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**Watermaster Staff Present**

Ken Manning	Chief Executive Officer
Joe Joswiak	Chief Financial Officer
Ben Pak	Senior Project Engineer
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

**Watermaster Consultants Present**

Michael Fife	Brownstein, Hyatt, Farber & Schreck
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**Others Present Who Signed In**

Bill Kruger	City of Chino Hills
Steven Lee	Reid & Hellyer
Eunice Ulloa	Chino Basin Conservation District
Terry Catlin	Inland Empire Utilities Agency
Ryan Shaw	Inland Empire Utilities Agency
Chris Berch	Inland Empire Utilities Agency
Marty Zvirbulis	Cucamonga Valley Water District
Rick Hansen	Three Valleys Municipal Water District
David De Jesus	Three Valleys Municipal Water District
Curtis Stubbings	Praxair
Dave Penrice	Aqua Capital Management
Justin Fernn	Aqua Capital Management

Chair DeLoach called the Advisory Committee meeting to order at 9:00 a.m.

**AGENDA - ADDITIONS/REORDER**

Chair DeLoach stated there was a request to take the Consent Calendar items separately for voting purposes.

**I. CONSENT CALENDAR****A. MINUTES**

1. Minutes of the Advisory Committee Meeting held April 15, 2010

*Motion by Garibay, second by Kinsey, and by majority vote – Non-Agricultural voted no  
**Moved to approve Consent Calendar item A, as presented***

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of March 2010
2. Watermaster Visa Check Detail for the month of March 2010
3. Combining Schedule for the Period July 1, 2009 through March 31, 2010
4. Treasurer's Report of Financial Affairs for the Period March 1, 2010 through March 31, 2010
5. Budget vs. Actual July 2009 through March 2010

*Motion by Kinsey, second by Young, and by majority vote – Non-Agricultural voted no  
**Moved to approve Consent Calendar item B, as presented***

**C. WATER TRANSACTION**

1. **Consider Approval for Notice of Sale or Transfer** – Jurupa Community Services District has agreed to purchase 1,200 acre-feet of water from Santa Ana River Water Company's annual production right, then any additional from storage. Date of Application: March 5, 2010
2. **Consider Approval for Notice of Sale or Transfer** – Cucamonga Valley Water District has agreed to lease 2,500 acre-feet of water from the City of Pomona's net underproduction, if any, with the remainder from Pomona's local storage account. The water is to be placed in Cucamonga Valley Water District's Excess Carryover account. Date of Application: February 22, 2010
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. The transfer will be made first from Chino's net under-production in Fiscal Year 2009-10, with any remainder to be recaptured from storage. This transfer will solely offset Fontana Water Company's current Cumulative Unmet Replenishment Obligation (CURO). Date of Application: March 18, 2010
4. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 5,000.000 acre-feet of water from the Cucamonga Valley Water District (CVWD). The transfer will be made from CVWD's storage account. This transfer will solely offset Fontana Water Company's current Cumulative Unmet Replenishment Obligation (CURO). Date of Application: March 18, 2010
5. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 1,000.000 acre-feet of water from the Santa Ana River Water Company (SARWC). The transfer will be made first from SARWC's net under-production in Fiscal Year 2009-10, with any remainder to be recaptured from storage. Date of Application: March 3, 2010
6. **Consider Approval for Notice of Sale or Transfer** – On March 31, 2010, Watermaster received Consolidated Water Transfer Forms 3, 4, and 5 with Praxair, Inc. as the Transferor and the City of Ontario (as an Overlying Non-Agricultural party) as Transferee in the amount of 426.446 acre-feet--a permanent transfer of all but one acre-foot of its share of safe yield. Also to be transferred are all of Praxair's post-June 30, 2007 stored, carry-over and unpumped groundwater. Date of Application: March 31, 2010

*Motion by Craig, second by Crosley, and by unanimous vote  
**Moved to approve Consent Calendar items C, as presented***

## II. BUSINESS ITEMS

### A. **AMENDMENT NO. 1 TO AGREEMENT TO FORM A TASK FORCE**

Mr. Manning stated this is the same item that was previewed last month and this has been presented at all three Pool meetings and was passed by a unanimous vote at those meetings. Mr. Manning stated this is important and cost effective to perform the monitoring this way, it is also something that needs to be done and staff is recommending approval. There was no further discussion regarding this item.

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

***Moved to approve amendment no. 1 to agreement to form a task force to conduct a basin monitoring program for nitrogen and total dissolved solids in the Santa Ana River Watershed, as presented***

### B. **BUDGET TRANSFER**

Mr. Manning noted by passing this item Watermaster will be ending its fiscal year with a positive balance in all of the accounts. Mr. Manning stated this item was presented at the three Pool meetings and it passed unanimously at the Appropriative and Agricultural Pool meetings; however, the majority of the Non-Agricultural Pool members did vote no, with the City of Ontario voting yes on this item. Mr. Manning stated staff is recommending approval. There was no further discussion regarding this item.

*Motion by Pierson, second by Kinsey, and by majority vote – Non-Agricultural voted no*

***Moved to approve Budget Transfer request T-10-05-10 relating to Watermaster legal fees, OBMP engineering services and MZ1 ground level monitoring, as presented***

### A. **WATERMASTER GENERAL LEGAL COUNSEL REPORT**

#### 1. Paragraph 31 Motion

Counsel Fife stated the hearing regarding the Paragraph 31 Motion has been continued until June 4, 2010 at 10:30 a.m. and all notices regarding this date change have been noticed to all the parties and the paperwork is available on the Watermaster ftp site.

#### 2. ACL Complaint

Counsel Fife stated staff and legal counsel has been working with the Regional Board to resolve the complaint. Counsel Fife stated at the last meeting, the Board directed staff and counsel to not proceed to hearing on the complaint and to instead work cooperatively with the Regional Board. Counsel Fife noted a plan to move forward has been the tenor of the recent meetings; meetings have been taking place multiple times a week. Counsel Fife stated there is a draft of the current settlement agreement that is being worked on with the Regional Board on the back table. Counsel Fife described in detail how the fine is going to be implemented between Watermaster and Inland Empire Utilities Agency. Counsel Fife noted one of the most important aspects for Watermaster is that there will be a new schedule for the attainment of hydraulic control; this schedule will be approved by the Watermaster Board. Counsel Fife referenced the handout Attachment A that is the new revised schedule for construction of the Chino Creek Well Field which discusses the new schedule in greater detail. A discussion regarding this item ensued.

#### 3. CDA Facilitation

Counsel Fife stated when the ACL came out the Watermaster Board directed legal counsel, specifically Scott Slater, to get involved with the CDA group and to facilitate moving this group forward. Counsel Fife noted one of the items the CDA group has been discussing is the schedule that will be presented to the Regional Board; the premise is that parties want a more realistic schedule that had buy in from all and not just Watermaster. Counsel Fife stated it is anticipated to submit the draft schedule to the Regional Board by tomorrow. Counsel Fife stated this project is back on track and moving forward rapidly. Mr. Manning stated there will be a set of principles that are going to make up the series agreements that



are going to be moving forward and there is now consensus on those principles; this is a major milestone in being able to move forward. A lengthy discussion regarding the principles, unforeseen delays, substantial potential fines, and the tracking of this endeavor ensued. Mr. Craig offered a special note of appreciation to counsel and staff in facilitating this matter forward.

## B. CEO/STAFF REPORT

### 1. Legislative Update

Mr. Manning stated there are a lot of things going on in Sacramento right now in terms of legislation. Mr. Manning offered comment on AB2304 that is being authored by Assemblyman Huffman, which was at the request of the California Groundwater Coalition; that bill has been through committee twice. Mr. Manning stated he has personally testified before both Water Parks and Wildlife and local government regarding AB2304. Mr. Manning gave a detailed description of this bill.

### 2. Recharge Update

Mr. Manning stated this is the first month, in many months, that Watermaster has had imported water included on this category other than a zero on the monthly recharge recap report; 356 acre-feet in the month of April and approximately 80 acre-feet of water a day into MZ1 is being recharged. Mr. Manning stated staff is working very closely with Inland Empire Utilities Agency (IEUA) on this endeavor. Mr. Manning stated staff has been speaking with staff at both Western Municipal Water District and Three Valleys Municipal Water District and those agencies can possibly provide Chino Basin with additional recharge water if necessary; this is very good news.

### 3. 2010-2011 Watermaster Budget

Mr. Manning noted the Watermaster Budget Workshop took place recently and out of the last Appropriative Pool meeting a special budget committee was formed and has met to review possible reductions in the 2010-2011 budget. Mr. Joswiak gave the revised draft budget presentation which included General Income Assumptions, General Staffing Assumptions, G&A Expense Increases, OBMP Update, and OBMP Implementation Projects. Mr. Joswiak reviewed several spreadsheets in detail. A brief discussion regarding the budget ensued.

### 4. Agreement to Form a Task Force to Conduct the Annual Emerging Constituents Characterization Program for the Santa Ana River Watershed

Mr. Manning stated this item was on the agenda last month as an information only item and no progress has been made to date on this item. Therefore, this item will be on the agenda again in June as a possible action item.

### 5. Chino Creek Well Field Locations

Mr. Manning stated this item was put on this agenda because it was on the Pool agendas as a discussion/possible action to provide some opinion on the locations of the wells. This discussion evolved into a larger set of still undefined set of principles or actions that is being requested from Watermaster. Mr. Manning noted this item is anticipated to be put back on the agenda as a business item in June; however, more work needs to be done on this project.

#### Added Comment:

Mr. Catlin made the announcement there had been some management changes made at Inland Empire Utilities Agency (IEUA) yesterday and Tom Love was appointed as the new interim General Manager. Mr. Love offered comment on the change and assured the parties' work being done in partnership with IEUA will continue. Mr. Love noted he is making every attempt to meet individually with each of the IEUA member agencies and stakeholders to make sure

everyone is still on the same page and stated he is open to additional meetings if any party wishes to meet with him; he has an open door policy.

### C. **INLAND EMPIRE UTILITIES AGENCY**

#### 1. MWD Water Rates and Budget Update

Mr. Shaw stated MWD did not adopt their budget and it will come up again next month for their review. Mr. Shaw reviewed the MWD proposed budget cuts in detail.

#### 2. State Water Project Allocation Update

Mr. Shaw stated the State Water Project Allocation is now at 40% and it appears it could go up to 45 or 50%, which is good news.

Mr. Shaw commented on an article from the Los Angeles Times newspaper which is also on the back table for review.

Mr. Shaw stated another successful year has been completed; compliments to the participants. IEUA will be working on the Annual Report over the next month.

#### 3. DYY Third Call Year

Mr. Shaw stated there was another Third Dry Year Yield Call Year put in place starting on May 1<sup>st</sup>. It is approximately a 50% call from what has been seen in the last two years and that will essentially zero out the DYY storage account.

#### 4. MWD WSAP Second Allocation Year

Mr. Shaw stated IEUA staff is still tracking on target and there is approximately a month and a half left for the first year. Mr. Shaw noted it is still looking good as far as allocation is concerned. Mr. Shaw reviewed the acre-feet of water taken through OC-59 for replenishment purposes. Mr. Shaw stated Metropolitan Water District (MWD) is implementing a second allocation year. Mr. Shaw stated currently it is at a level two and with the State Allocation increasing we might that drop to a level one; however MWD will make that decision in the next few weeks.

#### 5. Monthly Water Use Report

No comment was made regarding this item

#### 6. State and Federal Legislative Reports

No comment was made regarding this item

#### 7. Community Outreach/Public Relations Report

No comment was made regarding this item

#### 8. IEUA Monthly Water Newsletter

No comment was made regarding this item

#### 9. 3<sup>rd</sup> Quarter Water Resources & Conservation Programs Update

No comment was made regarding this item

### D. **OTHER METROPOLITAN MEMBER AGENCY REPORTS**

Mr. Hansen stated Ryan did a great job on the IEUA items. Mr. Hanson offered additional comment on the MWD Allocation Plan and dealings/projects going on at MWD presently.

### IV. **INFORMATION**

#### 1. Newspaper Articles

No comment was made regarding this item.

**V. COMMITTEE MEMBER COMMENTS**

No comment was made regarding this item.

**VI. OTHER BUSINESS**

No comment was made regarding this item.

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

No confidential session was called.

**VIII. FUTURE MEETINGS**

Wednesday May 19, 2010	12:30 p.m.	* RMP Half Day Workshop @ Rancho Central Park
Thursday, May 20, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, May 20, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, May 27, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM
Thursday, June 3, 2010	1:00 p.m.	Appropriative Pool Meeting @ CBWM
Thursday, June 3, 2010	2:30 p.m.	Non-Agricultural Pool Meeting @ CBWM
Friday, June 4, 2010	10:30 a.m.	CBWM Court Hearing @ Chino Court Room C1
Thursday, June 10, 2010	9:00 a.m.	Agricultural Pool Meeting @ IEUA
Thursday, June 17, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, June 17, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, June 24, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM

**\* Recharge Master Plan (RMP) Workshop at Rancho Central Park  
11200 Base Line Road, Rancho Cucamonga**

The Advisory Committee meeting was dismissed by Chair DeLoach at 9:30 a.m.

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

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





# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### B. FINANCIAL REPORTS

1. Cash Disbursements for the month of April 2010
2. Watermaster Check Detail for the month of April 2010
3. Combining Schedule for the Period July 1, 2009 through April 30, 2010
4. Treasurer's Report of Financial Affairs for the Period April 1, 2010 through April 30, 2010
5. Budget vs. Actual July 2009 through April 2010





# CHINO BASIN WATERMASTER

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

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**KENNETH R. MANNING**  
Chief Executive Officer

## STAFF REPORT

**DATE:** June 17, 2010  
**TO:** Advisory Committee Members  
**SUBJECT:** Cash Disbursement Report

### SUMMARY

**Issue** – Record of cash disbursements for the month of April 2010.

**Recommendation** – Staff recommends the Cash Disbursements for April 2010 be received and filed as presented.

**Fiscal Impact** – Funds disbursed were included in the FY 2009-2010 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 April 2010 were \$828,893.74. The most significant expenditures during the month were Wildermuth Environmental, Inc. in the amount of \$266,100.35, Brownstein Hyatt Farber Schreck in the amount of \$199,325.65 and Inland Empire Utilities Agency in the amount of \$161,866.25.

### Actions:

6-03-10 **Appropriative Pool** - Approved unanimously  
6-03-10 **Non-Agricultural Pool** – No action was taken  
6-10-10 **Agricultural Pool** - Approved unanimously  
6-17-10 **Advisory Committee**  
6-24-10 **Watermaster Board**

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CHINO BASIN WATERMASTER  
Cash Disbursement Detail Report  
April 2010

Apr 2010

Type	Date	Num	Name	Amount
General Journal	04/03/2010	04/03/10	PAYROLL 03/21/10-04/03/10	-6,760.28
General Journal	04/03/2010	04/03/10	PAYROLL 03/21/10-04/03/10	-22,424.87
Bill Pmt -Check	04/05/2010	14060	MWH LABORATORIES	-11,407.00
Bill Pmt -Check	04/05/2010	14061	PUMP CHECK	-4,973.08
Bill Pmt -Check	04/05/2010	14062	ARROWHEAD MOUNTAIN SPRING WATER	-35.42
Bill Pmt -Check	04/05/2010	14063	BLACK & VEATCH CORPORATION	-26,075.00
Bill Pmt -Check	04/05/2010	14064	CALPERS	-2,913.66
Bill Pmt -Check	04/05/2010	14065	INLAND EMPIRE UTILITIES AGENCY	-320.54
Bill Pmt -Check	04/05/2010	14066	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-7,136.48
Bill Pmt -Check	04/05/2010	14067	STANDARD INSURANCE CO.	-476.28
Bill Pmt -Check	04/05/2010	14068	STATE COMPENSATION INSURANCE FUND	-956.65
Bill Pmt -Check	04/05/2010	14070	W.C. DISCOUNT MOBILE AUTO DETAILING	-100.00
Bill Pmt -Check	04/05/2010	14071	SPECIALIZED SERVICES OF SO CAL	-400.00
Bill Pmt -Check	04/07/2010	14072	AMERICAN GROUND WATER TRUST	-250.00
Bill Pmt -Check	04/07/2010	14073	APPLIED COMPUTER TECHNOLOGIES	-3,951.50
Bill Pmt -Check	04/07/2010	14074	BOWCOCK, ROBERT	-125.00
Bill Pmt -Check	04/07/2010	14075	CAMACHO, MICHAEL	-625.00
Bill Pmt -Check	04/07/2010	14076	CITY OF RANCHO CUCAMONGA	-25.00
Bill Pmt -Check	04/07/2010	14077	DAN VASILE	-135.00
Bill Pmt -Check	04/07/2010	14078	DE BOOM, NATHAN	-375.00
Bill Pmt -Check	04/07/2010	14079	DIRECTV	-83.99
Bill Pmt -Check	04/07/2010	14080	DURRINGTON, GLEN	-375.00
Bill Pmt -Check	04/07/2010	14081	FEENSTRA, BOB	-1,125.00
Bill Pmt -Check	04/07/2010	14082	HAUGHEY, TOM	-125.00
Bill Pmt -Check	04/07/2010	14083	HSBC BUSINESS SOLUTIONS	-1,028.65
Bill Pmt -Check	04/07/2010	14084	HUITSING, JOHN	-375.00
Bill Pmt -Check	04/07/2010	14085	JAMES JOHNSTON	-993.00
Bill Pmt -Check	04/07/2010	14086	KOOPMAN, GENE	-375.00
Bill Pmt -Check	04/07/2010	14087	KUHN, BOB	-375.00
Bill Pmt -Check	04/07/2010	14088	MATHIS & ASSOCIATES	-500.00
Bill Pmt -Check	04/07/2010	14089	PARK PLACE COMPUTER SOLUTIONS, INC.	-3,975.00
Bill Pmt -Check	04/07/2010	14090	PIERSON, JEFFREY	-1,125.00
Bill Pmt -Check	04/07/2010	14091	PRINTING RESOURCES	-80.04
Bill Pmt -Check	04/07/2010	14092	PURCHASE POWER	-66.44
Bill Pmt -Check	04/07/2010	14093	STAPLES BUSINESS ADVANTAGE	-77.16
Bill Pmt -Check	04/07/2010	14094	UNION 76	-41.31
Bill Pmt -Check	04/07/2010	14095	VANDEN HEUVEL, GEOFFREY	-125.00
Bill Pmt -Check	04/07/2010	14096	VANDEN HEUVEL, ROB	-375.00
Bill Pmt -Check	04/07/2010	14097	VERIZON	-536.27
Bill Pmt -Check	04/07/2010	14098	WHITEHEAD, MICHAEL	-125.00
Bill Pmt -Check	04/07/2010	14099	WILLIS, KENNETH	-500.00
Bill Pmt -Check	04/07/2010	14100	YOUNG, ROBERT	-125.00
Bill Pmt -Check	04/07/2010	141Q2	COMPUTER NETWORK	-3,951.07
Bill Pmt -Check	04/07/2010	14103	PAYCHEX	-216.78

**CHINO BASIN WATERMASTER**  
**Cash Disbursement Detail Report**  
**April 2010**

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
Bill Pmt -Check	04/07/2010	14104	PREMIERE GLOBAL SERVICES	-161.58
Bill Pmt -Check	04/07/2010	14105	VISION SERVICE PLAN	-37.73
Bill Pmt -Check	04/07/2010	14106	W.C. DISCOUNT MOBILE AUTO DETAILING	-100.00
Bill Pmt -Check	04/07/2010	14107	YUKON DISPOSAL SERVICE	-142.88
Bill Pmt -Check	04/08/2010	14108	PETTY CASH	-493.37
Bill Pmt -Check	04/09/2010	14109	CITY OF RANCHO CUCAMONGA	-64.00
Bill Pmt -Check	04/13/2010	14110	INLAND EMPIRE UTILITIES AGENCY	-161,886.25
General Journal	04/17/2010	04/17/10	PAYROLL 04/04/10-04/17/10	-8,756.10
General Journal	04/17/2010	04/17/10	PAYROLL 04/04/10-04/17/10	-25,192.09
Bill Pmt -Check	04/21/2010	14111	ACWA SERVICES CORPORATION	-197.41
Bill Pmt -Check	04/21/2010	14112	BANC OF AMERICA LEASING	-3,215.74
Bill Pmt -Check	04/21/2010	14113	BANK OF AMERICA	-4,683.45
Bill Pmt -Check	04/21/2010	14114	CALPERS	-2,913.66
Bill Pmt -Check	04/21/2010	14115	COMPUTER NETWORK	-1,287.72
Bill Pmt -Check	04/21/2010	14116	CUCAMONGA VALLEY WATER DISTRICT	-5,792.00
Bill Pmt -Check	04/21/2010	14117	CUCAMONGA VALLEY IAAP	-50.00
Bill Pmt -Check	04/21/2010	14118	FIRST AMERICAN REAL ESTATE SOLUTIONS	-125.00
Bill Pmt -Check	04/21/2010	14119	GUARANTEED JANITORIAL SERVICE, INC.	-865.00
Bill Pmt -Check	04/21/2010	14120	IDEAL GRAPHICS	-147.90
Bill Pmt -Check	04/21/2010	14121	INLAND EMPIRE UTILITIES AGENCY	-320.54
Bill Pmt -Check	04/21/2010	14122	MCI	-1,242.77
Bill Pmt -Check	04/21/2010	14123	MICHELLE M. PARSONS, C.S.R.	-240.00
Bill Pmt -Check	04/21/2010	14124	MIJAC ALARM	-141.00
Bill Pmt -Check	04/21/2010	14125	PITNEY BOWES CREDIT CORPORATION	-551.37
Bill Pmt -Check	04/21/2010	14126	PRINTING RESOURCES	-221.84
Bill Pmt -Check	04/21/2010	14127	BROWNSTEIN HYATT FARBER SCHRECK	-199,325.65
Bill Pmt -Check	04/21/2010	14128	BROWNSTEIN HYATT FARBER SCHRECK	0.00
Bill Pmt -Check	04/21/2010	14129	REID & HELLYER	-11,588.00
Bill Pmt -Check	04/21/2010	14130	STAPLES BUSINESS ADVANTAGE	-351.35
Bill Pmt -Check	04/21/2010	14131	STAULA, MARY L	-136.61
Bill Pmt -Check	04/21/2010	14132	TELECOM SERVICES	-126.25
Bill Pmt -Check	04/21/2010	14133	THE STANDARD INSURANCE COMPANY	-401.28
Bill Pmt -Check	04/21/2010	14134	UNITED PARCEL SERVICE	-173.05
Bill Pmt -Check	04/21/2010	14135	VERIZON WIRELESS	-878.76
Bill Pmt -Check	04/21/2010	14136	W.C. DISCOUNT MOBILE AUTO DETAILING	-75.00
Bill Pmt -Check	04/21/2010	14137	WESTERN DENTAL SERVICES, INC.	-28.06
Bill Pmt -Check	04/21/2010	14138	SAFEGUARD DENTAL & VISION	-7.91
Bill Pmt -Check	04/26/2010	14139	CITISTREET	-2,018.34
Bill Pmt -Check	04/26/2010	14140	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-5,942.29
Bill Pmt -Check	04/26/2010	14141	WILDERMUTH ENVIRONMENTAL INC	-266,100.35
Bill Pmt -Check	04/26/2010	14142	CITISTREET	-2,038.34
Bill Pmt -Check	04/26/2010	14143	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-5,935.07
Bill Pmt -Check	04/26/2010	14144	CITISTREET	-2,018.34
Bill Pmt -Check	04/26/2010	14145	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-6,779.22
				<b>-828,893.74</b>

Apr 2010

CHINO BASIN WATERMASTER  
Check Detail  
April 2010

<u>Type</u>	<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Paid Amount</u>
Bill Pmt -Check	14113	04/21/2010	BANK OF AMERICA	1012 · Bank of America Gen'l Ckg	
Bill	4024420001939341	03/31/2010		6191 · Conferences	-4,368.70
				6054 · Computer Software	-251.91
				6909.1 · OBMP Meetings	-32.84
				6174 · Transportation	-30.00
TOTAL					<u>-4,683.45</u>

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CHINO BASIN WATERMASTER  
COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL  
FOR THE  
PERIOD JULY 1, 2009 THROUGH APRIL 30, 2010

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER OPERATIONS		EDUCATION FUNDS	GRAND TOTALS	BUDGET 2009-2010
			POOL APPROPRIATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS			
Administrative Revenues:										
Administrative Assessments			7,215,654	-	268,376				7,484,030	\$7,340,839
Interest Revenue			28,975	2,434	1,249			5	32,663	191,540
Mutual Agency Project Revenue			-	-	-				-	148,410
Grant Income			-	-	-				-	0
Miscellaneous Income			188	-	-				111,188	0
Total Revenues	111,000	-	7,244,818	2,434	269,624			5	7,627,881	7,680,789
Administrative & Project Expenditures:										
Watermaster Administration	549,872								549,872	580,238
Watermaster Board-Advisory Committee	56,984								56,984	61,901
Pool Administration		20,048	129,372	11,469					160,888	229,860
Optimum Basin Mgmt Administration		1,332,686							1,332,686	1,557,820
OBMP Project Costs		3,210,334							3,210,334	4,109,362
Debt Service		942,042							942,042	1,131,233
Education Funds Use										375
Mutual Agency Project Costs										10,000
Total Administrative/OBMP Expenses	606,856	5,485,062	20,048	129,372	11,469				6,252,806	7,680,789
Net Administrative/OBMP Expenses	(495,856)	(5,485,062)								
Allocate Net Admin Expenses To Pools		346,442	131,445	17,969						
Allocate Net OBMP Expenses To Pools		4,543,020	3,174,090	1,204,300	164,631					
Allocate Debt Service to App Pool		942,042								
Agricultural Expense Transfer*		1,465,117	(1,465,117)							
Total Expenses	5,947,738		194,068						6,252,806	7,680,789
Net Administrative Income	1,297,079		2,434	75,556				5	1,375,075	
Other Income/(Expense)										
Replenishment Water Assessments						7,073,805			7,073,805	0
Interest Revenue						25,077			25,077	0
Water Purchases										0
Balance Adjustment										0
Other Water Purchases						(2,166,022)			(2,166,022)	0
Groundwater Replenishment						(1,021,346)			(1,021,346)	0
Net Other Income						3,911,513			3,911,513	0
Net Transfers To/(From) Reserves	5,286,588		1,297,079	2,434	75,556	3,911,513		5	5,286,588	
Working Capital, July 1, 2009										
Working Capital, End Of Period			5,942,967	470,719	256,577	4,166,457	158,251	995	10,995,966	
08/09 Assessable Production			7,240,046	473,153	332,133	8,077,970	158,251	1,000	16,282,554	16,282,554
08/09 Production Percentages			84,716,450	32,142,764	4,393,990				121,253,204	
			69.867%	25.509%	3.624%				100.000%	

\*Fund balance transfer as agreed to in the Peace Agreement.

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**CHINO BASIN WATERMASTER  
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD  
APRIL 1 THROUGH APRIL 30, 2010**

<b>DEPOSITORIES:</b>		
Cash on Hand - Petty Cash	\$	500
Bank of America		
Governmental Checking-Demand Deposits		274,029
Zero Balance Account - Payroll	\$	274,029
Local Agency Investment Fund - Sacramento		16,801,930
<b>TOTAL CASH IN BANKS AND ON HAND</b>		<b>4/30/2010</b>
<b>TOTAL CASH IN BANKS AND ON HAND</b>		<b>3/31/2010</b>
<b>PERIOD INCREASE (DECREASE)</b>		<b>\$ (708,027)</b>

**CHANGE IN CASH POSITION DUE TO:**

Decrease/(Increase) in Assets:		
Accounts Receivable	\$	23,289
Assessments Receivable		77,078
Prepaid Expenses, Deposits & Other Current Assets		33
(Decrease)/Increase in Liabilities		92,015
Accounts Payable		19,861
Accrued Payroll, Payroll Taxes & Other Current Liabilities		(920,304)
Transfer to/(from) Reserves		(920,304)
<b>PERIOD INCREASE (DECREASE)</b>		<b>\$ (708,027)</b>

**SUMMARY OF FINANCIAL TRANSACTIONS:**

	3/31/2010	4/30/2010	Period Increase (Decrease)
Balances as of	\$ 17,478,640	\$ 16,801,930	\$ (676,711)
Deposits	820,867	-	(820,867)
Transfers	(700,000)	-	(700,000)
Withdrawals/Checks	(828,894)	-	(828,894)
Balances as of	\$ 17,076,459	\$ 17,076,459	\$ -
<b>PERIOD INCREASE OR (DECREASE)</b>	<b>\$ (676,711)</b>	<b>\$ (676,711)</b>	<b>\$ -</b>

**CHINO BASIN WATERMASTER  
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD  
APRIL 1 THROUGH APRIL 30, 2010**

**INVESTMENT TRANSACTIONS**

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
***No transactions to report***							

**TOTAL INVESTMENT TRANSACTIONS**

**\$ -**

\* The earnings rate for L.A.I.F. is a daily variable rate; 0.56% was the effective yield rate at the Quarter ended March 31, 2010.

**INVESTMENT STATUS  
April 30, 2010**

Financial Institution	Principal Amount	Number of Days	Interest Rate	Maturity Date
Local Agency Investment Fund	\$ 16,801,930			
<b>TOTAL INVESTMENTS</b>	<b>\$ 16,801,930</b>			

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

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

Respectfully submitted,

Joseph S. Joswiak  
Chief Financial Officer  
Chino Basin Watermaster

CHINO BASIN WATERMASTER  
Profit Loss Budget vs. Actual  
July 2009 through April 2010

	YTD Actuals 07/09 - 04/10	FY 2009-2010 Budget	\$Amt Over (Under) Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4010 · Local Agency Subsidies	111,000	148,410	-37,410	75%
4110 · Admin Asmnts-Approp Pool	7,215,654	7,185,411	30,243	100%
4120 · Admin Asmnts-Non-Agri Pool	268,376	155,427	112,949	173%
4700 · Non Operating Revenues	32,663	191,540	-158,877	17%
4900 · Miscellaneous income	188			
<b>Total Income</b>	<b>7,627,881</b>	<b>7,680,788</b>	<b>-52,907</b>	<b>99%</b>
<b>Gross Profit</b>	<b>7,627,881</b>	<b>7,680,788</b>	<b>-52,907</b>	<b>99%</b>
<b>Expense</b>				
6010 · Salary Costs	434,005	487,838	-53,833	89%
6020 · Office Building Expense	82,280	102,500	-20,220	80%
6030 · Office Supplies & Equip.	27,186	43,500	-16,314	62%
6040 · Postage & Printing Costs	57,908	84,300	-26,392	69%
6050 · Information Services	108,770	148,500	-39,730	73%
6060 · Contract Services	114,235	98,000	16,235	117%
6080 · Insurance	15,934	16,730	-796	95%
6110 · Dues and Subscriptions	18,096	17,000	1,096	106%
6140 · WM Admin Expenses	2,481	3,000	-519	83%
6150 · Field Supplies	271	2,800	-2,529	10%
6170 · Travel & Transportation	23,452	37,800	-14,348	62%
6190 · Conferences & Seminars	20,955	26,500	-5,545	79%
6200 · Advisory Comm - WM Board	16,346	18,078	-1,732	90%
6300 · Watermaster Board Expenses	40,638	43,823	-3,185	93%
8300 · Appr PI-WM & Pool Admin	20,048	23,069	-3,021	87%
8400 · Agri Pool-WM & Pool Admin	23,302	25,114	-1,812	93%
8467 · Ag Legal & Technical Services	96,020	98,000	-1,980	98%
8470 · Ag Meeting Attend -Special	10,050	12,000	-1,950	84%
8471 · Ag Pool Expense	0	65,000	-65,000	0%
8500 · Non-Ag PI-WM & Pool Admin	11,469	6,677	4,792	172%
6500 · Education Funds Use Expens	0	375	-375	0%
9500 · Allocated G&A Expenditures	-355,702	-488,230	132,528	73%
	767,744	872,374	-104,630	88%
6900 · Optimum Basin Mgmt Plan	1,218,034	1,399,371	-181,337	87%
6950 · Mutual Agency Projects	0	10,000	-10,000	0%
9501 · G&A Expenses Allocated-OBMP	114,652	148,448	-33,796	77%
	1,332,686	1,557,819	-225,133	86%

CHINO BASIN WATERMASTER  
Profit Loss Budget vs. Actual  
July 2009 through April 2010

	YTD Actuals 07/09 - 04/10	FY 2009-2010 Budget	\$Amt Over (Under) Budget	% of Budget
7101 · Production Monitoring	81,419	107,047	-25,628	76%
7102 · In-line Meter Installation	26,956	56,179	-29,223	48%
7103 · Grdwtr Quality Monitoring	144,209	214,362	-70,153	67%
7104 · Gdwtr Level Monitoring	264,052	366,956	-102,904	72%
7105 · Sur Wtr Qual Monitoring	3,679	43,912	-40,233	8%
7107 · Ground Level Monitoring	267,953	550,059	-282,106	49%
7108 · Hydraulic Control Monitoring	394,172	567,022	-172,850	70%
7109 · Recharge & Well Monitoring Prog	9,113	9,152	-40	100%
7200 · PE2- Comp Recharge Pgm	1,464,923	1,478,560	-13,637	99%
7300 · PE3&5-Water Supply/Desalte	53,880	96,003	-42,123	56%
7400 · PE4- Mgmt Plan	77,236	91,985	-14,749	84%
7500 · PE6&7-CoopEfforts/SaltMgmt	144,312	163,727	-19,415	88%
7600 · PE8&9-StorageMgmt/Conj Use	37,380	29,550	7,830	126%
7690 · Recharge Improvement Debt Pymt	942,042	1,131,233	-189,191	83%
7700 · Inactive Well Protection Prgm	0	5,066	-5,066	0%
9502 · G&A Expenses Allocated-Projects	241,050	339,782	-98,732	71%
	4,152,376	5,250,595	-1,098,219	79%
<b>Total Expense</b>	<b>6,252,806</b>	<b>7,680,788</b>	<b>-1,427,982</b>	<b>81%</b>
<b>Net Ordinary Income</b>	<b>1,375,075</b>		<b>1,375,075</b>	<b>100%</b>
<b>Other Income/Expense</b>				
<b>Other Income</b>				
4225 · Interest Income	25,077			
4210 · Approp Pool-Replenishment	4,887,364			
4220 · Non-Ag Pool-Replenishment	9,478			
4600 · Groundwater Sales	2,176,962			
<b>Total Other Income</b>	<b>7,098,882</b>			
<b>Other Expense</b>				
5010 · Groundwater Replenishment	1,021,346			
5100 · Other Water Purchases	2,166,022			
9999 · To/(From) Reserves	5,286,588			
<b>Total Other Expense</b>	<b>8,473,957</b>			
<b>Net Other Income</b>	<b>-1,375,075</b>			
<b>Net Income</b>	<b>0</b>		<b>0</b>	<b>0%</b>





# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

- C. **LOCAL AGENCY INVESTMENT FUND**  
Revised Resolution 10-02 Authorizing Investment of  
Monies in the Local Agency Investment Fund (LAIF)



**REVISED RESOLUTION 10-02 OF CHINO BASIN WATERMASTER**

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730 PHONE: 909-484-3888

**AUTHORIZING INVESTMENT OF MONIES  
IN THE LOCAL AGENCY INVESTMENT FUND**

**WHEREAS**, Pursuant to Chapter 730 of the statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

**WHEREAS**, the Chino Basin Watermaster was appointed on January 27, 1978, under San Bernardino Superior Court Case No. WCV51010 (formerly Case No. SCV164327) entitled Chino Basin Municipal Water District V. City of Chino, et al., with powers to authorize the investment or deposit of surplus funds pursuant to the California Government Code, Section 53600; and

**WHEREAS**, upon filing of an appropriate resolution, local agencies are permitted to remit money to the State Treasurer for deposit in the fund for the purpose of investment; and pursuant to Section 16429.3 of said Government Code, such monies are not subject to impoundment of seizure by any state official or state agency.

**NOW THEREFORE, BE IT RESOLVED**, that the Board of Directors does hereby authorize the deposit and withdrawal of Chino Basin Watermaster monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that record.

**BE IT FURTHER RESOLVED**, that the following Chino Basin Watermaster officers and designated employees or their successors in office/position shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund.

Ken Willis  
(NAME)

Chairman of the Board  
(TITLE)

\_\_\_\_\_  
(SIGNATURE)

Michael Camacho  
(NAME)

Vice-Chair  
(TITLE)

\_\_\_\_\_  
(SIGNATURE)

Michael Whitehead  
(NAME)

Board Secretary/Treasurer  
(TITLE)

\_\_\_\_\_  
(SIGNATURE)

Kenneth R. Manning  
(NAME)

Chief Executive Officer/Secretary  
(TITLE)

\_\_\_\_\_  
(SIGNATURE)

Joseph S. Joswiak  
(NAME)

C.F.O.  
(TITLE)

\_\_\_\_\_  
(SIGNATURE)

**APPROVED** by the Advisory Committee this 17<sup>th</sup> day of June 2010.  
**ADOPTED** by the Watermaster Board on this 24<sup>th</sup> day of June 2010.

By: \_\_\_\_\_  
Chairman, Watermaster Board

APPROVED:

\_\_\_\_\_  
Chairman, Advisory Committee

ATTEST:

\_\_\_\_\_  
Board Secretary  
Chino Basin Watermaster

STATE OF CALIFORNIA            )  
  ) ss  
COUNTY OF SAN BERNARDINO    )

I, Ken Manning, Secretary of the Chino Basin Watermaster, DO HEREBY CERTIFY that the foregoing Revised Resolution being No. 10-02, was adopted at a regular meeting of the Chino Basin Watermaster Board by the following vote:

AYES:            0  
NOES:            0  
ABSENT:          0  
ABSTAIN:        0

CHINO BASIN WATERMASTER

\_\_\_\_\_  
Secretary

Date: \_\_\_\_\_



# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### C. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – Monte Vista Water District will purchase 2,000 acre-feet of water from the Monte Vista Irrigation Company. This purchase is made first from the Irrigation Company's net underproduction, if any, in Fiscal Year 2009-2010, with any remainder to be recaptured from storage.



***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

May 5, 2010

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



## NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **April 5, 2010**

Date of this notice: **May 5, 2010**

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

- Notice of Sale or Transfer – Monte Vista Water District will purchase 2,000 acre-feet of water from the Monte Vista Irrigation Company. This purchase is made first from the Irrigation Company's net underproduction, if any, in Fiscal Year 2009-10, with any remainder to be recaptured from storage.

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

Appropriative Pool: May 13, 2010

Non-Agricultural Pool: May 13, 2010

Agricultural Pool: May 13, 2010

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

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

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

Watermaster address:

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

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

# CHINO BASIN WATERMASTER

## NOTICE OF TRANSFER OF WATER

Notification Dated: May 5, 2010

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

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# CHINO BASIN WATERMASTER

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

---

**KENNETH R. MANNING**  
CHIEF EXECUTIVE OFFICER

**DATE:** May 5, 2010  
**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** – Monte Vista Water District will purchase 2,000 acre-feet of water from the Monte Vista Irrigation Company. This purchase is made first from the Irrigation Company's net underproduction, if any, in Fiscal Year 2009-10, with any remainder to be recaptured from 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 water transaction is attached with the notice of application.

- Monte Vista Water District will purchase 2,000 acre-feet of water from the Monte Vista Irrigation Company. This purchase is made first from the Irrigation Company's net underproduction, if any, in Fiscal Year 2009-10, with any remainder to be recaptured from storage.

Notice of the water transaction identified above was mailed on May 5, 2010 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.



**CONSOLIDATED WATER TRANSFER FORMS:**  
**FORM 3: APPLICATION FOR SALE OR TRANSFER OF RIGHT TO PRODUCE WATER FROM STORAGE**  
**FORM 4: APPLICATION OR AMENDMENT TO APPLICATION TO RECAPTURE WATER IN STORAGE**  
**FORM 5: APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD**

FISCAL YEAR 20<sup>09</sup> - 20<sup>10</sup>

DATE REQUESTED: April 5, 2010

AMOUNT REQUESTED: 2,000 Acre-Feet

<b>TRANSFER FROM (SELLER / TRANSFEROR):</b>	<b>TRANSFER TO (BUYER / TRANSFEREE):</b>
<u>Monte Vista Irrigation Company</u>	<u>Monte Vista Water District</u>
Name of Party	Name of Party
<u>10575 Central Avenue</u>	<u>10575 Central Avenue</u>
Street Address	Street Address
<u>Montclair</u> <u>CA</u> <u>91763</u>	<u>Montclair</u> <u>CA</u> <u>91763</u>
City                      State      Zip Code	City                      State      Zip Code
<u>(909) 624-0035</u>	<u>(909) 624-0035</u>
Telephone	Telephone
<u>(909) 624-0037</u>	<u>(909) 624-0037</u>
Facsimile	Facsimile

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

**PURPOSE OF TRANSFER:**

- 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 \_\_\_\_\_

**WATER IS TO BE TRANSFERRED FROM:**

- Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool)
- Storage
- Annual Production Right / Operating Safe Yield first, then any additional from Storage
- Other, explain \_\_\_\_\_

**WATER IS TO BE TRANSFERRED TO:**

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain \_\_\_\_\_

IS THE 85/15 RULE EXPECTED TO APPLY? (If yes, all answers below must be "yes.") Yes  No   
 Is the Buyer an 85/15 Party? Yes  No   
 Is the purpose of the transfer to meet a current demand over and above production right? Yes  No   
 Is the water being placed into the Buyer's Annual Account? Yes  No

**IF WATER IS TO BE TRANSFERRED FROM STORAGE:**

<u>2-10,000 gpm</u>	<u>Current Fiscal Year</u>
Projected Rate of Recapture	Projected Duration of Recapture

**METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):**

Pumping

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

Regular production wells

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

**WATER QUALITY AND WATER LEVELS**

Are the Parties aware of any water quality issues that exist in the area? Yes  No

If yes, please explain:

Nitrate concentrations range between 19-70 ppm

What are the existing water levels in the areas that are likely to be affected?

504-533

**MATERIAL PHYSICAL INJURY**

Are any of the recapture wells located within Management Zone 1? Yes  No

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

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

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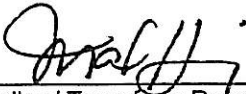
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**SAID TRANSFER SHALL BE CONDITIONED UPON:**

- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan 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.

**ADDITIONAL INFORMATION ATTACHED**

Yes  No

  
\_\_\_\_\_  
Seller / Transferor Representative Signature  
Mark N. Kinsey  
\_\_\_\_\_  
Seller / Transferor Representative Name (Printed)

  
\_\_\_\_\_  
Buyer / Transferee Representative Signature  
Mark N. Kinsey  
\_\_\_\_\_  
Buyer / Transferee Representative Name (Printed)

**TO BE COMPLETED BY WATERMASTER STAFF:**

DATE OF WATERMASTER NOTICE: \_\_\_\_\_

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

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

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

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

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

DATE OF BOARD APPROVAL: \_\_\_\_\_

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# MONTE VISTA WATER DISTRICT

## Recapture Plan

Location of where the recaptured water will be extracted by the District is within Management Zone 1 of the Chino Basin and will be accomplished by any or all of the 13 wells owned and operated by the District. The approximate daily production capacity of these wells is noted below.

The 2,000 AF transfer will be utilized for delivery to the District's retail customers, for delivery to the City of Chino Hills, or to offset the District's Fiscal Year 2009-10 replenishment obligation.

<u>Well</u>	<u>Production Acre-Feet/Day</u>
4	4.2
5	6.1
6	5.2
10	5.2
19	9.0
20	5.8
26	9.0
27	9.0
28	9.0
30	9.0
31	9.0
32	9.0
33	4.5

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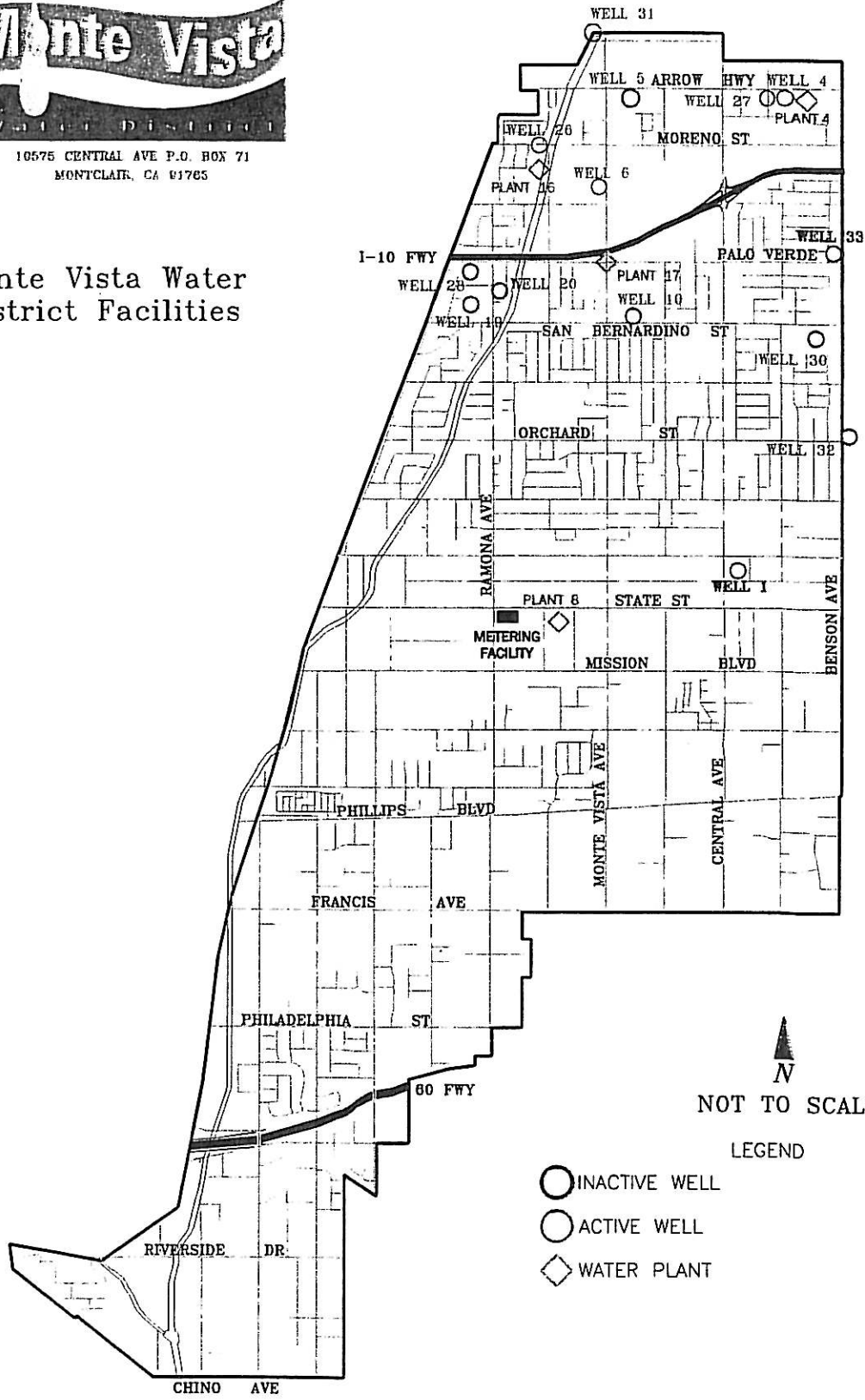
Daily Total	94.0
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A map showing the location of these wells is attached. The rate of extraction can vary significantly, depending upon system demand and seasonal changes.



10575 CENTRAL AVE P.O. BOX 71  
MONTCLAIR, CA 91765

# Monte Vista Water District Facilities



NOT TO SCALE

### LEGEND

- INACTIVE WELL
- ACTIVE WELL
- ◇ WATER PLANT





# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM

### A. CHINO CREEK WELL FIELD LOCATIONS





# CHINO BASIN WATERMASTER

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

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**KENNETH R. MANNING**  
Chief Executive Officer

## STAFF REPORT

**DATE:** June 17, 2010  
**TO:** Advisory Committee Members  
**SUBJECT:** Chino Creek Well Field Locations

### SUMMARY

**Issue** — The Chino Desalter Authority (CDA) has requested that Watermaster approve the locations of soon-to-be-constructed Wells I-16 and I-18. The CDA requested that Watermaster evaluate the well locations and specifications to perform a material physical injury analysis and to evaluate if they (the wells) will achieve and maintain hydraulic control.

**Recommendation** — Approval of the CDA's proposed locations of Wells I-16 and I-18, provided that they are constructed with perforations in the shallow aquifer in accordance with Wildermuth Environmental Inc. ongoing evaluation to achieve hydraulic control and will not conflict with the OBMP goal to minimize or abate permanent subsidence.

**Financial Impact** — None.

### BACKGROUND

The Peace II Agreement requires that the Desalters cumulatively produce approximately 40,000 acre-feet per year of groundwater by 2012. It also, along with the Basin Plan Amendment, requires that hydraulic control must be met to reduce groundwater discharge to the Santa Ana River to de minimus quantities.

Wells I-16 and I-18 are the first two (out of six) production wells that will compose the Chino Creek Well Field. This Well Field will serve as raw groundwater for the Desalter expansion and will achieve and maintain hydraulic control on the west side of the Basin where it has not yet been fully achieved.

Wildermuth Environmental, Inc. (WEI), as part of its recent modeling study, performed a material physical injury analysis of these wells and evaluated their ability to achieve and maintain hydraulic control (attached). WEI's conclusion was that material physical injury will not occur, provided that the wells are perforated in the shallow aquifer (approximately 30-200 feet below ground surface). WEI also concluded that the proposed well locations, provided that they are perforated in the shallow aquifer and provided that the other four wells are installed as planned, are capable of achieving and maintaining hydraulic control.

**Actions:**

- 6-03-10 Appropriative Pool** - Approved unanimously
- 6-03-10 Non-Agricultural Pool** - Approved unanimously
- 6-10-10 Agricultural Pool** - Approved unanimously
- 6-17-10 Advisory Committee**
- 6-24-10 Watermaster Board**





May 27, 2010

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

**Subject: Material Physical Injury Analysis – Wells I-16, I-18, I-MW16, I-MW18 of the Chino Creek Well Field**

Dear Mr. Manning:

Per your request, Wildermuth Environmental, Inc. (WEI) has reviewed the *Detailed Technical Specifications for Drilling, Construction, Development, and Testing of Chino Basin Desalter Authority Wells I-16, I-18, I-MW16 and I-MW18, December 24, 2009* prepared by Geoscience Support Services, Inc. for the Chino Desalter Authority (CDA), and has prepared this opinion on consistency with the Optimum Basin Management Program (OBMP) and the Peace II project description, and the potential for material physical injury that could be associated with these proposed wells.

Wells I-16 and I-18 are the first of six production wells that are planned for the so-called Chino Creek Well Field (CCWF), and these wells are the subject of the material physical injury analysis. Wells I-MW16 and I-MW18 are two companion monitoring wells that will be constructed adjacent to the production wells to assist in aquifer testing. We anticipate no material physical injury associated with the drilling, construction, development and testing of the monitoring wells.

There are two main objectives of the CCWF: (1) to develop a supply of raw groundwater for an expansion of the Chino Desalter facilities and (2) to achieve and maintain hydraulic control of groundwater outflow from the Chino Basin. Achievement and maintenance of hydraulic control is a requirement of the Basin Plan as updated in 2004 and the Peace II Agreement as approved by the Court in December 2007.

Our primary concerns for material physical injury associated with the CCWF are the inability to achieve and maintain hydraulic control and the potential for land subsidence and ground fissuring.

**Hydraulic Control.** Hydraulic control is defined as the elimination of the groundwater discharge from the Chino-North management zone into the Prado Basin management zone (PBMZ). Currently, hydraulic control is not being achieved in the area of the proposed CCWF. Current piezometric data indicates that groundwater originating in the Chino-North management zone is discharging to the south in this area, mainly through the shallow aquifer system, into the PBMZ. The water quality in the shallow aquifer system is generally high in TDS and nitrate concentrations. Watermaster's (and IEUA's) primary objective is to ensure that groundwater pumping at the CCWF achieves hydraulic control in this area, so that these shallow poor-quality groundwaters do not exit the Chino Basin as rising groundwater which could decrease basin yield and degrade the quality of the Santa Ana River. Therefore, the wells of the CCWF should be located, constructed and operated to cause the requisite drawdown in the shallow aquifer system to achieve hydraulic control.

**Land Subsidence.** Pumping from the deeper confined aquifers (<200 ft-bgs) in the western portion of the Chino Basin can lead to excessive drawdown in these deep aquifers, which can lead to compaction of clay

and silt layers within the aquifer system, which can result in land subsidence and ground fissuring at the land surface. Pumping from the shallow unconfined aquifers typically causes less drawdown within the aquifer system and, hence, lessens the potential for material physical injury associated with land subsidence and ground fissuring.

*Preliminary Opinion on Material Physical Injury.* Watermaster recently completed and published a groundwater-flow modeling study of the Peace II project description called *2009 Production Optimization and Evaluation of the Peace II Project Description* (WEI, November 25, 2009). In this study, the CCWF was simulated to pump from six wells located in the southwestern portion of the Chino Basin. These wells were simulated to be screened exclusively across the shallow aquifer system which, in this region, is approximately 30-200 feet below ground surface (ft-bgs). The study demonstrated that this design and configuration of the CCWF was capable of (1) achieving and maintaining hydraulic control and (2) not causing excessive drawdown in the deeper confined aquifers that could lead to high rates and magnitudes of land subsidence.

In Figure 1 of the technical specifications referenced above, the production wells I-16 and I-18 are located in approximately the same locations as two of the CCWF wells that have been modeled and approved by Watermaster (WEI, November 25, 2009). If, in addition, these production wells are screened across the shallow aquifer system, then we anticipate no material physical injury associated with not achieving hydraulic control or with pumping-induced land subsidence and ground fissuring.

This opinion of no material physical injury is contingent upon the appropriate operation (pumping) of these wells in the future. We respectfully request the opportunity to opine on the appropriate operation of these wells and the potential for material physical injury after the entire CCWF has been installed and tested.

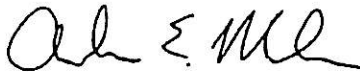
We appreciate the opportunity to serve the Watermaster and the Parties to the Judgment. Please call me if you have any questions or need additional information.

Very truly yours,

**Wildermuth Environmental, Inc.**



Mark J. Wildermuth, PE  
Chairman



Andrew E. Malone, PG  
Principal Geologist





# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM

### B. CHINO BASIN WATERMASTER 2010-2011 BUDGET





# CHINO BASIN WATERMASTER

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

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**KENNETH R. MANNING**  
Chief Executive Officer

## STAFF REPORT

**DATE:** June 17, 2010  
**TO:** Advisory Committee Members  
**SUBJECT:** Proposed Fiscal Year 2010/2011 Budget

### SUMMARY

**Issue** – Annual Budget for Watermaster Administration and OBMP tasks during FY 2010/2011.

**Recommendations** – Staff recommends the Committees and the Board consider approval/adoption of the Proposed FY 2010/2011 Budget.

**Fiscal Impact** – The FY 2010/2011 Proposed Budget expenses are \$6,640,490. The FY 2010/2011 Budget, as proposed, anticipates a decrease in all three expense categories of administrative costs, OBMP expenditures and OBMP project costs over the prior year “amended” budget.

### DISCUSSION

Each year, Watermaster staff conducts meetings internally and with consultants to discuss upcoming projects and anticipated work flow. As the budget is developed, the related budgeted expenses are continually refined. The current version of the budget reflects the discussions with consultants and stakeholders.

On May 12, 2010 Watermaster conducted the annual Budget Workshop and discussed the preliminary draft budget in both detail and in summary. The consensus of the members of the workshop was the preliminary budget required reductions in several categories to reflect current economic trends and financial challenges. Staff took the recommendations and suggestions and developed a second version of the preliminary budget.

On May 13, 2010 the preliminary budget #2 was formally presented to the Ag Pool and the Appropriative Pool for discussion and comment. The Non-Ag Pool chose to table the presentation and discussion of the preliminary budget #2. The Appropriative Pool recommended that an Ad Hoc Budget Committee be



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created of Appropriative members to assist staff in the budget development. After discussions with the Ag Pool and the Appropriative Pool, staff took the recommendations and suggestions and developed a third version of the preliminary budget.

On May 20, 2010 the preliminary budget #3 was presented to the Advisory Committee and the Ad Hoc Budget Committee. After discussion with the Ad Hoc Budget Committee, staff took the recommendations and suggestions and developed a fourth version of the preliminary budget.

On May 25, 2010 the preliminary budget #4 was presented to the Budget Committee. After discussion on the preliminary budget, specific budget line items, and estimated assessment amounts, it was agreed that the preliminary budget of \$6,640,490 was acceptable to the committee.

For the Administrative expenses:

- The draft budget includes 10.5 FTE approved staff positions, a reduction of .5 FTE from the previous budget.
- The draft budget includes no COLA salary adjustments and no material changes in employee's fringe benefits.
- Reductions in the majority of Administrative expenses compared to the FY 2009-2010 Approved Budget.
- Overall, the Administrative section is 4.9% or \$42,872 below the previous year's budget.

For OBMP General costs:

- Meetings with staff, Wildermuth and legal counsel were held to determine where costs could be reduced or work delayed until next fiscal year.
- Wildermuth provided a 5% reduction in labor costs which provided decreases in the overall engineering budgets for OBMP costs.
- Overall, the OBMP section is 13.7% or \$214,146 below the previous year's budget.

OBMP Implementation Project costs:

Continued implementation of the recharge improvement project including recharge and well monitoring program.

- Wildermuth provided a 5% reduction in labor costs which provided decreases in the overall engineering budgets for OBMP Implementation Project costs.
- Reductions in the majority of OBMP Implementation Project expenses compared to the FY 2009-2010 Approved Budget.
- Increased expenses regarding the MZ1 Ground Level Monitoring of \$281,000.
- Overall, the OBMP Implementation Projects section is 14.9% or \$783,280 below the previous year's budget.

In summary, the FY 2010/11 Budget, as proposed, anticipates a decrease in total budgeted costs of \$1,040,298 or 13.5% below the previous year's approved budget. The final assessments will be refined when the assessment package is prepared this fall; however the Total Assessable Production is being projected at levels similar to the 2008-2009 actual production.



**Actions:**

**6-03-10 Appropriative Pool** - Approved unanimously

**6-03-10 Non-Agricultural Pool** – Action to defer

**6-10-10 Agricultural Pool** – Approved with amendment to accounts: 8467: \$100,000 – 8467-1: \$18,000  
– 8470: \$12,000 – 8471: \$65,000

**6-17-10 Advisory Committee**

**6-24-10 Watermaster Board**



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**CHINO BASIN WATERMASTER  
SUMMARY BUDGET FY 2010-2011**

**DRAFT**

	FY 08-09 June Actual	FY 09-10 December Actual	FY 09-10 Approved Budget	FY 10-11 Proposed Budget	Current vs. Proposed
<b>Ordinary Income</b>					
4000 Mutual Agency Revenue	\$51,217	\$111,000	\$148,410	\$148,410	\$0
4110 Appropriative Pool Assessments	7,993,307	7,115,654	7,185,411	6,113,552	-1,071,859
4120 Non-Agricultural Pool Assessments	172,817	225,016	155,427	203,518	48,091
4730 Prorated Interest Income	123,949	20,844	191,540	175,010	-16,530
4900 Miscellaneous Income	1,028	0	0	0	0
<b>Total Income</b>	<b>8,342,318</b>	<b>7,472,514</b>	<b>7,680,788</b>	<b>6,640,490</b>	<b>-1,040,298</b>
<b>Administrative Expenses</b>					
6010 Salary Costs	493,409	244,694	487,838	464,944	-22,894
6020 Office Building Expense	94,093	47,238	102,500	103,196	696
6030 Office Supplies & Equip.	44,822	19,903	46,500	40,500	-6,000
6040 Postage & Printing Costs	70,332	33,639	84,300	78,300	-6,000
6050 Information Services	142,730	67,913	148,500	147,200	-1,300
6060 WM Special Contract Services	69,660	68,136	98,000	75,000	-23,000
6080 Insurance Expense	15,713	15,934	16,730	17,575	845
6110 Dues and Subscriptions	10,053	17,205	17,000	16,000	-1,000
6150 Field Supplies & Equipment	1,091	271	2,800	1,800	-1,000
6170 Travel & Transportation	36,287	14,905	37,800	33,160	-4,640
6190 Conferences & Seminars	24,133	11,593	26,500	23,000	-3,500
6200 Advisory Committee Expenses	17,033	9,314	18,078	22,470	4,392
6300 Watermaster Board Expenses	41,232	18,882	43,823	50,603	6,780
6500 Education Fund Expenditures	375	0	375	375	0
8300 Appropriative Pool Administration	20,294	13,864	23,069	26,710	3,641
8400 Agricultural Pool Administration	167,194	70,569	200,114	182,147	-17,967
8500 Non-Agricultural Pool Administration	5,117	2,891	6,677	11,666	4,989
9400 Depreciation Expense	0	0	0	0	0
9500 Allocated G&A Expenditures	-472,182	-234,302	-488,230	-465,144	23,086
<b>Total Administrative Expenses</b>	<b>781,386</b>	<b>422,649</b>	<b>872,374</b>	<b>829,502</b>	<b>-42,872</b>
<b>General OBMP Expenditures</b>					
6900 Optimum Basin Mgmt Program	1,765,585	655,248	1,399,371	1,197,734	-201,637
6950 Cooperative Efforts	10,000	0	10,000	10,000	0
9501 Allocated G&A Expenditures	164,541	74,567	148,448	135,939	-12,509
<b>Total General OBMP Expenses</b>	<b>1,940,126</b>	<b>729,815</b>	<b>1,557,819</b>	<b>1,343,673</b>	<b>-214,146</b>
<b>OBMP Implementation Projects</b>					
7101 Production Monitoring	108,441	49,881	107,047	104,219	-2,828
7102 In-Line Meter Installation/Maintenance	55,732	20,440	56,179	66,679	10,500
7103 Groundwater Quality Monitoring	183,368	111,425	214,362	202,996	-11,366
7104 Groundwater Level Monitoring	378,889	175,844	366,956	336,282	-30,674



**CHINO BASIN WATERMASTER  
SUMMARY BUDGET FY 2010-2011**

**DRAFT**

	FY 08-09 June Actual	FY 09-10 December Actual	FY 09-10 Approved Budget	FY 10-11 Proposed Budget	Current vs. Proposed
7105 Recharge Basin Water Quality Monitoring	4,812	2,659	43,912	4,280	-39,632
7106 Water Level Sensors Install	0	0	0	0	0
7107 Ground Level Monitoring-MZ1	396,028	85,367	550,059	815,620	265,561
7108 Hydraulic Control Monitoring Program	600,571	188,615	567,022	493,700	-73,322
7109 Recharge & Well Monitoring Program	0	2,413	9,152	8,440	-712
7200 OBMP Pgm Element 2 - Comp Recharge	1,263,711	923,590	1,478,560	1,017,022	-461,538
7300 OBMP Pgm Element 3 & 5 - Water Supply Plan - Desalter	80,713	31,911	96,003	72,111	-23,892
7400 OBMP Pgm Element 4 - Mgmt Zone Strategies	241,019	63,880	91,985	91,955	-30
7500 OBMP Pgm Element 6 & 7 - Coop Efforts/Salt Mgmt	70,454	76,635	163,727	154,180	-9,547
7600 OBMP Pgm Element 8 & 9 Storage Mgmt/Conj Use	28,359	28,317	29,550	68,250	38,700
7700 Inactive Well Protection Program	0	0	5,066	1,412	-3,654
7690 Recharge Improvement Debt Payment	1,261,894	567,042	1,131,233	700,964	-430,269
9502 Allocated G&A Expenditures	309,220	159,735	339,782	329,205	-10,577
<b>Total OBMP Implementation Projects</b>	<b>4,983,211</b>	<b>2,487,754</b>	<b>5,250,595</b>	<b>4,467,315</b>	<b>-783,280</b>
<b>Total Expenses</b>	<b>7,704,723</b>	<b>3,640,218</b>	<b>7,680,788</b>	<b>6,640,490</b>	<b>-1,040,298</b>
<b>Net Ordinary Income</b>	<b>637,595</b>	<b>3,832,296</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Income</b>					
4225 Interest Income	54,889	13,504	0	0	0
4210 Approp Pool-Replenishment	6,427,596	4,887,365	0	0	0
4220 Non-Ag Pool-Replenishment	10,047	9,478	0	0	0
4600 Groundwater Sales	0	2,176,962	0	0	0
<b>Total Other Income</b>	<b>6,492,532</b>	<b>7,087,309</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Expense</b>					
5010 Groundwater Recharge	2,326,075	1,019,746	0	0	0
<b>Total Other Expense</b>	<b>2,326,075</b>	<b>1,019,746</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Other Income</b>	<b>4,166,457</b>	<b>6,067,563</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>9900 From / (To) Reserves</b>	<b>-4,804,052</b>	<b>-10,139,076</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Income</b>	<b>\$0</b>	<b>-\$239,217</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**CHINO BASIN WATERMASTER  
DETAIL BUDGET FY 2010-2011**

**DRAFT**

	FY 08-09 June Actual	FY 09-10 December Actual	FY 09-10 Approved Budget	FY 10-11 Proposed Budget	Current vs. Proposed
<b>Income</b>					
<b>4000 Mutual Agency Revenue</b>					
4010 Local Agency Subsidies - Other			\$148,410	\$148,410	\$0
4013 Local Agency Contr - OBMP	-50,167	0	0	0	0
4040 Cooperative Agreement	-41,667	0	0	0	0
	143,051	0	0	0	0
<b>Total 4000 Mutual Agency Revenue</b>	51,217	111,000	148,410	148,410	0
<b>4110 Appropriative Pool Assessments</b>					
4111 Administrative Assessment	635,991	609,111	654,327	579,551	-74,776
4111.2 OBMP Assessment	4,542,646	3,729,218	4,003,209	3,344,275	-658,934
4111.3 App Pool - Special Assessment	0	0	0	0	0
4112 Ag Pool Reallocation - Administrative	190,956	231,256	196,211	219,891	23,680
4113 Ag Pool Reallocation - OBMP	1,362,120	1,414,836	1,200,431	1,268,871	68,440
4115 Recharge Improvement Revenue	1,261,594	1,131,233	1,131,233	700,964	-430,269
4117 P/Y Adjustments & Pool Interest	0	0	0	0	0
<b>Total 4110 Appropriative Pool Assessments</b>	7,993,307	7,115,654	7,185,411	6,113,552	-1,071,859
<b>4120 Non-Agricultural Pool Assessments</b>					
4123 Administrative Assessment	21,224	31,593	21,836	30,060	8,224
4124 OBMP Assessment	151,593	193,423	133,591	173,458	39,867
4127 P/Y Adjustments	0	0	0	0	0
<b>Total 4120 Non-Agricultural Pool Assessments</b>	172,817	225,016	155,427	203,518	48,091
<b>4730 Prorated Interest Income</b>					
4713 Interest Income-Other	0	0	0	0	0
4731 Interest - Agricultural Pool	10,198	1,425	17,500	15,750	-1,750
4732 Interest - Appropriative Pool	110,899	18,574	170,000	155,750	-14,250
4733 Interest - Non-Agricultural Pool	2,825	842	4,000	3,500	-500
4739 Interest - Education Fund	27	3	40	10	-30
<b>Total 4730 Prorated Interest Income</b>	123,949	20,844	191,540	175,010	-16,530
<b>4900 Miscellaneous Income</b>					
	1,028	0	0	0	0
<b>Total Income</b>	<b>8,342,318</b>	<b>7,472,514</b>	<b>7,680,788</b>	<b>6,640,490</b>	<b>-1,040,298</b>

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	FY 08-09 June Actual	FY 09-10 December Actual	FY 09-10 Approved Budget	FY 10-11 Proposed Budget	Current vs. Proposed
<b>Administrative Expenses</b>					
<b>6010 Salary Costs</b>					
6011 WM Staff Salaries & Payroll Burden	506,717	281,790	468,339	444,317	-24,022
6012 Payroll Services	2,957	1,594	2,000	3,120	1,120
6013 Human Resources Services	0	1,843	12,000	12,000	0
6016 New Employee Search Costs	524	0	500	500	0
6017 Temporary Services	0	0	5,000	5,000	0
Subtotal Wages	510,198	285,227	487,839	464,937	-22,902
6018 Fringe Benefits	471,709	282,347	474,334	482,775	8,441
60199 Payroll Burden Allocated	-488,498	-322,880	-474,335	-482,768	-8,433
<b>Total 6010 Salary Costs</b>	<b>493,409</b>	<b>244,694</b>	<b>487,838</b>	<b>464,944</b>	<b>-22,894</b>
<b>6020 Office Building Expense</b>					
6021 Office Lease	65,940	32,227	68,000	69,504	1,504
6022 Telephone	15,260	7,151	15,000	15,000	0
6024 Building Repairs & Janitorial	12,374	7,182	19,500	17,000	-2,500
6026 Security Services	519	678	0	1,692	1,692
6027 Other Expense	0	0	0	0	0
<b>Total 6020 Office Building Expense</b>	<b>94,093</b>	<b>47,238</b>	<b>102,500</b>	<b>103,196</b>	<b>696</b>
<b>6030 Office Supplies &amp; Equip.</b>					
6031 Office Supplies	40,363	18,200	43,500	37,500	-6,000
6038 Other Office Equipment	673	0	0	0	0
6039 Office Expenses	0	0	0	0	0
6141 Meeting Expenses	3,786	1,703	3,000	3,000	0
<b>Total 6030 Office Supplies &amp; Equip.</b>	<b>44,822</b>	<b>19,903</b>	<b>46,500</b>	<b>40,500</b>	<b>-6,000</b>
<b>6040 Postage &amp; Printing Costs</b>					
6042 Postage	6,984	720	12,000	6,000	-6,000
6043 Copy Machine Lease & Maintenance	57,148	28,222	63,000	60,000	-3,000
6044 Postage Meter Lease	1,919	946	2,800	2,800	0
6045 Outside Printing	4,281	3,751	6,500	9,500	3,000
<b>Total 6040 Postage &amp; Printing Costs</b>	<b>70,332</b>	<b>33,639</b>	<b>84,300</b>	<b>78,300</b>	<b>-6,000</b>



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<b>6050 Information Services</b>					
6052 Consultants	88,534	39,025	87,000	82,000	-5,000
6053 Internet Services	14,258	12,343	16,500	23,200	6,700
6054 Computer Software & Hardware	39,938	16,545	45,000	42,000	-3,000
<b>Total 6050 Information Services</b>	<b>142,730</b>	<b>67,913</b>	<b>148,500</b>	<b>147,200</b>	<b>-1,300</b>
<b>6060 WM Special Contract Services</b>					
6061 Contract Services	40,016	28,186	40,000	46,000	6,000
6062 Audit Services	9,400	4,325	8,000	9,000	1,000
6063 Annual Report/Consultant	0	0	40,000	20,000	-20,000
6064 Consultant Services/Water Auction	20,244	35,625	0	0	0
6067 General Counsel	0	0	10,000	0	-10,000
<b>Total 6060 WM Special Contract Services</b>	<b>69,660</b>	<b>68,136</b>	<b>98,000</b>	<b>75,000</b>	<b>-23,000</b>
<b>6080 Insurance Expense</b>					
6085 Business Insurance Package	15,498	15,703	16,500	17,325	825
6086 Position Bond Insurance	215	231	230	250	20
<b>Total 6080 Insurance Expense</b>	<b>15,713</b>	<b>15,934</b>	<b>16,730</b>	<b>17,575</b>	<b>845</b>
<b>6110 Dues and Subscriptions</b>					
6111 Membership Dues	7,762	16,582	15,000	15,000	0
6112 Subscriptions	2,291	623	2,000	1,000	-1,000
<b>Total 6110 Dues and Subscriptions</b>	<b>10,053</b>	<b>17,205</b>	<b>17,000</b>	<b>16,000</b>	<b>-1,000</b>
<b>6150 Field Supplies &amp; Equipment</b>					
6151 Small Tools & Equipment	40	125	1,800	800	-1,000
6154 Uniforms	1,051	146	1,000	1,000	0
<b>Total 6150 Field Supplies &amp; Equipment</b>	<b>1,091</b>	<b>271</b>	<b>2,800</b>	<b>1,800</b>	<b>-1,000</b>
<b>6170 Travel &amp; Transportation</b>					
6170 Travel & Transportation	2,692	0	4,000	0	-4,000
6171 Vehicle Allowance	24,158	11,895	23,400	23,400	0
6173 Mileage Reimbursements	494	116	400	400	0
6174 Public Transportation	0	150	0	360	360
6175 Vehicle Fuel	1,543	877	3,000	3,000	0
6177 Vehicle Repairs & Maintenance	7,400	1,867	7,000	6,000	-1,000
<b>Total 6170 Travel &amp; Transportation</b>	<b>36,287</b>	<b>14,905</b>	<b>37,800</b>	<b>33,160</b>	<b>-4,640</b>

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	FY 08-09 June Actual	FY 09-10 December Actual	FY 09-10 Approved Budget	FY 10-11 Proposed Budget	Current vs. Proposed
<b>6190 Conferences &amp; Seminars</b>					
6191 Conferences & Seminars	15,367	9,235	20,000	18,000	-2,000
6192 Training & Continuing Education	8,766	2,358	6,500	5,000	-1,500
<b>Total 6190 Conferences &amp; Seminars</b>	<b>24,133</b>	<b>11,593</b>	<b>26,500</b>	<b>23,000</b>	<b>-3,500</b>
<b>6200 Advisory Committee Expenses</b>					
6201 WM Staff Salaries	14,789	7,976	16,078	20,470	4,392
6212 Meeting Expense	2,244	1,338	2,000	2,000	0
<b>Total 6200 Advisory Committee Expenses</b>	<b>17,033</b>	<b>9,314</b>	<b>18,078</b>	<b>22,470</b>	<b>4,392</b>
<b>6300 Watermaster Board Expenses</b>					
6301 WM Staff Salaries	19,893	10,052	22,023	28,803	6,780
6311 Board Member Compensation	18,125	7,500	18,500	18,500	0
6312 Meeting Expense	3,178	1,330	3,000	3,000	0
6313 Board Members' Expenses	36	0	300	300	0
<b>Total 6300 WM Board Expenses</b>	<b>41,232</b>	<b>18,882</b>	<b>43,823</b>	<b>50,603</b>	<b>6,780</b>
<b>6500 Education Fund Expenditures</b>	<b>375</b>	<b>0</b>	<b>375</b>	<b>375</b>	<b>0</b>
<b>8300 Appropriative Pool Administration</b>					
8301 WM Staff Salaries	20,009	13,795	22,569	26,210	3,641
8312 Meeting Expenses	285	69	500	500	0
<b>Total 8300 Appropriative Pool Administration</b>	<b>20,294</b>	<b>13,864</b>	<b>23,069</b>	<b>26,710</b>	<b>3,641</b>
<b>8400 Agricultural Pool Administration</b>					
8401 WM Staff	19,215	12,746	19,814	22,847	3,033
8411 Compensation	2,225	500	2,000	2,000	0
8412 Meeting Expenses	211	0	300	300	0
8456 IEUA RTS Meter Charge	3,006	1,923	3,000	3,000	0
8467 Ag-Pool Legal Service	122,431	42,969	80,000	80,000	0
8467.1 Frank B & Associates	8,831	5,681	18,000	12,000	-6,000
8470 Ag Pool Meeting Special Compensation	11,275	6,750	12,000	12,000	0
8471 Ag Pool Special Projects	0	0	65,000	50,000	-15,000
<b>Total 8400 Agricultural Pool Administration</b>	<b>167,194</b>	<b>70,569</b>	<b>200,114</b>	<b>182,147</b>	<b>-17,967</b>

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<b>8500 Non-Agricultural Pool Administration</b>					
8501 WM Staff	4,911	2,822	6,477	11,466	4,989
8512 Meeting Expense	206	69	200	200	0
<b>Total 8500 Non-Agricultural Pool Administration</b>	<b>5,117</b>	<b>2,891</b>	<b>6,677</b>	<b>11,666</b>	<b>4,989</b>
<b>9400 Depreciation Expense</b>	0	0	0	0	0
<b>9500 Allocated G&amp;A Expenditures</b>	-472,182	-234,302	-488,230	-465,144	23,086
	0				
<b>Total Administrative Expenses</b>	<b>781,386</b>	<b>422,649</b>	<b>872,374</b>	<b>829,502</b>	<b>-42,872</b>
<b>General OBMP Expenses</b>					
<b>6900 Optimum Basin Mgmt Program</b>					
6901 OBMP - Staff	266,425	106,829	214,368	206,620	-7,748
6902 OBMP - Temporary Staff	0	0	0	0	0
6903 OBMP - SARW Group	0	0	0	25,778	25,778
6906 OBMP - Engineering	349,205	149,083	495,003	350,336	-144,667
6906.4 OBMP - CEQA	183,509	18,514	75,000	0	-75,000
6906.6 OBMP - SAR TMDL	21,757	5,365	0	0	0
6906.7 OBMP - DataX	4,207	0	0	0	0
6906.8 OBMP - Reports	142,957	0	0	0	0
6907 OBMP - Legal					
6907.1 Ellison & Schneider	18,358	0	0	0	0
6907.2 Ludorff & Scalmanini	4,025	0	0	0	0
6907.3 WM Legal Counsel	712,629	356,846	595,000	450,000	-145,000
6907.4 WM Legal Counsel - Contingency	0	0	0	145,000	145,000
6907.34 SAR Accord	44,055	5,834	0	0	0
6909 OBMP - Other Expense	18,458	12,777	20,000	20,000	0
<b>Total 6900 Optimum Basin Mgmt Program</b>	<b>1,765,585</b>	<b>655,248</b>	<b>1,399,371</b>	<b>1,197,734</b>	<b>-201,637</b>
<b>Total 6950 Cooperative Efforts</b>	10,000	0	10,000	10,000	0
<b>9501 Allocated G&amp;A Expenditures</b>	164,541	74,567	148,448	135,939	-12,509
<b>Total General OBMP Expenses</b>	<b>1,940,126</b>	<b>729,815</b>	<b>1,557,819</b>	<b>1,343,673</b>	<b>-214,146</b>



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**7000 OBMP Implementation Projects**  
*7100 OBMP Pgm Element 1 - Comp Monitoring Program*

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<b>7101 Production Monitoring</b>					
7101.1 Production Monitoring - WM Staff	77,151	49,028	103,497	102,069	-1,428
7101.3 Production Monitoring - Engineering Services	30,540	478	2,800	1,400	-1,400
7101.4 Production Monitoring - Computer Services	750	375	750	750	0
<b>Total 7101 Production Monitoring</b>	<b>108,441</b>	<b>49,881</b>	<b>107,047</b>	<b>104,219</b>	<b>-2,828</b>
<b>7102 In-Line Meter Installation/Maintenance</b>					
7102.1 In-Line Meter - WM Staff	14,468	2,579	13,179	10,679	-2,500
7102.5 In-Line Meter - Maintenance & Repair	0	2,795	5,000	8,000	3,000
7102.7 In-Line Meter - In-Line Meters	7,516	4,426	8,000	8,000	0
7102.8 In-Line Meter - Calibration & Testing	33,748	10,640	30,000	40,000	10,000
<b>Total 7102 In-Line Meter Installation/Maintenance</b>	<b>55,732</b>	<b>20,440</b>	<b>56,179</b>	<b>66,679</b>	<b>10,500</b>
<b>7103 Groundwater Quality Monitoring</b>					
7103.1 Grdwtr Quality - WM Staff	33,949	13,007	74,871	76,355	1,484
7103.3 Grdwtr Quality - Engineering Services	118,592	75,000	110,736	87,008	-23,728
7103.5 Grdwtr Quality - Laboratory Services	30,046	22,945	28,005	36,883	8,878
7103.6 Grdwtr Quality - Supplies	31	98	0	2,000	2,000
7103.7 Grdwtr Quality - Computer Services	750	375	750	750	0
<b>Total 7103 Groundwater Quality Monitoring</b>	<b>183,368</b>	<b>111,425</b>	<b>214,362</b>	<b>202,996</b>	<b>-11,366</b>
<b>7104 Groundwater Level Monitoring</b>					
7104.1 Grdwtr Level - WM Staff	103,972	54,290	96,010	90,713	-5,297
7104.3 Grdwtr Level - Engineering Services	258,763	109,028	235,646	206,144	-29,502
7104.4 Grdwtr Level - Contract Services (CBWM Staff)	260	0	11,500	1,000	-10,500
7104.6 Grdwtr Level - Supplies	2,995	504	2,500	2,500	0
7104.7 Grdwtr Level - Capital Equipment (CBWM Staff)	12,899	12,022	21,300	12,000	-9,300
7104.8 Grdwtr Level - Contract Services	0	0	0	10,000	10,000
7104.9 Grdwtr Level - Capital Equipment	0	0	0	13,925	13,925
<b>Total 7104 Groundwater Level Monitoring</b>	<b>378,889</b>	<b>175,844</b>	<b>366,956</b>	<b>336,282</b>	<b>-30,674</b>

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<b>7105 Recharge Basin Water Quality Monitoring</b>					
7105.1 Recharge Basin Water Quality - WM Staff	4,305	2,074	39,912	2,780	-37,132
7105.4 Recharge Basin Water Quality - Laboratory Services	195	585	3,500	1,000	-2,500
7105.6 Recharge Basin Water Quality - Supplies	312	0	500	500	0
<b>Total 7105 Recharge Basin Water Quality Monitoring</b>	<b>4,812</b>	<b>2,659</b>	<b>43,912</b>	<b>4,280</b>	<b>-39,632</b>
<b>7107 Ground Level Monitoring-MZ1</b>					
7107.1 Ground Level - WM Staff	153	0	1,406	1,421	15
7107.2 Ground Level - Engineering Services	277,894	71,997	244,127	336,538	92,411
7107.3 Ground Level - Synthetic Aperture Radar	95,000	12,400	95,000	95,000	0
7107.5 Ground Level - Laboratory Services	0	0	0	0	0
7107.6 Ground Level - Contract Services	22,981	970	209,526	351,393	141,867
7107.8 Ground Level - Capital Equipment	0	0	0	31,268	31,268
<b>Total 7107 Ground Level Monitoring-MZ1</b>	<b>396,028</b>	<b>85,367</b>	<b>550,059</b>	<b>815,620</b>	<b>265,561</b>
<b>7108 Hydraulic Control Monitoring</b>					
7108.1 Hydraulic Control Monitoring - VM Staff	6,919	842	13,543	6,829	-6,714
7108.2 Hydraulic Control Monitoring - Temporary Services	0	0	0	0	0
7108.3 Hydraulic Control Monitoring - Engineering Services	376,794	166,089	366,846	311,322	-55,524
7108.4 Hydraulic Control Monitoring - Laboratory Services	216,813	21,684	181,933	170,849	-11,084
7108.6 Hydraulic Control Monitoring - Supplies	45	0	0	0	0
7108.9 Hydraulic Control Monitoring - Contract Services	0	0	4,700	4,700	0
<b>Total 7108 Hydraulic Control Monitoring</b>	<b>600,571</b>	<b>188,615</b>	<b>567,022</b>	<b>493,700</b>	<b>-73,322</b>
<b>7109 Recharge &amp; Well Monitoring</b>					
7109.3 Recharge & Well Monitoring - Engineering Services	0	2,413	9,152	8,440	-712
7109.4 Recharge & Well Monitoring - Laboratory Services	0	0	0	0	0
<b>Total 7109 Recharge &amp; Well Monitoring</b>	<b>0</b>	<b>2,413</b>	<b>9,152</b>	<b>8,440</b>	<b>-712</b>

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<b>7200 OBMP Pgm Element 2 - Comp Recharge</b>					
7201 Comp Recharge - WM Staff	116,512	64,228	99,910	121,702	21,792
7202.1 Comp Recharge - Temp Services	18,551	22,968	522,425	0	-522,425
7202.2 Comp Recharge - Engineering Services	574,732	507,310	158,225	10,320	-147,905
7202.3 Comp Recharge - Implementation	0	0	0	150,000	150,000
7203 Comp Recharge - Contract Services	5,408	0	22,000	0	-22,000
7204 Comp Recharge - Supplies	2,420	369	16,000	10,000	-6,000
7205 Comp Recharge - Other Expenses	51	0	0	5,000	5,000
7206 Comp Recharge - Basin Program O&M	609,583	328,715	660,000	720,000	60,000
7207 Comp Recharge - Other	0	0	0	0	0
7208 Hansen Aggregate Damages	-63,546	0	0	0	0
<b>Total 7200 OBMP Pgm Element 2 - Comp Recharge</b>	<b>1,263,711</b>	<b>923,590</b>	<b>1,478,560</b>	<b>1,017,022</b>	<b>-461,538</b>
<b>7300 OBMP Pgm Element 3 &amp; 5 - Water Supply Plan - Desalter</b>					
7301 OBMP - WM Staff	29,032	7,371	23,694	24,271	577
7303 OBMP - Engineering Services	51,622	24,458	72,309	47,840	-24,469
7304 OBMP - Contract Services	0	0	0	0	0
7305 OBMP - Supplies	8	82	0	0	0
7306 OBMP - Other Expense	51	0	0	0	0
<b>Total 7300 OBMP Pgm Element 3 &amp; 5 - Water Supply Plan</b>	<b>80,713</b>	<b>31,911</b>	<b>96,003</b>	<b>72,111</b>	<b>-23,892</b>
<b>7400 OBMP Pgm Element 4 - Mgmt Zone Strategies</b>					
7401 OBMP - WM Staff	10,263	3,479	10,705	11,465	760
7402 OBMP - Engineering Services	179,676	59,986	71,280	69,410	-1,870
7403 OBMP - Contract Services	50,339	0	10,000	10,000	0
7404 OBMP - Supplies	55	30	0	0	0
7405 OBMP - Other Expenses	686	385	0	1,080	1,080
<b>Total 7400 OBMP Pgm Element 4 - Mgmt Zone Strategies</b>	<b>241,019</b>	<b>63,880</b>	<b>91,985</b>	<b>91,955</b>	<b>-30</b>
<b>7500 OBMP Pgm Element 6 &amp; 7 - Coop Efforts/Salt Mgmt</b>					
7501 OBMP - WM Staff	181	5,336	1,414	2,780	1,366
7502 OBMP - Engineering Services	70,273	71,299	116,913	113,400	-3,513
7503 OBMP - Contract Services	0	0	20,000	20,000	0
7505 OBMP - Other Expenses	0	0	25,400	18,000	-7,400
<b>Total 7500 OBMP Pgm Element 6 &amp; 7 - Coop Efforts/Salt Mgmt</b>	<b>70,454</b>	<b>76,635</b>	<b>163,727</b>	<b>154,180</b>	<b>-9,547</b>



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<b>7600 OBMP Pgm Element 8 &amp; 9 Storage Mgmt/Conj Use</b>					
7601 OBMP - WM Staff	46,385	25,897	9,463	48,900	39,437
7602 OBMP - Engineering Services	-19,649	2,138	20,087	19,000	-1,087
7604 OBMP - Supplies	71	282	0	350	350
7605 OBMP - Other Expenses	1,552	0	0	0	0
<b>Total 7600 OBMP Pgm Element 8 &amp; 9 Storage Mgmt/Conj Use</b>	<b>28,359</b>	<b>28,317</b>	<b>29,550</b>	<b>68,250</b>	<b>38,700</b>
<b>7700 Inactive Well Protection Program</b>					
7701 Inactive Well Protection Program - WM Staff	0	0	3,066	412	-2,654
7703 Inactive Well Protection Program - Contract Services	0	0	2,000	1,000	-1,000
<b>Total 7700 Inactive Well Protection Program</b>	<b>0</b>	<b>0</b>	<b>5,066</b>	<b>1,412</b>	<b>-3,654</b>
<b>7690 Recharge Improvement Debt Payment</b>	<b>1,261,894</b>	<b>567,042</b>	<b>1,131,233</b>	<b>700,964</b>	<b>-430,269</b>
<b>9502 Allocated G&amp;A Expenditures</b>	<b>309,220</b>	<b>159,735</b>	<b>339,782</b>	<b>329,205</b>	<b>-10,577</b>
<b>Total OBMP Implementation Projects</b>	<b>4,983,211</b>	<b>2,487,754</b>	<b>5,250,595</b>	<b>4,467,315</b>	<b>-783,280</b>
<b>Total General OBMP &amp; Implementation Projects</b>	<b>6,923,337</b>	<b>3,217,569</b>	<b>6,808,414</b>	<b>5,810,988</b>	<b>-997,426</b>
<b>Total Expenses</b>	<b>7,704,723</b>	<b>3,640,218</b>	<b>7,680,788</b>	<b>6,640,490</b>	<b>-1,040,298</b>
<b>Net Ordinary Income</b>	<b>637,595</b>	<b>3,832,296</b>	<b>0</b>	<b>0</b>	<b>0</b>



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<b>Other Income</b>					
4225 Interest Income	54,889	13,504	0	0	0
4225 Interest Income	54,889	13,504	0	0	0
<b>Total 4225 Interest Income</b>					
<b>Water Replenishment Assessments</b>					
<b>4210 Approp Pool-Replenishment</b>					
4211 15% Gross Assessments	893,722	560,954	0	0	0
4212 85% Net Assessments	5,064,427	3,178,738	0	0	0
4213 100% Net Assessments	469,447	592,787	0	0	0
4214 Prior Year Adjustment	0	0	0	0	0
4215 Prior Year Carryover	0	554,886	0	0	0
<b>Total 4210 Approp Pool-Replenishment</b>	<b>6,427,596</b>	<b>4,887,365</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>4220 Non-Ag Pool-Replenishment</b>					
4223 Net Replenishment	10,047	9,478	0	0	0
<b>Total 4220 Non-Ag Pool-Replenishment</b>	<b>10,047</b>	<b>9,478</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>4600 Groundwater Sales</b>					
4613 Stored Water Sales	0	2,176,962	0	0	0
<b>Total 4600 Groundwater Sales</b>	<b>0</b>	<b>2,176,962</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Other Income</b>	<b>6,492,532</b>	<b>7,087,309</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Expense</b>					
<b>5010 Groundwater Recharge</b>					
5011.4 Replenishment Water	0	0	0	0	0
5011 Replenishment Water	2,326,075	1,019,746	0	0	0
5017 IEUA Surcharges	0	0	0	0	0
<b>Total 5010 Groundwater Recharge</b>	<b>2,326,075</b>	<b>1,019,746</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Other Expense</b>	<b>2,326,075</b>	<b>1,019,746</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Other Income</b>	<b>4,166,457</b>	<b>6,067,563</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>9900 (To) / From Reserves</b>	<b>-4,804,052</b>	<b>-10,139,076</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Income</b>	<b>\$0</b>	<b>-\$239,217</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

CHINO BASIN WATERMASTER  
ACCOUNT NUMBER JUSTIFICATION  
FY 2010 - 2011 BUDGET

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Budget Account Number	Account Description	Comments and Information
<b>ORDINARY INCOME/EXPENSE</b>		
<u>4000</u>	<u>COOPERATIVE EFFORT CONTRIBUTIONS</u>	
4010	Local Agency Subsidies - Other	This account represents funds which are to be received from Metropolitan Water District to offset our costs related to administering the Dry Year Yield Program.
<u>4110</u>	<u>APPROPRIATIVE POOL ASSESSMENTS</u>	
4111	Administrative Assessment	Appropriative Pool Assessments equal the Pool's share of all General Administrative Expenses levied to the Appropriators on a per acre-foot basis levied based on the prior year's production.
4111.2	OBMP Assessment	Appropriative Pool Assessments equal the Pool's share of all Optimum Management costs levied to the Appropriators on a per acre-foot basis based on the prior year's production.
4112	Agricultural Pool Reallocation-Administrative Assessment	The Appropriative Pool and the Overlying Agricultural Pool agreed that the unproduced portion of Ag Pool's annual share of safe yield (82,800 acre-feet) would be immediately reallocated to the Appropriative Pool members provided the Appropriative Pool would pay the Agricultural Pool's share of Administrative and Special Project expenses.
4113	Agricultural Pool Reallocation- OBMP Assessment	With separate assessments levied for General Administration and Optimum Basin Management Plan and Implementation Costs, the Agricultural Pool costs charged through the reallocation levy have been separated to differentiate between the revenues from the two levies.
4115	Recharge Improvement Revenue	This account covers funds required to pay the budgeted debt service payment and the operating and maintenance expenses.
4117	P/Y Adjustments	Consists of adjustments related to prior years, if any.
<u>4120</u>	<u>NON-AGRICULTURAL POOL ASSESSMENTS</u>	
4123	Administrative Assessment	Non-Agricultural Pool Assessments equal the Pool's share of all General Administrative Expenses levied to the Non-Agricultural Pool based on the prior year's
4124	OBMP Assessment	Non-Agricultural Pool Assessments equal the Pool's share of all Optimum Basin Management costs levied to the Pool members based on the prior year's production.
4127	P/Y Adjustments	Consists of adjustments related to prior years, if any.
<u>4730</u>	<u>PRORATED INTEREST INCOME</u>	Interest is prorated between the Pools and the Education Fund using formula approved by the Advisory Committee and Pools several years ago.
<u>6070</u>	<u>SALARY COSTS</u>	
6011	WM Staff Salaries & Payroll Burden	Expenses related to administrative staff hours and costs not related to a particular project
6012	Payroll Services	Expenses related to processing of bi-weekly payroll and preparation of quarterly and annual tax returns, including year end W-2 processing.
6013	Human Resources Services	Expenses related to processing of flexible spending medical and dependent care accounts.
6018	Fringe Benefits	Benefits paid to employees such as medical, dental, vision, vacation, sick leave & holidays.
60199	Payroll Burden Allocated	Fringe benefits allocated to salary costs.
<u>6020</u>	<u>OFFICE BUILDING EXPENSE</u>	
6021	Office Lease	Lease for Watermaster office.
6022	Telephone	Telephone expense includes office telephone system, cellular phones for management and field staff along with conference call service.
6024	Building Repairs & Janitorial	This account covers monthly housekeeping, along with repairs and maintenance requests for the office.
6026	Security Services	After business hours and weekend building alarm monitoring services for the office building.
6027	Other Expense	Expenses to this category include office building improvements.
<u>6030</u>	<u>OFFICE SUPPLIES &amp; EQUIPMENT</u>	
6031	Office Supplies	Office supplies include: copy paper, stationary, envelopes, checks and other miscellaneous office supplies.
6038	Office Equipment	This budget item covers the cost of office equipment not included in office supplies referenced in account 6031.
6039	Office Expense	This account covers the costs of items not covered under any of the above 6030 categories including file management consulting fees.
6141	Meeting Expenses	Expenses charged to this category include administrative meeting expenses.



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Budget Account Number	Account Description	Comments and Information
<b>6040</b>	<b><u>POSTAGE &amp; PRINTING COSTS</u></b>	
6042	Postage	The postage account covers the cost of mailing or shipping all meeting notices and agendas; correspondence; Annual Reports; outgoing bills and payments, etc. Charges also include FedEx, United Parcel Service costs as well as US postage.
6043	Copy Machine Lease	This account covers the cost of leasing copy machines as well as the costs for copies exceeding the minimum number per month/year as stipulated in the lease agreements.
6044	Postage Meter Lease	Postage meter costs includes the annual lease fees, quarterly reset fees and postage meter ink cartridge replacements.
6045	Printing	Printing jobs done by outside printers and include the Annual Report, blueprints, special area street maps, color prints and emergency printing when our in-house copiers are down for repairs, etc. Also includes printing of color brochures and annual financial statements.
<b>6050</b>	<b><u>INFORMATION SERVICES</u></b>	
6052	Computer Consultant Support Services	Watermaster uses IT consultants to maintain the computer network and workstations, as well as to develop and maintain databases.
6053	Internet Services	Website maintenance costs & T-1 internet connection.
6054	Computer Software & Hardware	Costs include new software, software upgrades, new computer hardware, servers, printers, back up power supplies, etc.
<b>6060</b>	<b><u>WATERMASTER SPECIAL CONTRACT SERVICES</u></b>	
6061	Other Contract Services	Watermaster retains consultants to develop and implement strategic plans, develop brochures, and design the Annual Report.
6062	Audit Services	Services provided by the audit firm to ensure compliance and field work related for the annual financial statement audit.
6063	Public Relations Consultant	Watermaster retains outside consultants on a per contract basis as our Public Relations Consultant, to keep us up to date regarding relevant legislative issues
6067	Legal Services - General Counsel	Watermaster's general counsel expenses related to personnel and non-project specific matters.
<b>6080</b>	<b><u>INSURANCES</u></b>	
6085	Business Insurance Package	All insurance policies are now included under Business Insurance Package, including auto & general liability.
6086	Position Bond Insurance	Insures key positions for risk of misappropriation and/or fraud.
<b>6110</b>	<b><u>DUES &amp; SUBSCRIPTIONS</u></b>	
6111	Membership Dues	Watermaster memberships include: American Water Works Assoc Research Foundation, Association of California Water Agencies, Association of Ground Water Agencies.
6112	Subscriptions	Watermaster subscribes to the periodicals and trade journals.
<b>6150</b>	<b><u>FIELD SUPPLIES &amp; EQUIPMENT</u></b>	
6151	Small Tools & Equipment	Small tools and equipment includes any tool which might be required while working in the field.
6154	Uniforms & Safety Shoes	T-shirts, polo shirts, hats and jackets are provided to staff with Watermaster's logo to wear while in the field and while representing Watermaster. This line item also includes work boots for the field staff.
<b>6170</b>	<b><u>TRAVEL &amp; TRANSPORTATION</u></b>	
6170	Travel & Transportation	Travel and transportation costs related to Watermaster business, not related to conferences and seminars.
6171	Vehicle Allowances	Employment agreement provides the Chief Executive Officer a vehicle allowance of \$750 per month. Other Watermaster management staff receive \$400 per month.
6173	Mileage Reimbursements	Reimbursements paid to Watermaster employees for use of personal vehicles for Watermaster business at the federally approved rate per mile.
6174	Public Transportation	Cost of tolls and transponders for Watermaster vehicles on the toll roads (Transportation Corridor Agency and 91 Express Lanes) in Orange County.
6175	Vehicle Fuel	Fuel expenses for Watermaster owned vehicles.
6177	Vehicle Repairs	Covers repairs and maintenance to Watermaster's vehicles.
6179	Vehicle Purchase	This account includes purchases of additional vehicles.
<b>6190</b>	<b><u>CONFERENCES &amp; SEMINARS</u></b>	
6191	Conferences & Seminars	Costs associated with staff attending conferences or seminars for information, training, or making presentations regarding the Chino Basin Watermaster activities.
6192	Training & Continuing Education	Attendance at training and continuing education for Watermaster staff.

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Budget Account Number	Account Description	Comments and Information
<b>6200</b>	<b><u>ADVISORY COMMITTEE</u></b>	
6201	WM Staff Salaries	Salary and burden costs of WM staff in attending and preparing for Advisory Committee meetings.
6212	Meeting Expense	Advisory Committee meetings are normally scheduled to cover the lunch hour so that members are absent from their normal jobs the least amount of time possible. To accommodate the members, a luncheon and/or refreshments are served. Those related costs are reflected in this account.
<b>6300</b>	<b><u>WATERMASTER BOARD EXPENSES</u></b>	
6301	WM Staff Salaries	Salary and burden costs of WM staff in preparing for and attending Watermaster Board Meetings.
6311	Board Member Compensation	Board Members are entitled to, but may waive, compensation for each day of service. Those who have not waived, receive \$125 per day served at various meetings including Board meetings, Committee meetings and other water agency meetings, including conference calls.
6312	Meeting Expenses	Board and Committee meetings may be scheduled to cover the lunch hour so that attendees are absent from their normal jobs the least amount of time possible. If this occurs, a luncheon and/or refreshments are served. Those related costs are reflected in this account.
6313	Board Member's Expenses	Board Members are entitled to receive reimbursement for expenses incurred on behalf of Watermaster business. Upon request, mileage is reimbursed to any Board Member using a personal vehicle for Watermaster business.
<b>5500</b>	<b><u>EDUCATION FUND EXPENDITURES</u></b>	This account disburses funds from the educational account as directed
<b>8300</b>	<b><u>APPROPRIATIVE POOL ADMINISTRATION AND SPECIAL PROJECTS</u></b>	
8301	WM Staff Salaries	Salary and burden costs of WM staff in attending and preparing for Pool Meetings, and any other Appropriative Pool administrative activity.
8312	Meeting Expenses	This item covers meeting expenses, including the cost of refreshments.
<b>8400</b>	<b><u>AGRICULTURAL POOL ADMINISTRATION AND SPECIAL STUDIES</u></b>	
8401	WM Staff Salaries	Salary and burden costs of WM staff in attending and preparing for Pool Meetings, along with any other Agricultural Pool administrative activity.
8411	Compensation - AG Pool Members	Ag Pool Members are reimbursed \$25 for each Pool, Committee or Board Meeting attended. Ag Pool voted to increase reimbursement to \$125 per meeting with the extra \$100 to be paid out of Ag Pool accumulated interest. This additional \$100 is shown under account #8470.
8412	Meeting Expenses	This account covers meeting expenses, including the cost of refreshments.
8456	IEUA RTS Meter Charge	Inland Empire Utilities Agency implemented a 'readiness to serve' charge against Watermaster for future provision of service to the land in the Agricultural preserve.
8467	Agri-Pool Legal Services	The Agricultural Pool retains its own legal council to represent them in all Watermaster matters.
8467.1	Frank B & Associates	The Agricultural Pool has contracted with a water management consultant to assist them in following Watermaster activities important to the Agricultural Pool.
8470	Ag Pool Meeting Special Compensation	See account #8411 for details of this line item
<b>8500</b>	<b><u>NON-AGRICULTURAL POOL ADMINISTRATION AND SPECIAL PROJECTS</u></b>	
8501	WM Staff Salaries	Salary and burden costs of WM staff in attending and preparing for Pool Meetings, along with any other Non-Agricultural Pool administrative activity.
8512	Meeting Expense	This item covers meeting expenses, including the cost of refreshments.
<b>9500</b>	<b><u>ALLOCATED G&amp;A EXPENDITURES</u></b>	Administrative overhead that is allocated to OBMP and Project jobs as a percentage of total Watermaster salaries.
<b>6900</b>	<b><u>OPTIMUM BASIN MANAGEMENT PROGRAM</u></b>	
6900	OPTIMUM BASIN MANAGEMENT PROGRAM - GENERAL ENGINEERING	This work includes general engineering services requested by Watermaster to support implementation of the OBMP. The current budget request includes general, non-project specific as well as ad hoc requests for services and data requests promoting the ongoing efforts to implement the OBMP. Items include all aspects of preparing reports as required by the OBMP including the State of the Basin Report and the conditions subsequent pursuant to Judge Gunn's December 21, 2007 court order approving Peace II.
<b>6950</b>	<b><u>COOPERATIVE EFFORTS</u></b>	On an ad hoc basis, Watermaster and other agencies agree to share the costs of various projects that will benefit both parties.
<b>9501</b>	<b><u>ALLOCATED G&amp;A EXPENDITURES</u></b>	Administrative overhead that is allocated to OBMP and Project jobs as a percentage of total Watermaster salaries.
<b>7000</b>	<b><u>OPTIMUM BASIN MANAGEMENT PROGRAM IMPLEMENTATION PROJECTS</u></b>	
7101	PRODUCTION MONITORING	Watermaster staff collects and processes production information for the approximately 600 wells within the Basin, including approximately 205 Appropriator wells, 15 Non-Ag wells, and approximately 360 private wells. Watermaster staff read the meters for the private wells, while the Appropriators and Non-Ag parties report their meter readings to Watermaster. The data is inputted into a production database that is updated quarterly, and is used at the end of the fiscal year to provide essential data for the Assessment Package. Computer services are for the subscription for parcel lot information (split 50/50 with account 7103 - Groundwater Quality Monitoring)



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7102	IN-LINE METER INSTALLATION	Approximately 280 in-line flow meters are now installed on the previously unmetered private wells. Approximately half of all Ag and Non-Ag meters must be calibrated each year and other maintenance and repairs are required. Each calibration is expected to cost \$200. Approximately 12 broken meters are expected to be replaced this fiscal year, as these wells are expected to remain for at least another 12 months.
7103	GROUNDWATER QUALITY MONITORING	Pursuant to the OBMP & Peace Agreement, Program Element 1 includes the development and implementation of a comprehensive groundwater quality monitoring program. Previously, Watermaster annually collected water quality data from approximately 200 private wells and obtained other water quality data from other cooperators so that approximately one-third of the active wells were sampled every third year. Other cooperators include members of the appropriate and overlying non-agricultural pools, the Regional Water Quality Control Board, the Department of Toxic Substances Control, the United States Geological Survey, the Orange County Water District and others. The key well monitoring program has now been implemented. Approximately 130 wells are included within the water quality key well program, with approximately 65 wells being sampled and analyzed each year. This monitoring activity is a requirement for the Chino Basin to receive TDS and Nitrogen objectives based on maximum beneficial use. The ad hoc Water Quality Committee oversees the surface water and groundwater quality programs to ensure that necessary data are collected to effectively manage the Basin. Required supplies for this line item include sampling equipment such as piping and valving Computer services are for the subscription for parcel lot information (split 50/50 with account 7101 - Production Monitoring)
7104	GROUNDWATER LEVEL MONITORING PROJECT	Pursuant to the OBMP and Peace Agreement, Program Element 1 includes the development and implementation of a comprehensive groundwater-level monitoring program. The key well monitoring program has now been implemented. For the key well program, about 75 wells are measured monthly, about 70 wells are measured by transducers, about 200 wells are measured by municipal well owners (which are collected by Watermaster staff), and about 100 wells are measured by cooperators, (which are collected by Watermaster staff). Cooperators include members of the appropriate and overlying non-ag pools, RWQCB, DTSC, USGS, OCWD, and others. All data is checked for reasonableness with regard to historical data at the well, converted from depth-to-water to groundwater-level elevation, and compiled into a centralized database. The majority of this effort is concentrated in the southern half of the basin to support Desalter/HCMP monitoring programs. This data is analyzed in time series charts and maps annually to support the annual HCOMP report and the semi-annual State of the Basin Report. Contract services for this category include the construction of aluminum covers for transducers (not otherwise enclosed in structures) and ground-level surveys of well reference points. Required supplies for this category include sounder replacement lines, rubber gloves, distilled water, and fittings for installing transducers. Capital equipment for this category include transducers and transducer download cables.
7105	BASIN WATER QUALITY MONITORING	Pursuant to the OBMP & Peace Agreement, Program Element 1 also includes the surface water quality monitoring program. Work in this line item previously included measuring water quality at recharge and flood retention basins within the Chino Basin. This was typically done during the rainy season only, approximately 3-4 samplings per basin per year. Enough data has now been collected and catalogued for this activity and only minor amounts of money are now budgeted for use on an as-needed basis.
7107	GROUND LEVEL MONITORING-MZ1	Required supplies for this line item include rubber gloves, sample bags, tools, and field lab equipment. Pursuant to the OBMP and Peace Agreement, Program Element 1 also includes the development and implementation of a ground-level monitoring and testing program. Watermaster is interested in determining how much, if any, subsidence has occurred in the Basin and in monitoring the effectiveness of the OBMP in minimizing it. Data is collected from a network of ground elevation stations (surveys), from a multi-piezometer and from a dual borehole extensometer in the subsidence-prone area (mainly Management Zone 1). Satellite imagery (InSAR) will also be collected and analyzed for subsidence. A pilot ASR test at a well owned by the City of Chino Hills will be initiated. Watermaster is implementing these efforts as part of the MZ1 Subsidence Management Plan. A web page for real-time water level reading at the PA-7 Piezometer (Ayala Park) has been implemented, which is a requirement of the MZ-1 Long-Term Management Plan. A new Central MZ1 piezometer is also planned, as well as an extensive ground-level survey to determine reference points for several wells near the piezometer.
7108	HYDRAULIC CONTROL MONITORING PROGRAM	As part of the Basin Plan, a monitoring plan to evaluate the state of hydraulic control in the southern end of the basin has been developed. Hydraulic control will be used to maximize the sale yield of the basin. Watermaster, OCWD and the Regional Board have developed a monitoring plan to assess the state of hydraulic control to provide information to Watermaster to manage future production and recharge. Samples are collected from stations along the SAR every-other-week for water quality analyses. Stream flow measurements are also collected from stations along the SAR. Four near-river wells are monitored monthly and 21 HCMP SAR wells are monitored annually. Water discharge and quality data area collected from all POTWS and other non-tributary dischargers between the Riverside Narrows and below Prado dam. This monitoring activity is a requirement for the Chino Basin to receive TDS and Nitrogen objectives based on maximum beneficial use. A 2010 aerial photograph of the Chino Basin will also be purchased.
7109	RECHARGE AND WELL MONITORING PROGRAM	Engineering services to review quarterly and annual reports for Chino Basin Recycled Water Groundwater Recharge Program.
7200	OBMP PROGRAM ELEMENT 2 -- COMPREHENSIVE RECHARGE PROGRAM	This budget category includes the Recharge Master Plan update required by Judge Gunn's December 21, 2008 order approving Peace II, GRCC participation and recharge basin O&M.
7300	OBMP PROGRAM ELEMENTS 3 & 5 -- WATER SUPPLY PLAN - DESALTER	The expenses in this budget line item includes engineering services for the technical review of non-Watermaster consultant work products for consistency with OBMP, Basin Plan and other Watermaster interests. Work in this category also includes the design support for the proposed Chino Creek Desalter well field.



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ACCOUNT NUMBER JUSTIFICATION  
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7400	OBMP PROGRAM ELEMENT 4 - MANAGEMENT ZONE MANAGEMENT STRATEGIES	Pursuant to the OBMP and Peace Agreement, Watermaster has developed a long-term management plan for MZ1. Watermaster and the Court approved the MZ1 Subsidence Management Plan in 2007. Watermaster will be implementing the MZ1 Subsidence Management Plan in FY 2008-2009 and in years thereafter, and adapting the plan as new data and understanding dictates. Data collected and analyzed will be presented and discussed at the MZ1 Technical Group meetings. New monitoring wells were installed in MZ-3 and monitored during FY 2005-2006 and FY 2006-2007. A technical memorandum will be completed this fiscal year and a revised monitoring program will be developed. In Management Zone 3, Watermaster will conduct a thorough ground water quality survey to locate contaminant plumes which might impact appropriator wells. Plans include quarterly sampling and analyses of two new "sentry" wells to provide on-going monitoring of plume management. Pursuant to the OBMP and Peace Agreement, Watermaster will complete specific activities to improve water quality monitoring and analyze the effectiveness of the OBMP to accomplish its goals. The work in this line item includes coordinating the Water Quality committee activities, coordinating with RWQCB and DTSC on several groundwater plumes - including VOC plumes potentially emanating from the Ontario International Airport and the Chino Airport, and the Stringfellow perchlorate plume, which has now reached the Santa Ana River, the Basin Monitoring Task Force pursuant to Watermaster's Maximum Benefit obligation, and participating in the TMDL process for Santa Ana River, Chino and Mill Creeks. This budget category includes Watermaster's effort to expand the existing DYY Program and to develop new groundwater storage programs.
7500	OBMP PROGRAM ELEMENTS 6 & 7 - COOPERATIVE EFFORTS AND SALT MANAGEMENT	Pursuant to the OBMP and Peace Agreement, Watermaster is responsible for inactive wells that have not been properly abandoned. Watermaster equips inactive wells with devices that meet the requirement of well abandonment to protect the integrity of the groundwater. These devices also allow for access to the well for monitoring purposes, if necessary. This fiscal year, approximately two or three inactive wells will need to be equipped with such devices. Repayment of debt as agreed to in contract with Inland Empire Utilities Agency for improvement of recharge basins within the Chino Basin. This expense is to be paid by the Appropriators.
7600	OBMP PROGRAM ELEMENTS 8 & 9 - STORAGE MANAGEMENT AND CONJUNCTIVE USE PROGRAMS	Administrative overhead that is allocated to OBMP and Project jobs as a percentage of total Watermaster salaries.
7700	INACTIVE WELL PROTECTION PROGRAM	Water rights were assigned in the Judgment entered in 1978. It established the terms and conditions regarding replenishment water and how the assessments would be levied to cover the water for each pool. No amounts are budgeted in this category as Watermaster is unable to determine what the overproduction will be at year, if any. Replenishment water is a "pass-thru" expense meaning all amounts overproduced by an agency are billed to them at the rate Watermaster pays for the cost of the water, plus fees.
7690	RECHARGE IMPROVEMENT DEBT PAYMENT	Certain Appropriators under the Judgment have 15% of the cost of replenishment water required by their group and 85% of the cost is paid by the appropriator overproducing water in the prior year. Other Appropriators have the obligation to pay 100% of the costs of replacing any overproduced water. Costs levied against the 15%/85% group for replacing water. Costs levied against the 15%/85% group for replacing water. Costs levied against those subject to 100% assessments for replacing water. Non-Ag members (primarily industrial producers) are required to replace any water produced which exceeds their assigned water rights. Costs of Replenishment or Supplemental Water. This budget line covers the costs of purchasing replenishment water from MWD at \$233/AF. Inland Empire Utilities Agencies charges a fee for water delivered
9502	<u>ALLOCATED G&amp;A EXPENDITURES</u>	
<b>SUPPLEMENTAL &amp; REPLENISHMENT WATER INCOME AND EXPENSES</b>		
4210	App Pool Replenishment Assessments	
4211	15% Gross Assessments	
4212	85% Gross Assessments	
4213	100% Net Assessments	
4220	Non-Aq Pool Replenishment	
5010	Groundwater Recharge	
5011	Replenishment Water	
5017	IEUA Surcharges	

**CHINO BASIN WATERMASTER  
ASSESSMENT CALCULATION  
FISCAL YEAR 2010-2011**

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**\*\*ESTIMATED, BASED ON PREVIOUS YEARS ASSESSMENT PACKAGE**

PRODUCTION BASIS	FISCAL YEAR 2010-2011 BUDGET	ASSESSMENT		APPROPRIATIVE POOL		AGRICULTURAL POOL		NON-AG POOL	
		Administration	OBMP	Administration	OBMP	Administration	OBMP	Administration	OBMP
2008-09 Production & Exchanges in Acre-Feet (Actuals)	\$829,503	84,716,450	69.867%	32,142,764	26.509%	4,393,990	3.624%		
2009-10 Production & Exchanges in Acre-Feet (Projected Estimate)	5,110,024	84,716,450	69.867%	32,142,764	26.509%	4,393,990	3.624%		
<b>BUDGET</b>		<b>General Administration</b>	<b>OBMP</b>	<b>General Administration</b>	<b>OBMP</b>	<b>General Administration</b>	<b>OBMP</b>		
Administration, Advisory Committee & Watermaster Board (1)	\$829,503	\$579,552		\$219,891		\$30,060			
OBMP & Implementation Projects(1)	5,110,024		3,570,240		1,354,606		185,178		
<b>General Admin &amp; OBMP Assessments</b>	<b>5,939,527</b>	<b>579,552</b>	<b>3,570,240</b>	<b>219,891</b>	<b>1,354,606</b>	<b>30,060</b>	<b>185,178</b>		
<b>TOTAL BUDGET</b>		<b>5,939,527</b>	<b>3,570,240</b>	<b>219,891</b>	<b>1,354,606</b>	<b>30,060</b>	<b>185,178</b>		
Less Budgeted Interest Income	(175,010)		(122,275)		(46,393)		(6,342)		
Contributions from Outside Agencies	(148,410)		(103,690)		(39,342)		(5,378)		
<b>CASH DEMAND</b>	<b>5,616,107</b>	<b>579,552</b>	<b>3,344,275</b>	<b>219,891</b>	<b>1,268,871</b>	<b>30,060</b>	<b>173,458</b>		
<b>OPERATING RESERVE</b>									
Administrative	0	\$0	0	\$0	0	\$0	0		
OBMP	0	0	0	0	0	0	0		
<b>Less: Funds On Hand Utilized for Assessments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		
<b>FUNDS REQUIRED TO BE ASSESSED</b>		<b>\$5,616,107</b>	<b>\$3,344,275</b>	<b>\$219,891</b>	<b>\$1,268,871</b>	<b>\$30,060</b>	<b>\$173,458</b>		
Proposed Assessments									
General Administration Assessments	A	Per Acre-Foot	\$6.84	\$39.48	\$6.84	\$39.48	\$6.84	\$39.48	\$39.48
Minimum Assessments		Per Producer	\$5.00				\$5.00		
Prior Year Assessments (Actuals)	B	Per Acre-Foot	\$7.19	\$44.02	\$7.19	\$44.02	\$7.19	\$44.02	\$44.02
	A - B		(\$0.35)	(\$4.54)		(\$4.89)			

**(1) Total costs are allocated to Pools by actual production percentages. Does not include Recharge Debt Payment or Replenishment water purchases.**





# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM

### C. CONDITION SUBSEQUENT NO. 8





# CHINO BASIN WATERMASTER

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

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**KENNETH R. MANNING**  
Chief Executive Officer

## STAFF REPORT

**DATE:** June 17, 2010

**TO:** Advisory Committee Members

**SUBJECT:** Approval of Resolution 10-03 regarding updated Recharge Master Plan in satisfaction of December 21, 2007 Court Order Condition Subsequent Number 8.

### SUMMARY

**Financial Impact** - Adoption of Resolution has no direct fiscal impact. Implementation of projects described in Recharge Master Plan will have impacts as described in the Plan.

### Background

On December 21, 2007, the Court adopted an Order approving the Peace II Measures. This Order required Watermaster to satisfy eight conditions subsequent.<sup>1</sup> To date Watermaster has satisfied the first seven conditions subsequent. Condition subsequent number eight requires:

By July 1, 2010, Watermaster shall prepare and submit to the Court for approval an updated Recharge Master Plan. The updated Recharge Master Plan shall include all elements listed in the Special Referee's Final Report and Recommendations.

Throughout 2009 and 2010, Watermaster, working with IEUA and the Chino Basin Water Conservation District, developed and updated Recharge Master Plan that complies with the Court's direction. As the updated Plan was developed, numerous workshops were held to keep the parties informed of its progress. These workshops culminated in workshops held on April 21, 2010 and May 19, 2010, at which the completed update was presented to the parties.

Attached to this staff report is a table that lists all of the elements contained in the Special Referee's Final Report and Recommendations and indicates how and where they are addressed in the updated Recharge Master Plan.

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<sup>1</sup> The Order also contains a ninth condition subsequent which is a catch-all requirement that Watermaster comply with all commitments made in the Peace II Documents.

Under the Peace II Agreement, both Watermaster and IEUA must approve the updated Recharge Master Plan. Section 8.1 of the Peace II Agreement requires that:

Update to the Recharge Master Plan. Watermaster will update and obtain Court approval of its update to the Recharge Master Plan to address how the Basin will be contemporaneously managed to secure and maintain Hydraulic Control and subsequently operated at a new equilibrium at the conclusion of the period of Re-Operation. The Recharge Master Plan will be jointly approved by IEUA and Watermaster and shall contain recharge estimations and summaries of the projected water supply availability as well as the physical means to accomplish the recharge projections. Specifically, the Plan will reflect an appropriate schedule for planning, design, and physical improvements as may be required to provide reasonable assurance that following the full beneficial use of the groundwater withdrawn in accordance with the Basin Re-Operation and authorized controlled overdraft, that sufficient Replenishment capability exists to meet the reasonable projections of Desalter Replenishment obligations. With the concurrence of IEUA and Watermaster, the Recharge Master Plan will be updated and amended as frequently as necessary with Court approval and not less than every five (5) years.

Watermaster has prepared a draft Resolution that provides context for such approval. It is Watermaster's understanding that IEUA will approve a similar Resolution. In order to coordinate between Watermaster and IEUA, the precise language of the Resolution may be amended prior to Board approval.

Due to its length, a complete copy of the updated Recharge Master Plan is not included in the agenda package, but can be found on the Watermaster's website at [www.cbwm.org](http://www.cbwm.org).

A draft pleading transmitting the updated Recharge Master Plan to the Court will be available at the Advisory Committee meeting.

Staff Recommendation: recommend that the Advisory Committee and Board adopt the draft Resolution.

**Actions:**

**6-03-10 Appropriative Pool** - Approved unanimously as follows: Recommend Watermaster approval of Resolution 10-03 subject to reconsideration if terms and conditions for purchase of water from the Non-Agricultural Pool changes as a result disposition of Paragraph 31 Motion

**6-03-10 Non-Agricultural Pool** – Approved by majority – City of Ontario voted no

**6-10-10 Agricultural Pool** - Approved unanimously

**6-17-10 Advisory Committee**

**6-24-10 Watermaster Board**



**Table \_\_\_\_\_**  
**Comparison of the Court's RMPU Requirements and How That Requirement is Addressed in the RMPU**

Requirement		How Requirement is Met in the RMPU	
		Where in RMPU	Specific Actions
<b>Special Referee's December 21 Report</b>			
1	Baseline conditions must be clearly defined and supported by technical analysis. The baseline definition should encompass factors such as pumping, demand, recharge capacity, total Basin water demand, and availability of replenishment water.	Sections 4, 6 and 7	Section 4 describes total projected water demand and the associated water supply plans based on projections by IEUA and the Watermaster. Section 6 describes the supplemental water recharge capacity and the availability of supplemental water for replenishment and in particular reviews the ability to acquire water for replenishment from Metropolitan. Section 7 contains specific recommendations in the acquisition of supplemental water through the next recharge master plan update.
2	Safe Yield should be estimated annually, though it is recognized that it is not to be formally recalculated until 2011. Watermaster should develop a technically defensible approach to estimating Safe Yield annually.	Sections 3 and 7	Section 3 describes the computation of safe yield and presents a recommended method to compute safe yield during 2010-11 and subsequent years. Watermaster will likely use its discretion to determine when to recompute safe yield after 2010-11.
3	Measures should be evaluated to lessen or stop the projected Safe Yield decline. All practical measures should be evaluated in terms of their potential benefits and feasibility.	Section 3, 5 and 7	Section 3 describes the causes of a declining safe yield and suggest that the safe yield could drop from the current value of 140,000 acre-ft/yr to 129,000 acre-ft/yr by 2030. Section 3 also describes the expected increase in safe yield of 5,300 acre-ft/yr to 10,500 acre-ft/yr due to compliance with the 2010 MS4 permits. Section 5 includes descriptions of new stormwater recharge projects that could yield between 10,000 to 15, 000 acre-ft/yr. Most of the projects described in Section 5 will require more detailed planning and new agreements with the Counties to determine their ultimate feasibility. Section 7 summarizes the next steps in the implementation of the MS4 and new stormwater recharge projects.
5	Total demand for groundwater should be forecast for 2015, 2020, 2025, and 2030. The availability of imported water for supply and replenishment, and the availability of recycled water should be forecast on the same schedule. The schedules should be refined in each Recharge Master Plan update. Projections should be supported by thorough technical analysis.	Sections 4 and 6	Section 4 contains the demand for groundwater forecasted for 2010, 2015, 2020, 2025, 2030 and 2035. Section 6 describes the availability of imported water for supply and replenishment is forecasted through 2030 based on the draft 2009 SWP Delivery Reliability Report (DWR, 2010).
6	The Recharge Master Plan must include a detailed technical comparison of current and projected groundwater recharge capabilities and current and projected demands for groundwater. The Recharge Master Plan should provide guidance as to what should be done if recharge capacity cannot meet or is projected not to be able to meet replenishment needs. This guidance should detail how Watermaster will provide sufficient recharge capacity or undertake alternative measures so that Basin operation in accordance with the Judgment and the Physical Solution can be resumed at any time.	Section 6	Section 6 describes the recharge capacity of existing spreading basins, existing ASR wells, future ASR wells and existing in-lieu recharge capacity. Section 6 concludes that the Watermaster, given present knowledge and agreements, will not be replenishment constrained by the capacity. That is, Watermaster has enough installed recharge capacity to meet current and future replenishment obligations.
8	Contain recharge estimations and summaries of the projected water supply availability as well as the physical means to accomplish the recharge projections.	Sections 3, 4, 5 and 6	Section 3 contains recharge projections for stormwater for existing facilities and new recharge from the 2010 MS4 permit. Section 4 contains a schedule of the future recharge requirements for Watermaster to meet its replenishment obligations. Section 5 contains descriptions of new recharge projects, recharge performance, cost and implementation issues. Section 6 describes supplemental water supplies available to Watermaster to meet its replenishment obligation and new supplemental water recharge projects that could be implemented to provide Watermaster additional recharge capacity and flexibility in meeting its replenishment obligation.
9	Reflect an appropriate schedule for planning, design, and physical improvements as may be required to provide reasonable assurance that sufficient Replenishment capacity exists to meet the reasonable projections of Desalter Replenishment obligations following the implementation of Basin Re-Operation.	Section 7	Section 7 describes the recommended recharge master plan. This section describes the means to stop abate the projected loss of safe yield, increase stormwater recharge, and acquire supplemental water for replenishment purposes. No new recharge facilities are required to meet replenishment obligations. Detailed scheduling of new stormwater recharge facilities should be deferred until additional planning information is developed to refine these projects. The decision to acquire new supplemental water sources should be deferred until updated groundwater production projections become available in late 2011. The RMPU should be updated in the second half of 2011.

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**Resolution Number 10-03  
of the Chino Basin Watermaster  
Regarding Ongoing Support for the Chino Basin Recharge Master Plan**

Whereas, in 2000, the Chino Basin Watermaster adopted a Recharge Master Plan which established the technical foundation for the development of the recharge facilities and practices in the Chino Basin.

Whereas, in 2001, Watermaster, in cooperation with the Inland Empire Utilities Agency (“IEUA”), initiated the Chino Basin Facilities Improvement Project (“CBFIP”) which implemented facilities recommendations in the Recharge Master Plan.

Whereas, in 2006, Watermaster, in cooperation with IEUA, initiated Phase II of the CBFIP in order to implement additional facilities recommendations in the Recharge Master Plan.

Whereas, on December 21, 2007, the Court approved the Peace II Measures which set forth a modified approach to management of the Chino Basin known as Basin Re-Operation whose ultimate goal is the achievement of Hydraulic Control.

Whereas, as a condition of approval of Basin Re-Operation and Hydraulic Control, the Court required Watermaster to update the Recharge Master Plan to account for the new Basin management regime and to account for other changes that have occurred since the creation of the original Recharge Master Plan.

Whereas, during 2009 and 2010, Watermaster staff and technical consultants, in cooperation with IEUA and the Chino Basin Water Conservation District, have developed an updated Recharge Master Plan and have conducted numerous workshops with the Chino Basin stakeholders as the update was developed.

On the basis of the foregoing, the Chino Basin Watermaster finds and resolves that:

1. The updated Recharge Master Plan is based on sound technical analysis and adequately updates the 2000 Recharge Master Plan in light of Basin Re-Operation and Hydraulic Control and in light of changed economic and hydrologic conditions within the State of California.
2. Watermaster adopts the updated Recharge Master Plan as the guidance document for the further development of the recharge facilities for the Chino Basin.
3. Pursuant to the Peace II Agreement section 8.1, Watermaster and IEUA will update this plan not less than once every five years. In particular, the Plan will be updated following the completion of the parties’ Urban Water Management Plans by June 30, 2011.

**APPROVED** by the Advisory Committee this 17<sup>th</sup> day of June 2010.

**ADOPTED** by the Watermaster Board on this 24<sup>th</sup> day of June 2010.



By: \_\_\_\_\_  
Chairman, Watermaster Board

APPROVED:

\_\_\_\_\_  
Chairman, Advisory Committee

ATTEST:

\_\_\_\_\_  
Board Secretary  
Chino Basin Watermaster

STATE OF CALIFORNIA            )  
  ) ss  
COUNTY OF SAN BERNARDINO    )

I, Ken Manning, Secretary of the Chino Basin Watermaster, DO HEREBY CERTIFY that the foregoing Revised Resolution being No. 10-03, was adopted at a regular meeting of the Chino Basin Watermaster Board by the following vote:

AYES:            0  
NOES:            0  
ABSENT:          0  
ABSTAIN:        0

CHINO BASIN WATERMASTER

\_\_\_\_\_  
Secretary



# CHINO BASIN WATERMASTER

## III. REPORTS / UPDATES

### C. INLAND EMPIRE UTILITIES AGENCY

7. Imported Water Recharge
8. Monthly Water Use Report
9. State and Federal Legislative Reports
10. Community Outreach/Public Relations Report



**CHINO BASIN WATERMASTER**

**ADVISORY COMMITTEE**

**June 17, 2010**

**AGENDA**

**INTERAGENCY WATER MANAGER'S REPORT**

**Chino Basin Watermaster**

**9641 San Bernardino Road**

**Rancho Cucamonga, CA 91730**

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**Discussion Items:**

- MWD Water Rates and Budget Update – oral
- State Water Project Allocation Update – oral
- DYY Third Call Year - oral
- MWD WSAP Second Allocation Year – oral
- Prop 84 Funding – oral
- Peace II SEIR Schedule – oral
- Imported Water Recharge - oral

**Written Items:**

- Monthly Water Use Report
- State and Federal Legislative Reports
- Community Outreach/Public Relations Report

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## IEUA Monthly Water Use Report – June 2010

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

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

**DRY YEAR YIELD PARTICIPANTS SUCCESSFULLY COMPLETE  
SECOND YEAR OF PROGRAM!**

### Imported Water Deliveries

For the month of April, IEUA purchased 4,671 acre feet (AF) of Tier I water, of which 2,433 AF was through OC-59 for replenishment purposes. This gives IEUA a total of 12,574 AF purchased in calendar year 2010. IEUA is approximately 10% under the expected deliveries, through May, for MWD's Water Supply Allocation Plan.

### Dry Year Yield (DYY) Program

IEUA received a letter from MWD calling on a third consecutive DYY year, beginning May 1. There will only be a partial call because the current storage balance is only 17,200 AF.

### Recycled Water Program

During the month of May, IEUA sold approximately 2,200 AF (1,000 AF = direct sales, 1,200 AF = recharge). As of May 2010, IEUA has

connected 32,350 AF of recycled water demand. IEUA is implementing a 3-Year Business Plan that will increase recycled water connected capacity to 50,000 AFY by 2010.

Chino Desalter Authority (CDA)

For the month of May, the two desalters produced 2,247 AF of water (of which 1,301 AF was delivered to IEUA retail agencies). The current production capacity is 24,600 AFY, and it is scheduled to be expanded to approximately 40,000 AFY by 2014, with the implementation of CDA Phase III.

Groundwater Recharge Program

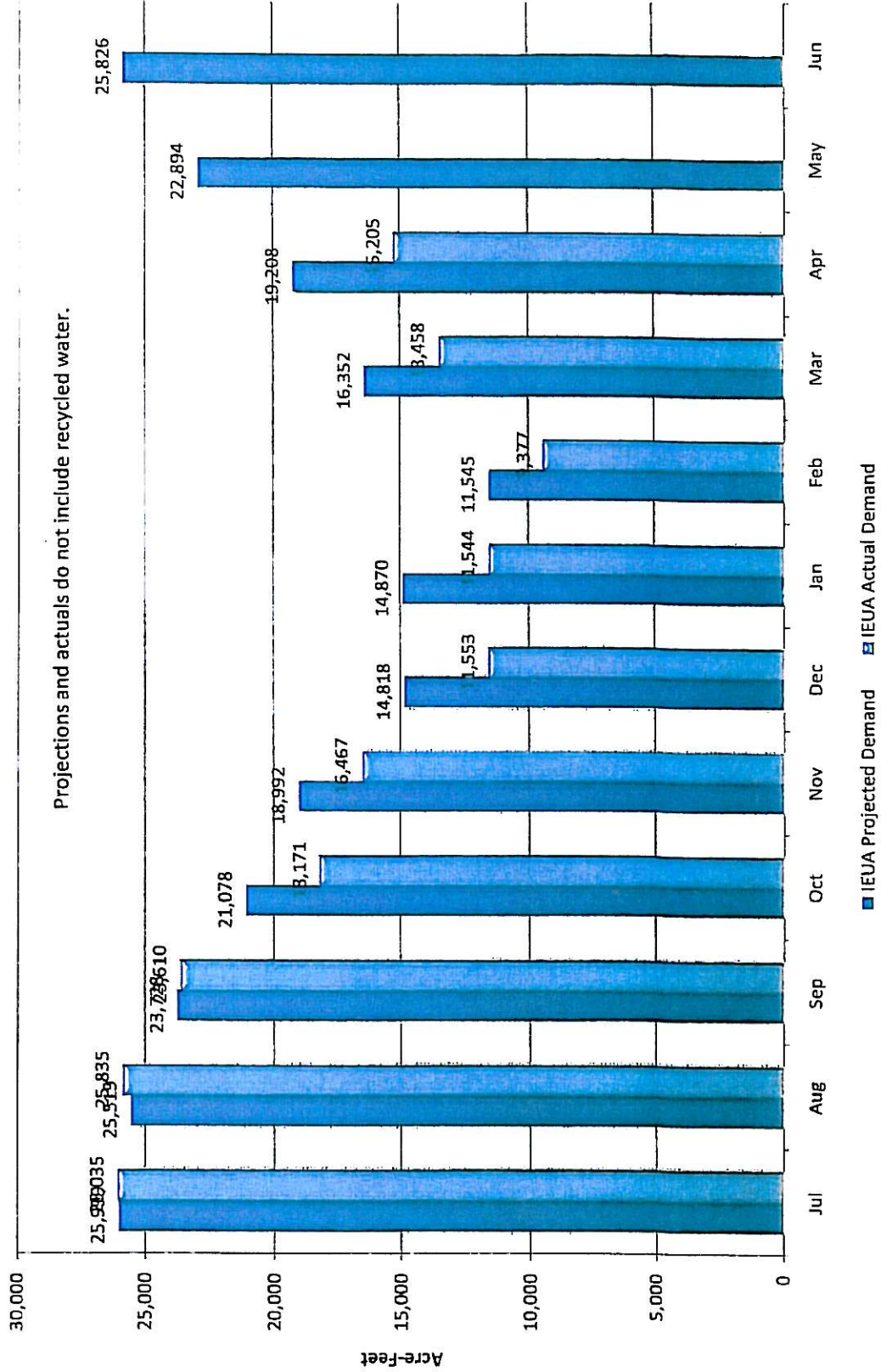
In May 2010, IEUA recharged 3,797 AF of water (1,185 AF of recycled water, 2,433 of imported water and 179 AF of stormwater).

Attachments

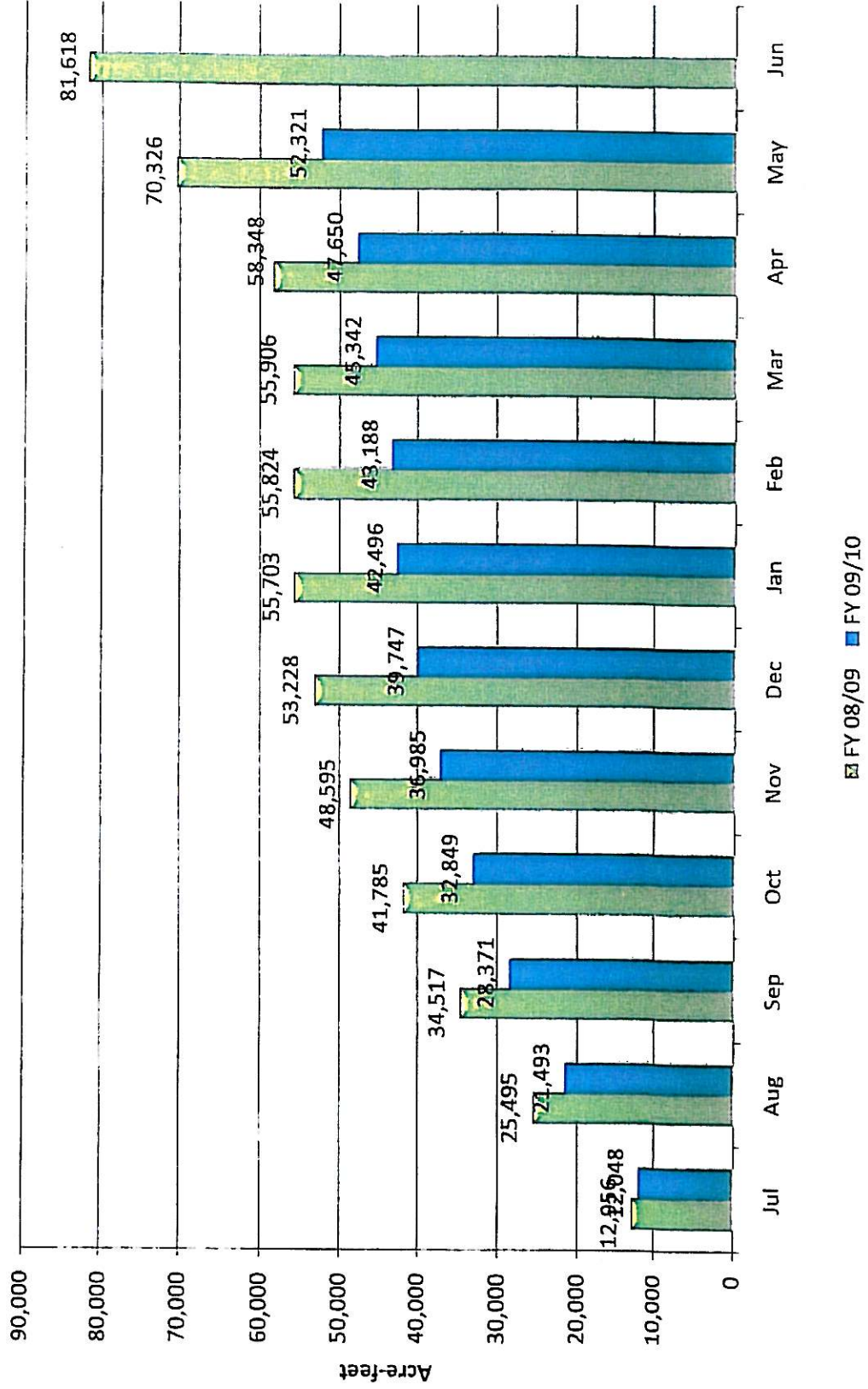
- Attachment 1 – IEUA Projected Demand vs Actual Demand (Thru March) (Graph)
- Attachment 2 – IEUA Cumulative Full Service Imported Water Deliveries & Dry Year Yield (Graph)
- Attachment 3 – IEUA Cumulative Full Service Imported Water Deliveries & Dry Year Yield (Graph)
- Attachment 4 – WFA Cumulative Full Service Imported Water Deliveries & Dry Year Yield (Graph)
- Attachment 5 – WFA Projected Demand vs Actual Demand (Thru March) (Graph)
- Attachment 6 – CVWD Cumulative Full Service Imported Water Deliveries & Dry Year Yield (Graph)
- Attachment 7 – CVWD Projected Demand vs Actual Demand (Thru March) (Graph)
- Attachment 8 – FWC Cumulative Full Service Imported Water Deliveries (Graph)
- Attachment 9 – FWC Projected Demand vs Actual Demand (Thru March) (Graph)
- Attachment 10 – SAWCO Projected Demand vs Actual Demand (Thru March) (Graph)
- Attachment 11 – IEUA Imported Water Sales (Table)



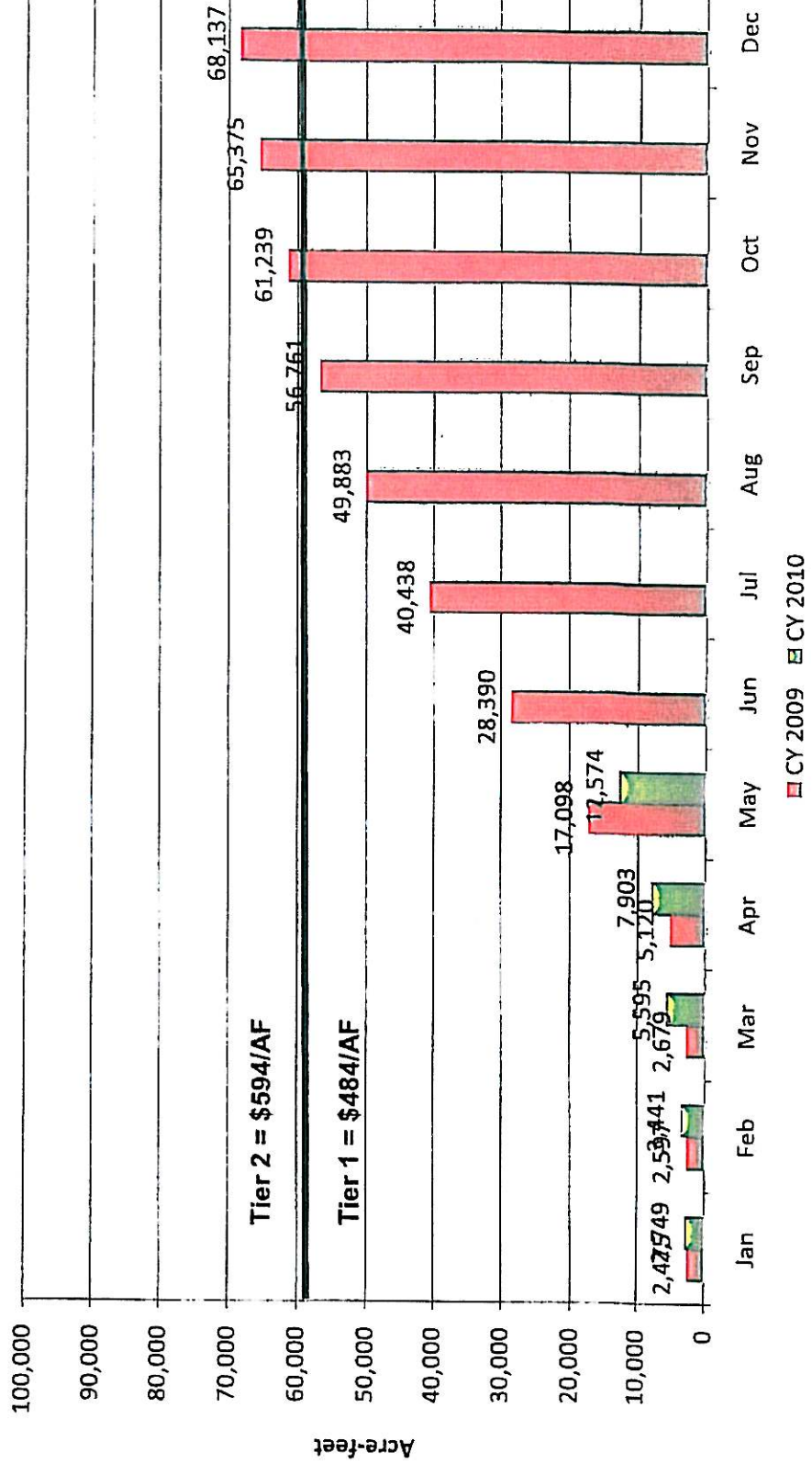
# Attachment 1 IEUA Projected Demands vs Actual Demands (thru April 2010)



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

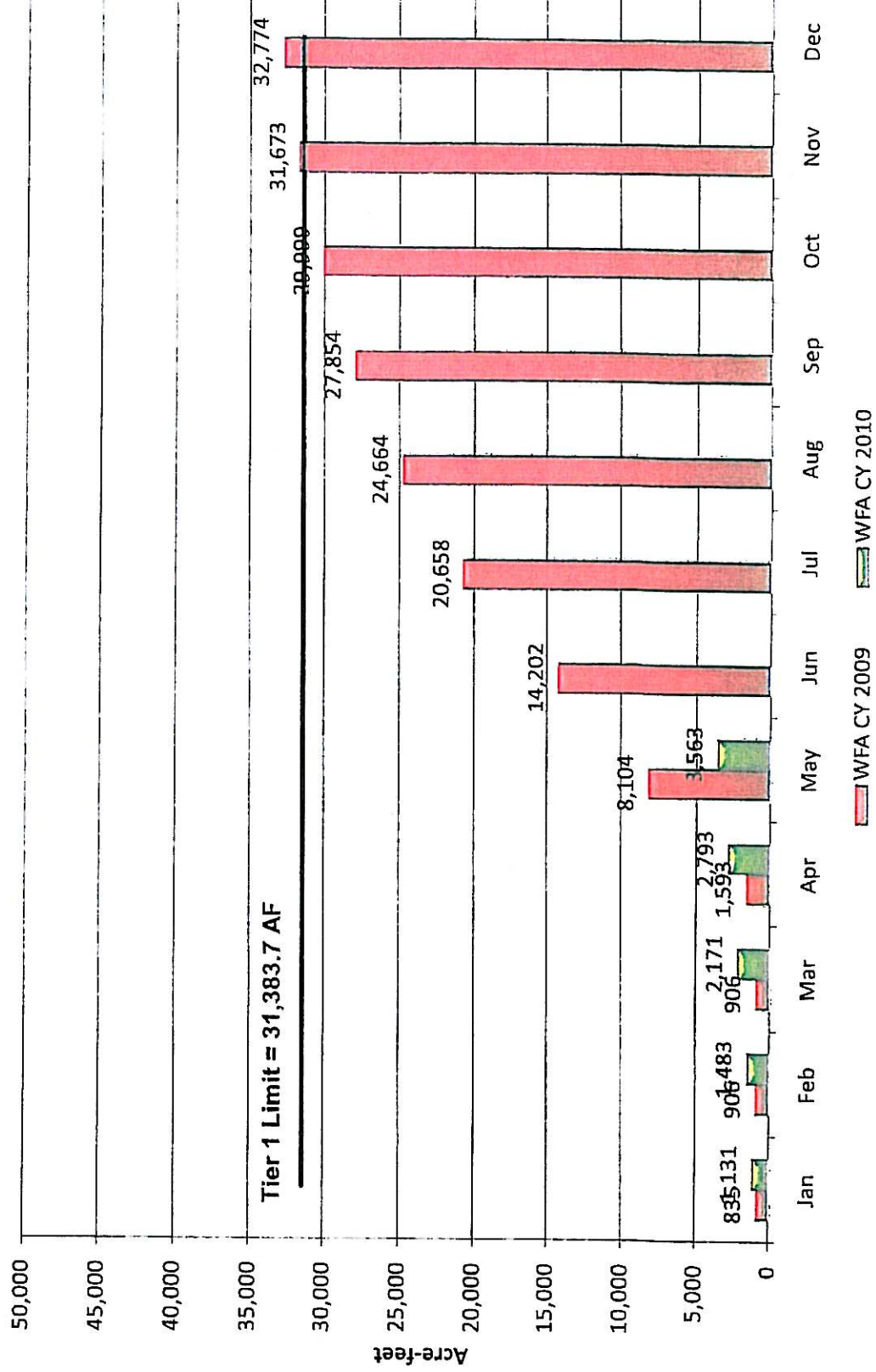


### Attachment 3 IEUA Cumulative Full Service Imported Water Deliveries & Dry Year Yield

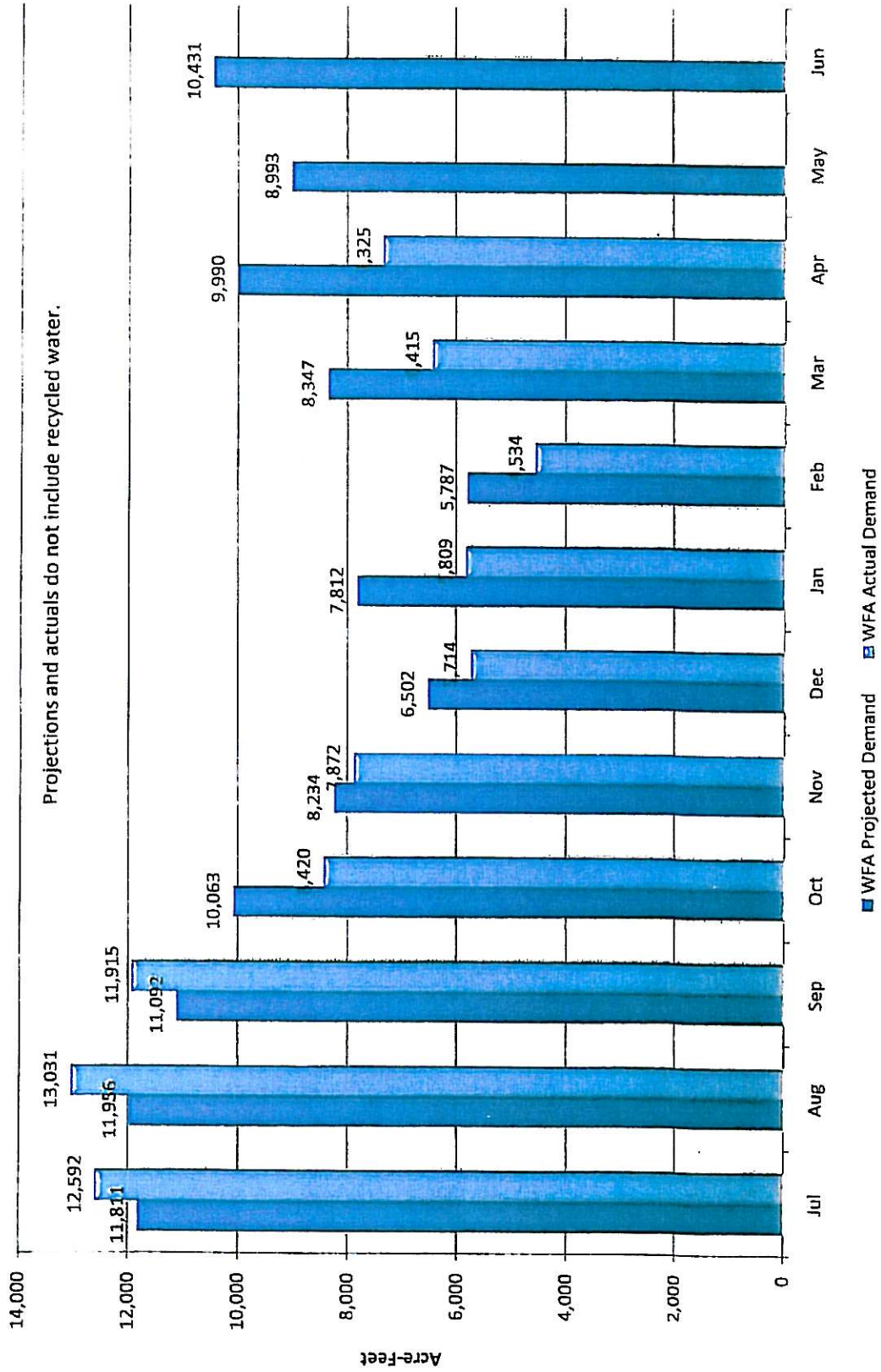




### Attachment 4 WFA Cumulative Full Service Imported Water Deliveries & Dry Year Yield

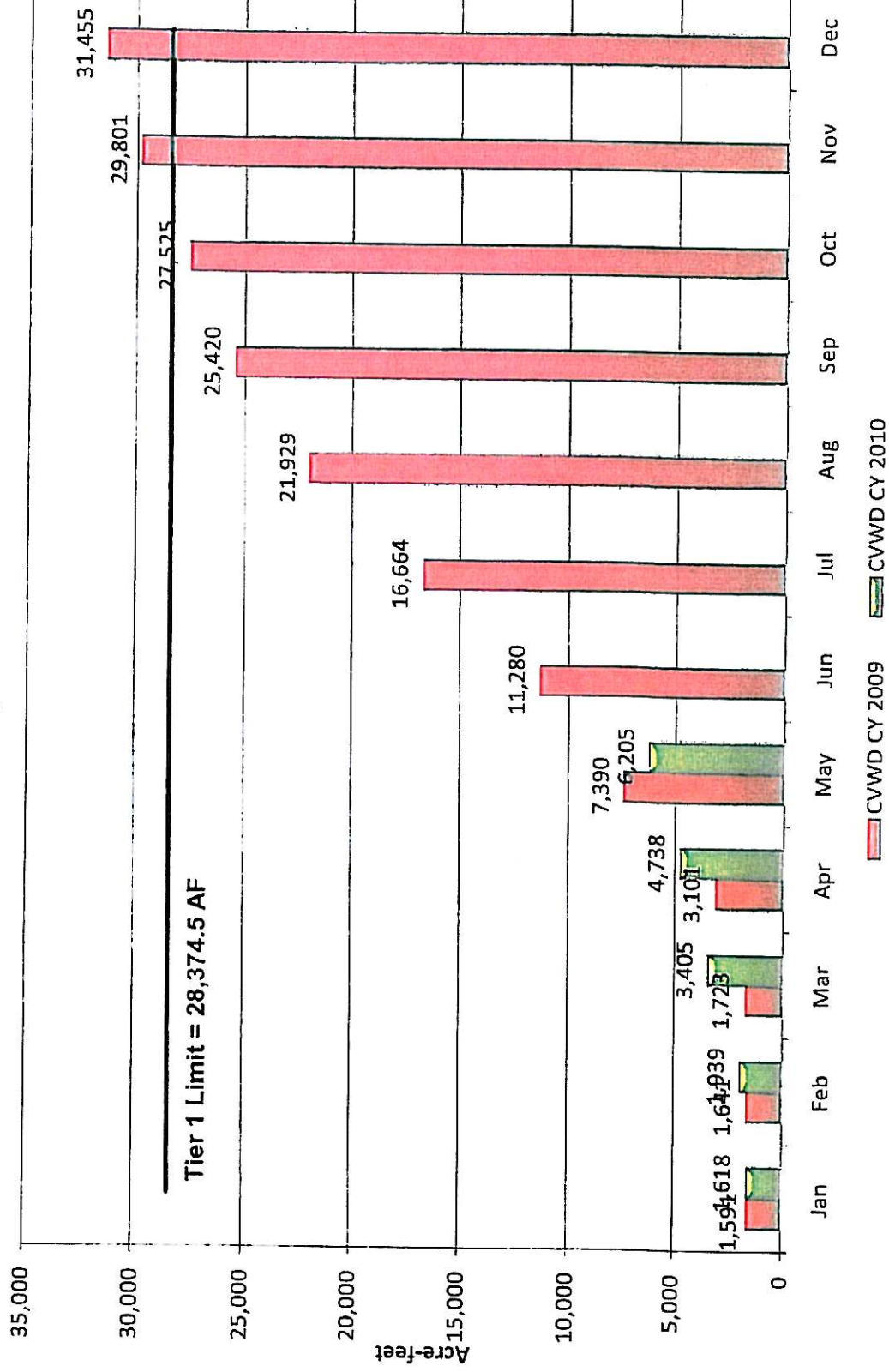


# Attachment 5 WFA Projected Demands vs Actual Demands (thru April 2010)

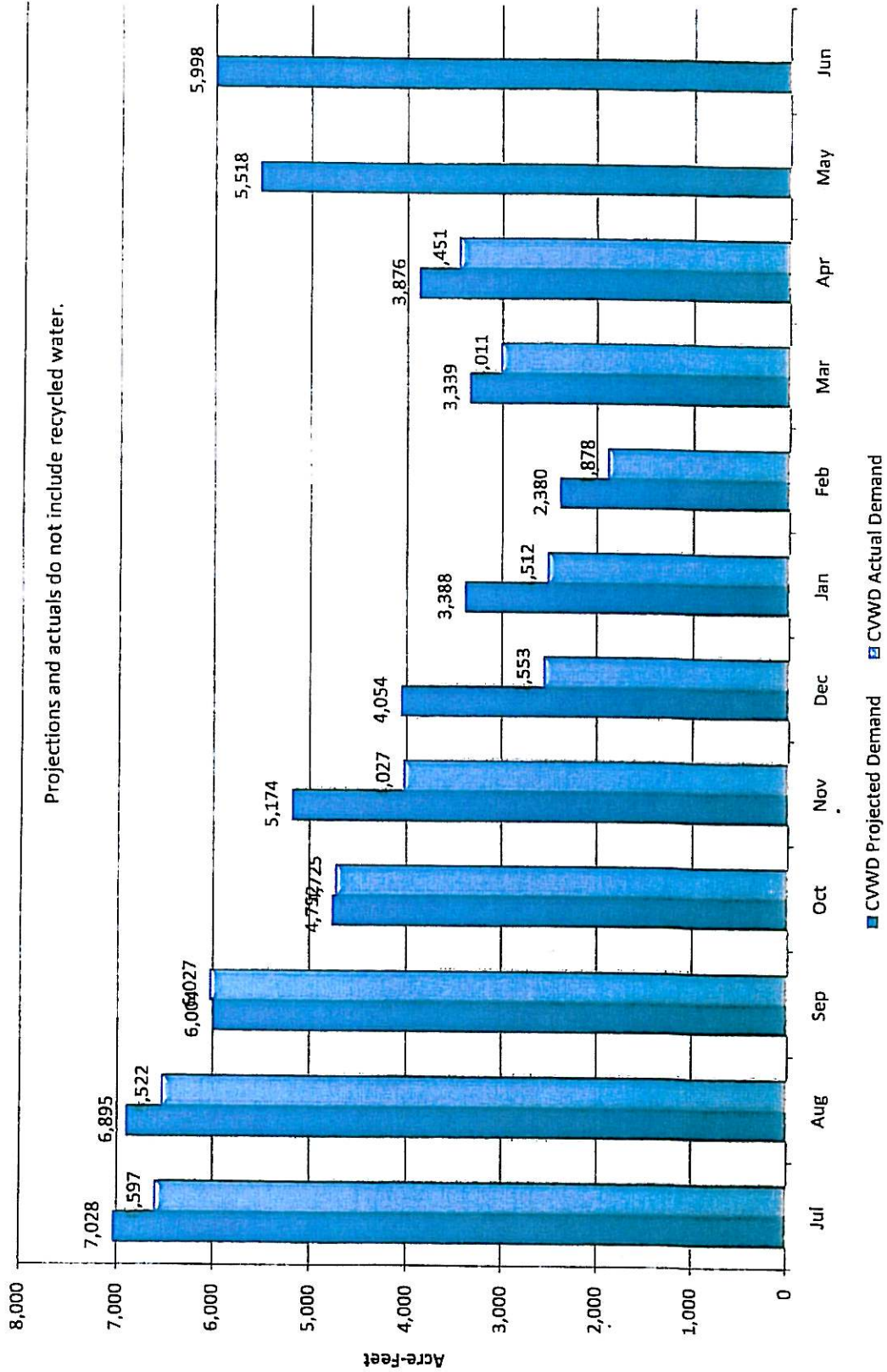




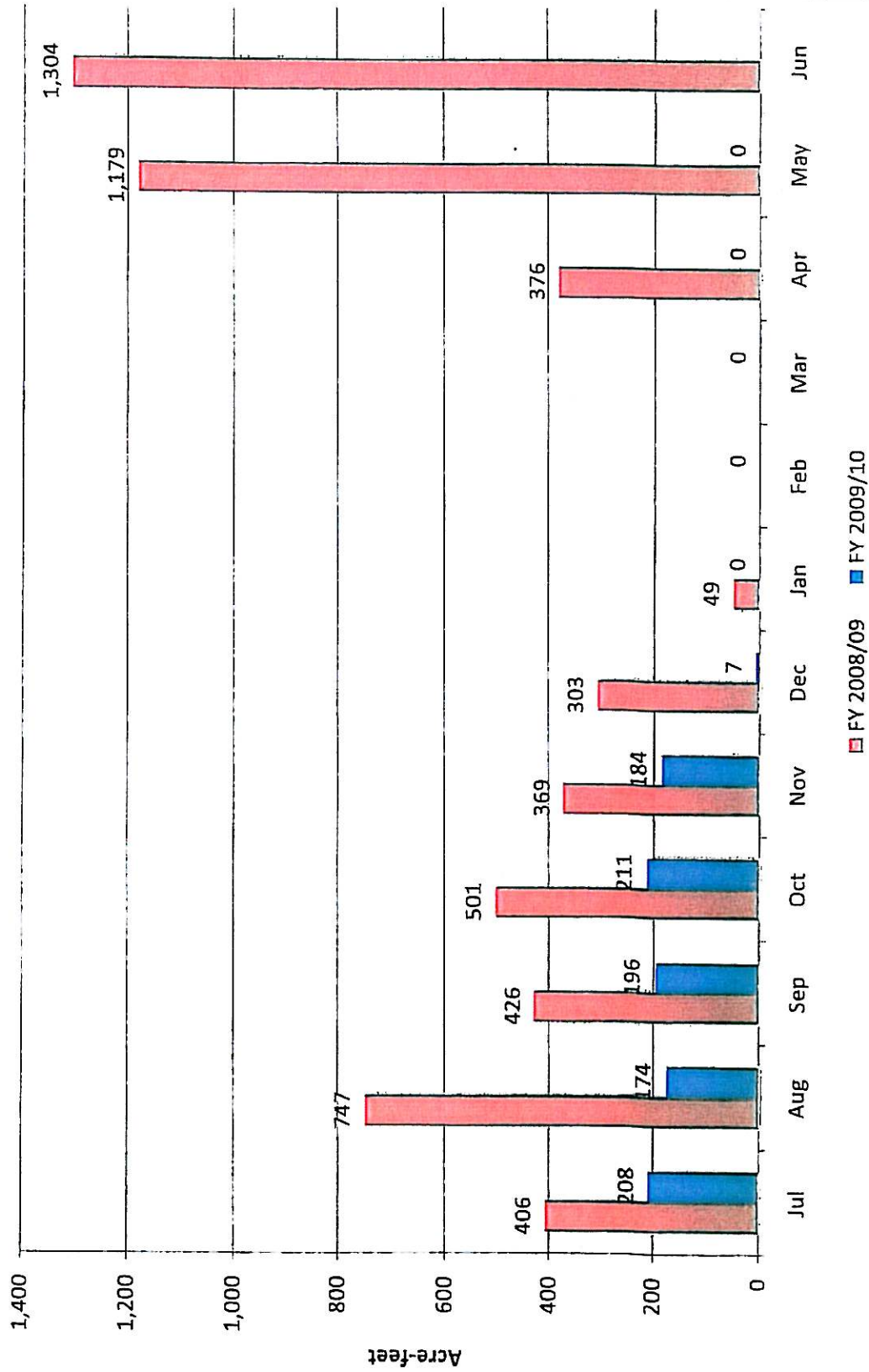
## Attachment 6 CVWD Cumulative Full Service Imported Water Deliveries & Dry Year Yield



# Attachment 7 CVWD Projected Demands vs Actual Demands (thru April 2010)

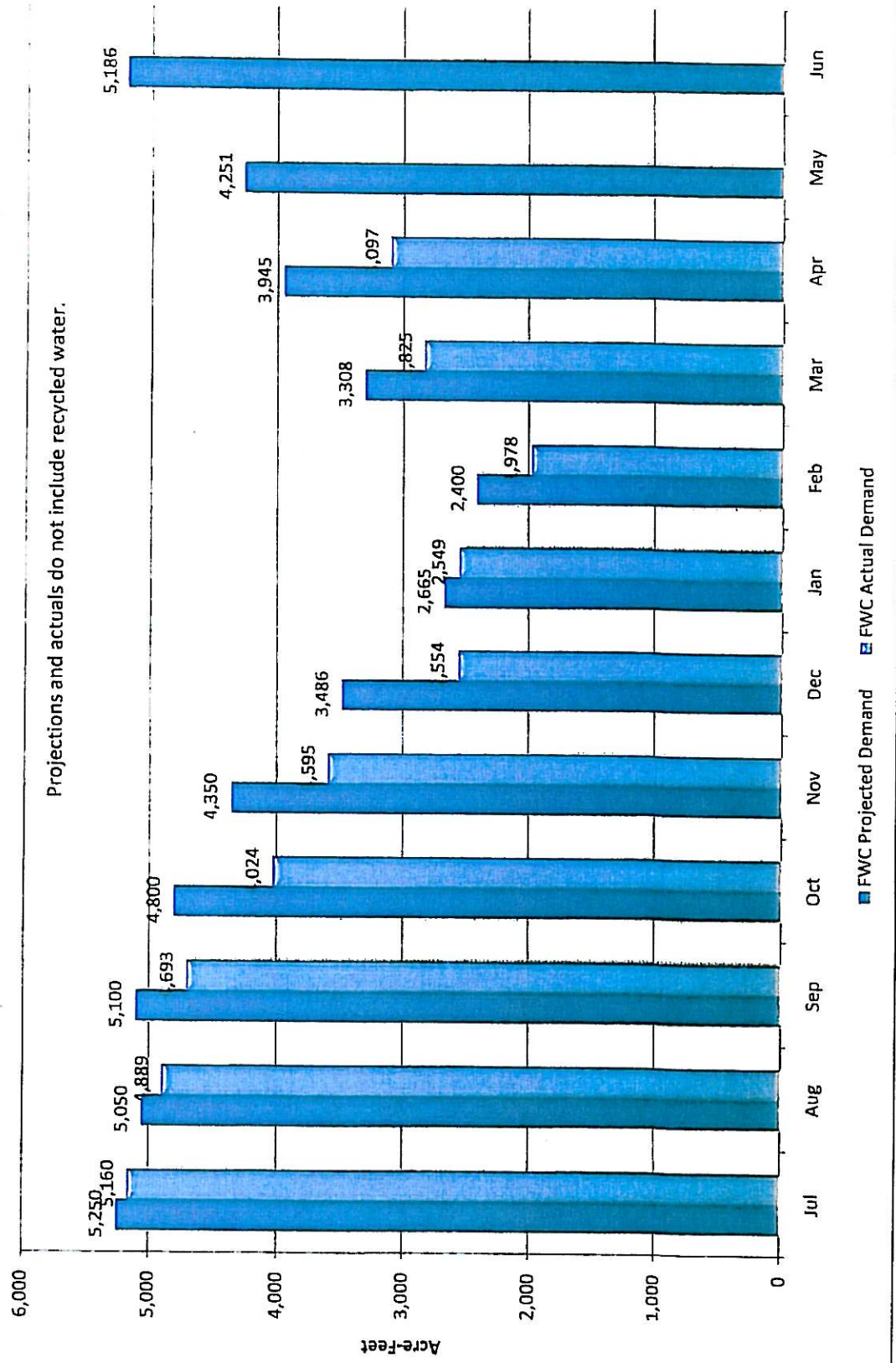


## Attachment 8 FWC Monthly Full Service Imported Water Deliveries

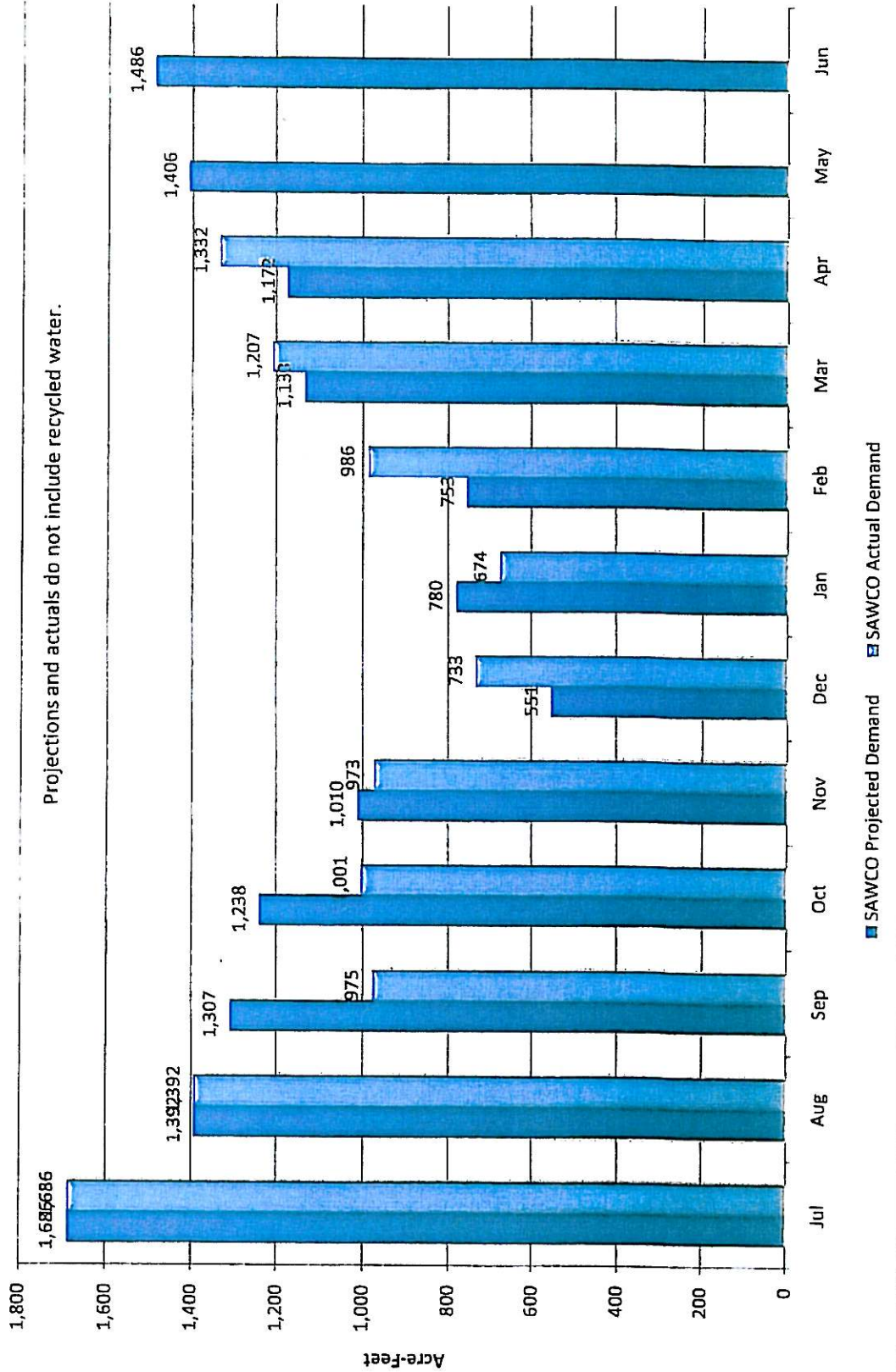




# Attachment 9 FWC Projected Demands vs Actual Demands (thru April 2010)



# Attachment 10 SAWCO Projected Demands vs Actual Demands (thru April 2010)





**Attachement 11**  
**Inland Empire Utilities Agency Imported Water Sales**

2008 Imported Water Sales	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
<b>Water Facilities Authority</b>													
Direct Deliveries	2,333	1,282	2,555	3,088	1,332	1,682	2,730	3,450	2,913	2,836	1,444	1,060	26,705
Dry Year Yield					1,438	4,008	4,214	2,686	3,156	1,255	911	892	18,560
Sub-Total	2,333	1,282	2,555	3,088	2,770	5,690	6,944	6,136	6,069	4,091	2,356	1,952	45,265
<b>Cucamonga Valley Water District</b>													
Direct Deliveries	1,297	947	2,189	2,883	2,988	3,046	3,074	3,129	2,857	2,741	2,182	1,213	28,546
Dry Year Yield					1,603	2,016	2,532	2,527	0	44	1,499	1,131	11,352
Sub-Total	1,297	947	2,189	2,883	4,591	5,062	5,606	5,656	2,857	2,785	3,681	2,344	39,898
<b>Fontana Water Company</b>													
Direct Deliveries	0	0	0	0	0	15	406	747	426	501	369	303	2,767
Sub-Total	0	0	0	0	0	15	406	747	426	501	369	303	2,767
<b>Inland Empire Utilities Agency</b>													
Direct Deliveries	3,631	2,229	4,744	5,971	4,320	4,743	6,210	7,326	6,196	6,078	3,995	2,576	58,018
Dry Year Yield	0	0	0	0	3,041	6,024	6,746	5,213	3,156	1,299	2,410	2,023	29,912
TOTAL	3,631	2,229	4,744	5,971	7,360	10,767	12,956	12,539	9,352	7,377	6,406	4,599	87,930

2009 Imported Water Sales	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
<b>Water Facilities Authority</b>													
Direct Deliveries	312	0	0	687	844	660	1,868	2,184	2,414	1,493	1,111	913	12,486
Dry Year Yield	522	71	0	0	5,667	5,438	4,588	1,822	776	653	563	188	20,287
Sub-Total	834	71	0	687	6,511	6,098	6,456	4,006	3,190	2,146	1,674	1,101	32,773
<b>Cucamonga Valley Water District</b>													
Direct Deliveries	1,591	50	82	1,378	1,635	1,535	2,728	2,608	2,460	2,105	2,276	1,654	20,101
Dry Year Yield	0	0	0	0	2,654	2,355	0	2,657	1,032	0	2,656		11,354
Sub-Total	1,591	50	82	1,378	4,289	3,890	2,728	5,265	3,492	2,105	4,932	1,654	31,455
<b>Fontana Water Company</b>													
Direct Deliveries	49	0	0	376	1,179	1,304	208	174	196	211	184	7	3,888
Sub-Total	49	0	0	376	1,179	1,304	208	174	196	211	184	7	3,888
<b>Chino Basin Watermaster</b>													
Replenishment	0	0	0	0	0	0	0	0	0	17	3	0	20
Sub-Total	0	0	0	0	0	0	0	0	0	17	3	0	20
<b>Inland Empire Utilities Agency</b>													
Direct Deliveries	1,952	50	82	2,441	3,658	3,499	4,804	4,966	5,069	3,808	3,570	2,574	36,475
Dry Year Yield	522	71	0	0	8,321	7,793	4,588	4,479	1,808	653	3,219	188	31,641
Replenishment	0	0	0	0	0	0	0	0	0	17	3	0	20
TOTAL	2,474	121	82	2,441	11,978	11,292	9,392	9,445	6,877	4,479	6,792	2,762	68,136

2010 Imported Water Sales	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
<b>Water Facilities Authority</b>													
Direct Deliveries	1,131	352	688	622	770								3,563
Dry Year Yield													0
Sub-Total	1,131	352	688	622	770	0	0	0	0	0	0	0	3,563
<b>Cucamonga Valley Water District</b>													
Direct Deliveries	1,618	321	1,466	1,333	1,468								6,205
Dry Year Yield													0
Sub-Total	1,618	321	1,466	1,333	1,468	0	0	0	0	0	0	0	6,205
<b>Fontana Water Company</b>													
Direct Deliveries	0	0	0	0	0								0
Sub-Total	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Chino Basin Watermaster</b>													
Replenishment	0	7	0	366	2,433								2,806
Sub-Total	0	7	0	366	2,433	0	0	0	0	0	0	0	2,806
<b>Inland Empire Utilities Agency</b>													
Direct Deliveries	2,749	673	2,154	1,954	2,238	0	0	0	0	0	0	0	9,768
Dry Year Yield	0	0	0	0	0	0	0	0	0	0	0	0	0
Replenishment	0	7	0	366	2,433	0	0	0	0	0	0	0	2,806
TOTAL	2,749	680	2,154	2,320	4,671	0	0	0	0	0	0	0	12,574

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Date: June 16, 2010  
To: The Honorable Board of Directors  
Through: Public, Legislative Affairs, and Water Resources Committee (06/09/10)  
From: Thomas A. Love  
Interim Chief Executive Officer/General Manager  
Submitted by: Martha Davis  
Executive Manager of Policy Development  
Subject: May Legislative Report from Geyer and Associates

---

**RECOMMENDATION**

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

**BACKGROUND**

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

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

None.

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Enclosure

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**MEMORANDUM**

TO: Tom Love and Martha Davis  
 FROM: Bill Geyer  
 DATE: May 26, 2010  
 RE: May Legislative Report

**May Revise**

This month the Governor released the May Revise update to his budget plan which reflects the latest estimate of California's budget deficit. The May Revision recasts the budget problem at \$19.1 billion. Big program cuts and eliminations in the May Revise include:

- Major cuts to K-12 per-pupil spending.
- Elimination of CalWORKs (welfare) and General Fund support for child care and development programs.
- Shifts state funding away from county mental health programs to instead fund county food stamp programs.

**Water and Environment Highlights**

The May Revise proposes to begin expenditure of the 2010 Water Bond (Safe, Clean and Reliable Drinking Water Supply Act of 2010) in 2010-2011 and 2011-2012 budgets if the Bond is approved by the voters in November. This is the first time a Governor has proposed to appropriate bond funds before they have been passed by the voters. In total, the Governor is requesting over \$1.822 billion in appropriations over two fiscal years for from the 2010 Water Bond as follows:

Bond Section	2010-11	2011-12
DWR: Drought Relief Grants	145	112.9
DPH: Safe Drinking Water State Revolving Fund		12.3
DPH: City of Maywood		7.3
SWRCB: Small Community Wastewater	68.7	
DWR: IRWM	12	28
DWR: Conveyance Projects	20.4	0.7
DFG: Delta Ecosystem Restoration Projects	72.4	122
Agency: Red Bluff Diversion Dam	57.9	
DPH: Groundwater Projects and emergency grants	103.5	194
DWR: Recycling and Conservation*	295	45
SWRCB: Water Recycling	350.2	175
<b>TOTAL</b>	<b>\$1,125.1</b>	<b>\$697.2</b>

## Inland Empire Utilities Agency

May 26, 2010

### Positions

<p>AB 1594 (Huber) co-authors Chesbro, Fong, Gaines, Torlakson and Yamada</p> <p>(amended 4-15)</p>	<p>AB 1594 prohibits the construction of the Delta conveyance facility, unless expressly authorized by the Legislature. It requires the Legislative Analysts Office (LAO) to prepare an economic analysis of the peripheral canal that includes 1) the total cost of the construction project, 2) expected impacts of the construction program on the taxpayers, water ratepayers and the General Fund.</p> <p>It also requires that the construction and operation of a Delta conveyance facility not diminish or negatively affect water supplies, water rights or water quality for "water users within the Delta watershed."</p> <p>IEUA and MWD jointly met with AWPW members to oppose the bill.</p> <p><b>Opposed</b></p>	<p>AWPW</p> <p>Failed Passage on 4/27</p>
<p>AB 1793 (Saldana) Turf</p> <p>(amended 4-20)</p>	<p>Prohibits common interest developments from prohibiting the installation of artificial turf.</p> <p>Sponsored by San Diego County Water Authority</p> <p><b>Support</b></p>	<p>Senate Transport. And Housing</p> <p>6-15</p>
<p>AB 1975 (Fong) Water meters</p> <p>(Amended 4-29)</p>	<p>States that each water purveyor that delivers water service to a multiunit residential structure, or a mixed use residential and commercial structure for which the first occupancy permit for a newly constructed building is issued on or after Jan. 1, 2012, shall require the installation of a water meter or submeter to measure water supplied in each individual dwelling as a condition of new water service. Requires that the owner of the buildings charge the occupants for water and sewer service based on the actual volume of water delivered to the unit as measured by the meter or submeter. Allows the building owner to charge an administrative fee for reading the meters and billing, not to exceed \$4 per meter. Allows the owner to charge up at a \$10 late fee.</p> <p>Does not apply to structures that are four stories high and for which the owner can demonstrate to the water purveyor that the structure's plumbing configuration makes</p>	<p>Assembly Approp.</p> <p>5-28</p>

	<p>submeters infeasible. Sierra Club Sponsor.</p> <p>MWD is seeking amendments to ensure that the water purveyors do not have to pay for the submeters. Other entities have requested that the author require the retail agencies to be the point of collection.</p> <p><b>Support</b> (specifying that retail agencies will not pay for submeters or become the point of collection.)</p>	
<p>AB 1834 (Solorio) Rainwater Capture  (amended 3-25)</p>	<p>Establishes the Rainwater Capture Act of 2010 recognizing rainwater captured from impervious surfaces could contribute to local water supplies.</p> <p>Allows landowners to install, maintain, and operate systems to capture rainwater from impervious surfaces on their own property.</p> <p>Requires landowners to comply with a local agency's program to promote rainwater or stormwater capture, if such a program exists.</p> <p>Allows property owners to finance a rainwater recapture system through a voluntary contractual assessment on their own property.</p> <p>Initiates a stakeholder process, led by the State Water Resources Control Board, to develop guidelines to address legal and policy issues arising out of stormwater and rainwater recapture</p> <p>Amendments to expand SWRCB stakeholder process to include stormwater. Will define "stormwater" to be consistent with the federal definition. Will specify that the program does not impose any duty on local agencies to oversee rainwater capture.</p> <p><b>Support as proposed to be amended</b></p>	<p>Approps. Suspense  5-28</p>
<p>AB 2182 (Huffman) Sewer Lateral Lines  (amended 4-05)</p>	<p>Expands the AB 811 program authorization, which finances the installation of energy and water saving improvements. to allow public agencies to enter into contractual assessments to include onsite sewer improvements. Sponsored by IRWD.</p> <p><b>Support</b></p>	<p>Senate Local Gov.  6-9</p>
<p>AB 2304</p>	<p>Requires public water agencies to provide cities and</p>	<p>Assembly</p>

<p>(Huffman) Groundwater  (amended 5-3)</p>	<p>counties, when updating their General Plans, a description of "prime recharge areas" as defined below, <u>and</u> to identify any potential threats to those areas that have been indentified in a Groundwater Management Plan or by a watermaster pursuant to a court order.</p> <p>Specifies that the local agency shall consider this information when developing the open space element of a general plan and future land use and zoning decisions.</p> <p>Defines "Prime recharge area" to means an area in which the surface topography, subsurface geologic composition and structures, and rates of water infiltration render the area a principal contributor to the replenishment of the groundwater basin, either under natural conditions, artificially augmented groundwater recharge, or both.</p> <p>Requires that a Groundwater Management Plan include a map of the prime recharge areas and include potential threats to those areas. It also requires that the plan be updated every five years. With the passage of SBX7 6 from last fall, a local agency can not receive state groundwater funding unless it has prepared a Groundwater Management Plan. Adjudicated basins are exempted from this requirement.</p> <p>California Groundwater Coalition is the sponsor. CBIA is opposed.</p> <p><b>Support</b></p>	<p>Third Reading</p>
<p>AB 2583 (Hall) Safer Technology  (amended 4-22)</p>	<p>This bill would require Cal Emergency Management Agency by January 1, 2013, to adopt regulations to require a public water system or wastewater treatment plant that is required to prepare and submit an risk management plan (RMP) to additionally consider the use of safer technologies by the public water system or wastewater treatment plant in that RMP. The bill will require the wastewater treatment plant to utilize raw material chemical products derived from "safer technology" when commercially available and when considered safer and better for the environment.</p> <p>ACWA and MWD opposed.</p> <p><b>Oppose</b></p>	<p>Approps. Suspense  5-28</p>
<p>SB 1173 (Wolk)</p>	<p>Makes it easier in SWRCB proceeding to force an entity to use recycled water, in lieu of potable water, when it is</p>	<p>Senate Approps.</p>

Recycled Water (amended 3-24)	available and affordable. WaterReuse in support.  <b>Support</b>	Passed Committee
SB 1478 (Senate Natural Resources and Water Committee) UWMP (amended 4-5)	Grants the extension for adoption of an urban water management plan that is due in 2010 to an urban wholesale water supplier, and requires an urban water wholesale water supplier that adopts an urban water management plan in 2010 that does not include the specified technical methodologies to amend the plan.  <b>Support</b>	Assembly WP&W
SB 1284 (Ducheny) Mandatory Minimum Penalties (amended 4-26)	States that failure to file a discharge monitoring report, if no discharge occurred during this time period, is not subject to a mandatory minimum penalty  ACWA sponsored. <b>Support</b>	Senate Approps. Suspense for vote only 5-27
AB 1664 (Swanson) MWD Board (gut and amend 4-5)	This bill would require the representative of a member public agency serving on the MWD board to at all times be authorized to represent the member public agency that appointed the representative. The bill would prohibit the governing body of the member public agency or an elected or appointed official or member of a member public agency from directing or instructing a member of the board to vote in a particular manner with respect to any question, order, resolution, or ordinance that comes before the MWD board for a vote. IEUA and MWD are jointly lobbying the Local Government Committee against the bill.  <b>Opposed</b>	Assembly Local Gov  (Hearing cancelled at the request of the author)
AB 1929 (Hall) Mussels	Would provide that the operator of water delivery or storage facilities who has prepared a plan and initiates its plan to eradicate quagga mussels, as specifies, is not subject to civil or criminal liability.  ACWA/MWD sponsored  <b>Support</b>	Senate Referred to NR&W
AB 2256 (Huffman) Product Labeling: Flushable Products	Prohibits a person engaged in the packaging or labeling of a consumer product from distributing, or causing to be distributed a product, that is contained in a package, or that has an affixed label, that states that the product is flushable, sewer and septic safe, or other like term or phrase unless the product meets specified criteria.	Assembly Approps. Third reading



(amended 4-12)	Opposed by Procter & Gamble, CA Chamber of Commerce and CA Manufacturers Associations.  IEUA lobbied the Assembly Business and Professions Committee and testified in support.  <b>Support</b>	
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# Inland Empire Utilities Agency

May 26, 2010

## Watch List

<b>Delta/Delta Package Implementation</b>		
AB 1788 (Yamada) Delta Flood	Authorizes the state to pay up to 70% of nonfederal cost if the flood control project benefits an area with a high household poverty rate.	Approps Suspense  5-28
AB 1797 (B. Berryhill) Delta Corridors  (amended 4-7)	Requires DWR to undertake an expedited evaluation and feasibility study to implementing a through-Delta conveyance plan known as the "Delta Corridors Plan." Amendments require the evaluation of the Two-Gates Fish Protection Demonstration Project and fund the study by appropriating \$750 thousand from Prop. 84, Chapter 4, Statewide Water Planning and Design.  MWD, ACWA continue to oppose because they believe the plan is out of date and elements of the plan have already been incorporated into the BDCP.	Approps Suspense  5-28
AB 1886 (Yamada) Delta Water use (amended 3-17)	Requires DWR in Bulletin 160 to include a report on actions to reduce reliance on the Delta water supplies.	Appros. Suspense  5-28
AB 2092 (Huffman) DSC fee (amended 4-20)	Amendments in Water Parks and Wildlife deleted the requirement that the SWP/CVP contractors pay to fund the DSC and a portion of its planning and administration costs. Now the bill requires the DSC to develop a long term financing plan that identifies and evaluates the benefits to all groups resulting from the implementation of the Delta Plan including, but not limited to the public, wastewater agencies discharging into the Delta and Delta water diverters. The plan is to be presented to the Legislature for approval and DSC can not adopt a fee unless a subsequent statute is enacted. Authorizes DSC to seek to obtain early funding contributions for DSC planning and administrative activities. Credit for these contributions is to be provided against any future fee.  With these amendments MWD no longer opposes the bill.	Appros  Passed
AB 2336 (Fuller) Delta  (amended 5-17)	Would require the Delta Stewardship Council, in the course of developing the Delta Plan, to direct the Delta Independent Science Panel to asses the adverse impacts of predation and water quality impairments on native species and recommend	Senate Rules for Assignmen t

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 SNRW – Senate Natural Resources and Water Committee

	changes in law and actions by state agencies to remedy the situation.  MWD, KCWA and Modesto Irrigation District are sponsors.	
SB 808 (Wolk) Delta Levees  (enrolled 5-24)	The bill extends the sunset on the current Delta Levee maintenance subvention program's 75%-25% reimbursement rate from July 1, 2010 to July 1, 2013. The DSC (Delta Stewardship Council) is required to develop priorities for levee investment as part of the Delta Plan, due Jan 1, 2012.	Senate  Pass to enrollment
SB 1469 (Simitian) Delta beneficiaries (amended 4-14)	This bill would require DWR, by January 1, 2012, to identify all parties, including public and private parties, that benefit from waters originating in the Sacramento-San Joaquin Delta watershed and whose activities impact the Delta watershed. The bill would also require the department, by that date, to develop a process for determining the degree of responsibility attributable to each of the identified parties for physical and environmental impacts on the Delta.  This bill would require the department, by January 1, 2012, to estimate the infrastructure needs for the State Water Resources Development System over the next 30 years and the expected costs of associated environmental mitigation and restoration projects.	Senate Approps  5-27
<b>Bond Funds</b>		
AB 2669 (M. Perez)	Allocates \$2 million from the Prop. 84 IRWM unallocated account for Riverside County waste water issues. DWR notes that the IRWM unallocated account is already over appropriated by \$4 million.	Approps Suspense  5-28
SB 991 (Wolk) Bonds funds  (amended 4-07)	Appropriates \$30 million from Prop 1E to DWR for flood protection projects in the Delta. All IRWM appropriations have been removed from the bill.	Approps Suspense  5-27
<b>Water Conservation/Recycled Water</b>		
AB 1677 (Caballero) Water Resources  (Amended 4-8)	Extends the UWMP deadline for wholesale agencies to July 1, 2011 to allow for the development of the water conservation information from the retail agencies. Requires retail water suppliers to consider past water conservation practices by military installations in their service area.  Also contains clean up language on the Delta Conservancy.  MWD sponsor	Senate Referred to Senate NR&W
AB 1774 (Saldana)	Would authorize a local agency to require a state agency to use recycled water for their landscape irrigation, as long as	Assembly Suspense

Recycled Water Irrigation  (Amended 3-24)	the recycled water was available and meet applicable water quality standards.  Sponsored by San Diego County Water Authority. MWD seeking amendments.	5-28
AB 2409 (Nestande) UWMP  (amended 4-6)	Requires water contingency analyses included in urban water management plans to analyze and define water features artificially supplied with water, such as ponds, lakes, waterfalls and fountains, separately from swimming pools and spas.	Senate Referred to Senate NR&W
AB 2679 (Eng) Public Buildings: Energy Water reduction  (amended 4-28)	Requires all public buildings that receive money from the state's General Fund to conform to a 15-year compliance schedule to achieve reductions in energy and water consumption and to maintain specified water and energy reduction levels on and after January 1, 2025, and 2030. The bill would require, on or before January 1, 2013, each public entity operating a public building to provide to the Department of General Services a certified onsite assessment of the facility's energy and water consumption levels. The bill would require applicable public entities to adopt and implement processes outlined in the Green Building Action Plan and to ensure that these processes are consistent with other efficiency measures outlined in existing law.	Approps. Suspense  5-28
SB 918 (Pavley) Indirect Potable Reuse  (amended 4-26)	This bill would require DPH adopt water recycling criteria for indirect potable water reuse for groundwater recharge by Dec. 31, 2013. It would require DPH to develop and adopt recycling criteria for surface water augmentation by 2016 and report to the legislature on the feasibility of developing direct potable reuse by 2016.  IEUA worked on amendments to refine all definitions in the bill and to make many other changes including specifying that the groundwater criteria, which is already well underway at DPH, would not be subject external expert panel review.  Sponsored by PCL and WaterReuse.	Senate Approps.  5-27
<b>Water Quality</b>		
SB 1107 (Kehoe) Grease disposal  (amended 5-24)	Transfers the authority for the toxic grease disposal from CDFA to SWRCB. Gives the SWRCB fee authority for the administration of the program. "Brown" or toxic grease has been allegedly illegally dumped into sewer systems throughout the state. A 2009 SWRCB report stated that illegally dumped grease was responsible for 19% of all	Senate Approps  Passed Committee

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SNRW – Senate Natural Resources and Water Committee

	sanitary sewer overflows. CASA is in support.	
<b>CESA/NCCP/Fisheries</b>		
AB 2063 (Huffman) Fish: Chinook Salmon  (amended 3-15)	States the intent of the Legislature that the best available science and a life cycle analysis shall be utilized in determining where to focus conservation planning efforts for recovery of Chinook and other salmonoid species. Designates the Chinook salmon as the official state anadromous fish.	Referred to Senate NR&W and G.O.
SB 1334 (Wolk) NCCP  (amended 5-10)	This bill would expand the cooperation requirements in the NCCP act to require the DFG to cooperate with <u>all</u> local agencies that have land use permit authority over the activities proposed to be addressed in the plan. The bill would require a corresponding finding.  MWD opposed because they believe the bill will make the planned NCCP/BDCP in the Delta more difficult to achieve.	Senate Third Reading
SB 1446 (Correa) CESA public agencies  (amended 4-20)	Recent amendments gutted the operative section of the bill. As amended, the bill would make several statements of legislative intent, relating to the establishment of alternatives for financial assurances under CESA for public agencies that would ensure that those agencies fully fund their obligations on an ongoing basis for habitat mitigation and the maintenance and monitoring of that mitigation.	Approps
<b>Water Rights/Supply/Delivery</b>		
AB 300 (Caballero)	Among other provisions, this bill would require, until January 1, 2017, the public water system to review, verify for accuracy, and approve, as specified, the subdivider's water savings projections attributable to voluntary demand management measures, as defined. The public water system would be authorized to collect fees necessary to provide the additional analysis of the voluntary demand management measures. CBIA is working on significant amendments to the bill that have not been released yet.  EBMUD opposed. CBIA sponsored.	SNRW
SB 565 (Pavley) Water Rights  (amended 5-20)	The bill increases fines for unauthorized diversions of water or failure to comply with a cease and desist order. It authorizes new fees for filing a statement of diversion. It authorizes SWRCB to require water users to perform and fund technical monitoring studies that could be used against the agency in a water right proceeding.  ACWA opposed.	AWPW

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SNRW – Senate Natural Resources and Water Committee



<b>Local Government</b>		
<p>AB 1676 (Fuentes) Local Elected Officials  (amended 5-6)</p>	<p>This bill would require that a person elected to a state or local public office maintain his or her place of residence representing the voters in that district during his or her term of office. The bill would authorize a district attorney, a county counsel, or city attorney with enforcement authority to enforce a violation of these provisions.</p> <p>Opposed by Desert Water Agency, El Dorado Irrigation District and Central Valley Flood Control Association.</p>	<p>Assembly Approps  5-28</p>
<p>AB 2003 (Mendoza) Contracts  (amended 4-20)</p>	<p>Requires that any contract entered into by a "lame duck" board (i.e., one having as a member someone who won't be returning for the next term) during the period between the election and the seating of the new board would have to be reapproved by the new board, unless the contract is for less than \$20k or expires before the new board takes office.</p> <p>This would require contracts entered into during this period to go to the Board twice (or, more likely, would lead to a suspension of contracting during that period).</p>	<p>Assembly Local Gov</p>
<b>Groundwater</b>		
<p>AB 2049 (Arambula) Water Transfer/ Groundwater management  (amended 4-19)</p>	<p>This bill would prohibit a water user that transfers surface water pursuant to a contractual change in an entitlement to water from the State Water Project from replacing that surface water with groundwater unless there was a groundwater management plan in place that regularly tracks and monitors groundwater levels. Also the transfer can not take place unless DWR receives a written evaluation of the economic, social, and environmental effects of the transfer upon the service area from which the water is to be transferred. The bill authorizes DWR to charge a fee if it needs to conduct the groundwater monitoring.</p> <p>MWD and CBIA opposed</p>	<p>Approps Suspense  5-28</p>
<b>Miscellaneous</b>		
<p>SB 894 (Senate Local Gov Omnibus Bill)  (amended 4-12)</p>	<p>This bill would authorize an agency that owns and operates a reservoir used for drinking water, which amends its rules and regulations, to publish a summary of its amended rules and regulations, along with an Internet address and the physical location where the complete text of the amended rules and regulations may be viewed. EBMUD asked for this to be included in the bill.</p> <p>ACWA in support</p>	<p>Assembly Desk</p>
<b>Climate Change/Cap and Trade</b>		

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ANR—Assembly Natural Resources Committee  
SNRW – Senate Natural Resources and Water Committee

<p>SB 1006 (Pavley) Climate Change  (amended 4-27)</p>	<p>Among other provisions, the bill requires that the Strategic Growth Council will prepare guidelines for local governments and regional agencies that will assist in developing and planning sustainable communities and mitigating for climate change impacts.  ACWA oppose unless amended.</p>	<p>Approps</p>
<p>SB 1033 (Wright) GHG allowances  (amended 4-26)</p>	<p>This bill would require CARB, if market-based compliance mechanisms are adopted (the cap and trade program), to sell, trade or otherwise distribute an allowance, only to a person subject to the greenhouse gas emissions limit to which that allowance applies.</p>	<p>Approps</p>
<p>SB 1241 (Wolk) GHG agriculture grant program (amended 4-22)</p>	<p>States that the Secretary of Resources establish and convene the California Agricultural Climate Benefits Advisory Committee to advise the state air board on strategies to support agricultural activities that reduce global warming impacts that may negatively impact agriculture and the rest of the state, in order to enhance the long-term viability of California agriculture and maximize the state's opportunities to achieve voluntary greenhouse gas emission reductions in the state's agricultural sector while also achieving environmental cobenefits.  States that the Committee can recommend using funds generated by capped sources of GHG emissions to reduce GHG emissions for California agriculture.</p>	<p>Approps</p>



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Date: June 16, 2010  
To: The Honorable Board of Directors  
Through: Public, Legislative Affairs, and Water Resources Committee (06/09/10)  
From: Thomas A. Love  
Interim Chief Executive Officer/General Manager  
Submitted by: Martha Davis  
Executive Manager of Policy Development  
Subject: May Legislative Report from Dolphin Group

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**RECOMMENDATION**

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

**BACKGROUND**

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

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

None.

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May 26, 2010

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



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Please find attached the status report from The Dolphin Group for the month of May 2010.

After months of anticipation, Governor Schwarzenegger released the “May Revise” of the 2010-11 state budget on May 14. It wasn’t pretty. Essentially, the budget shortfall remained largely unchanged from the January projection at \$19.1 billion. In the shadow of this news, the Appropriations Committees in both houses are considering the financial impact of hundreds of pieces of new legislation.

On the regulatory front, signatures to qualify a statewide initiative have been submitted to the Secretary of State for verification to suspend the implementation of AB 32 and the regulation of greenhouse gas emissions. Additionally, DGI and IEUA continue to work with other groups to accelerate implementation of SB 32, related to feed-in tariffs.



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# Chino Basin / OBMP Coalition

## Status Report – May 2010

### ENERGY/REGULATORY

#### *Proposition to Suspend AB 32 Expected to Qualify for November Ballot*

The campaign to qualify a proposition for the November ballot that would suspend implementation of Assembly Bill 32 (Nuñez – 2006) has submitted signatures to the Secretary of State for verification. Backed primarily by several major oil companies, the proponents of the measure submitted the signatures on May 20. The SOS office is expected to verify the signatures by June 25. 433,971 signatures are required for the proposal to qualify.

The proposal would require the California Air Resources Control Board to suspend the implementation of any regulations or fees related to AB 32, the first law in the nation to begin to regulate greenhouse gas emissions. The suspension would be lifted once the unemployment rate in California falls at or below 5.5% for four consecutive quarters.

Unemployment currently stands at 12.6%. In the last decade, California has only experienced one instance of at least four consecutive quarters of unemployment below 5.5%, which occurred from 2005 Q2 to 2007 Q2.

#### *AB 32 Implementation*

Efforts to urge the CPUC to implement Senate Bill 32 (Negrete-McLeod – 2009) continue at both the Commission and in the Legislature. The measure expands the size of facilities eligible for feed-in tariffs, a program first authorized by legislation sponsored by IEUA. It also directs the CPUC to consider additional benefits of FiTs when establishing the market price paid for renewable energy, which should improve the economic feasibility of small-to-medium renewable energy projects such as solar and biogas.

DGI met with CPUC President Michael Peevey and Senator Dean Florez (D-Shafter) in early May to urge rapid implementation of the measure. Additionally, DGI worked with Senator Negrete-McLeod (D-Chino) to provide a letter to President Peevey asking the CPUC to begin implementation as soon as possible.

Additionally, DGI continues to coordinate a working group of parties interested in SB 32 implementation to ensure a smooth implementation and that all issues will be promptly and appropriately addressed once the CPUC begins the process.

## STATE BUDGET CRISIS

For the last few months, the Governor's office and legislative leaders have been hopeful that an improving economy and growth in sales tax receipts might improve the \$20 billion budget shortfall projected in January.

Unfortunately, little changed. While sales tax receipts improved considerably, those improved revenues were offset by a significant decline in personal income tax receipts.

On May 14, the Governor released his "May Revise" reflecting the most up-to-date fiscal information for the 2010-11 state budget. It recasts the budget problem as a \$17.9 billion two-year budget deficit, which consists of \$7.7 billion for the 2009-10 fiscal year and a \$10.2 billion shortfall for the 2010-11 fiscal year. Adding in a modest reserve of \$1.2 billion takes the total projected deficit solutions to \$19.1 billion.

Breaking down the Governor's proposal, it is clear that cuts and borrowing – as opposed to new taxes – are the chosen methods of dealing with the deficit.

- Spending reductions account for \$12.4 billion in solutions;
- Federal funds account for \$3.4 billion in solutions, a reduction from the Governor's January budget proposal; and
- Various fund shifts, alternative funding, and other revenues, including a \$650 million loan of excise taxes on gasoline, account for \$3.4 billion.

True to form, the budget proposal contains a number of questionable assumptions and optimistic forecasts, as have the last few state budgets. One proposal of note is that the Governor's proposal contains nearly \$2 billion in revenues from the proposed water bond, which voters will not even consider until November.

There is little consensus among pundits as to when a budget compromise might be reached this year, except the unanimous opinion that it will not be reached by the Constitutional deadline of June 15 or the beginning of the fiscal year on July 1. Legislative leaders and the Governor's office are likely to be involved in heavy negotiations yet again through the summer, and perhaps even into the fall this year.

## LEGISLATIVE HEARINGS TURN TO APPROPRIATIONS COMMITTEE

Having navigated various policy committees, most surviving legislation in the Assembly and the Senate are now before the houses' respective Appropriations Committees. These committees consider the fiscal impact of the proposed measures.

All fiscal bills must now be approved by the respective Appropriations Committees in the Assembly and the Senate by May 28.

The following bills are being monitored by DGI on behalf of IEUA and the Coalition:

- CA AB 1947      **AUTHOR:**                      Fong [D]  
                         **TITLE:**                                Solar Energy  
                         **DISPOSITION:**                Pending  
                         **FILE:**                                    21  
                         **LOCATION:**                        Assembly Third Reading File  
                         **SUMMARY:**  
                         Authorizes a local publicly owned electric utility to adopt, implement, and finance a solar initiative program exempt from offset and same-premises program requirements, where residential and business consumers offset part or all of their electricity demand with electricity generated by a solar energy system not located on the premises of the consumer, if the program meets certain requirements.
- CA AB 1954      **AUTHOR:**                      Skinner [D]  
                         **TITLE:**                                Electrical Transmission: Renewable Energy Resources  
                         **DISPOSITION:**                Pending  
                         **LOCATION:**                        SENATE  
                         **SUMMARY:**  
                         Relates to the Public Utilities Commission. Provides that an application by an electrical corporation for a certificate of public convenience and necessity for new transmission facilities is necessary to the provision of electric service if the commission finds that new facilities facilitate achievement of the renewables portfolio standard. Authorizes the commission to approve the recovery of retail rates of certain transmission facilities costs if not approved by the federal Energy Regulatory Commission.
- CA AB 2037      **AUTHOR:**                      Perez V [D]  
                         **TITLE:**                                Electricity: Air Pollution  
                         **DISPOSITION:**                Pending ...  
                         **COMMITTEE:**                    Senate Energy, Utilities and Communications Committee  
                         **HEARING:**                        06/15/2010 9:30 am  
                         **SUMMARY:**  
                         Prohibits a load-serving entity or local publicly owned electric utility from entering into, and would prohibit the Public Utilities Commission from approving for an electrical corporation, a long-term financial commitment with or for a new electrical generation facility that meets specified criteria, as determined by local air pollution control and air quality management districts. Relates to methods to encourage the use of cross-border trading of offsets, emission reductions, and mitigation funds.

CA AB 2231

**AUTHOR:** Perez V [D]  
**TITLE:** Energy: Renewable Energy Action Team  
**DISPOSITION:** Pending  
**LOCATION:** Assembly Natural Resources Committee  
**SUMMARY:**

Convenes the Renewable Energy Action Team to develop and adopt the Desert Renewable Energy Conservation Plan to identify renewable energy zones based on renewable energy development potential and environmental, wildlife, and conservation criteria. Requires the commission to prepare a master environmental impact report or a program environmental impact report that encompasses all of the renewable energy resources that may be developed in the renewable energy zones identified in the plan.

**THIS BILL FAILED TO BE APPROVED BY POLICY COMMITTEE AND IS LIKELY INELIGIBLE FOR FUTURE CONSIDERATION THIS YEAR**

CA AB 2296

**AUTHOR:** Saldana [D]  
**TITLE:** Energy: Solar Energy Systems  
**DISPOSITION:** Pending  
**LOCATION:** SENATE  
**SUMMARY:**

Amends existing law which requires the State Energy Resources Conservation and Development Commission, in consultation with specified entities, to establish eligibility criteria for solar energy systems receiving ratepayer funded incentives including, among other things, that the solar energy system be located on the same premises of the end-use consumer where the consumer's own electricity demand is located. Expands the eligibility to include a solar energy system located on a near-site location.

CA AB 2378

**AUTHOR:** Tran [R]  
**TITLE:** Energy: Renewable Energy Program  
**DISPOSITION:** Pending  
**LOCATION:** SENATE  
**SUMMARY:**

Amends existing law that establishes the renewable energy resources program that is administered by the State Energy Resources Conservation and Development Commission to increase the amount of electricity generated from eligible renewable resources per year and defines various terms including in-state renewable electricity generation facility. Amends that definition to include a facility that uses a combination of specified renewable resource technologies.

CA AB 2514

**AUTHOR:** Skinner [D]  
**TITLE:** Energy Storage Systems  
**DISPOSITION:** Pending  
**COMMITTEE:** Assembly Appropriations Committee  
**HEARING:** 05/28/2010  
**SUMMARY:**

Requires the Public Utilities Commission to open a proceeding to establish procurement targets for each electrical corporation for energy storage systems. Requires the governing board of a local publicly owned electrical utility to open such a proceeding. Requires electric utilities to submit a plan concerning employment of thermal, mechanical, or electrochemical storage systems to



maximize shifting of electricity use for air-conditioning and refrigeration from peak demand periods to offpeak periods.

CA AB 2561

**AUTHOR:** Villines [R]  
**TITLE:** Energy: Energy Commission and Department  
**DISPOSITION:** Pending  
**COMMITTEE:** Assembly Appropriations Committee  
**HEARING:** 05/28/2010  
**SUMMARY:**

Transfers various energy related powers, duties, responsibilities, obligations, liabilities, and jurisdiction to, from, and between specified existing and newly created energy planning and conservation agencies and boards. Repeals the Katz Safe Schoolbus Clean Fuel Efficiency Demonstration Program, the Small Business Energy Efficient Refrigeration Program, the State Solar Medallion Passive Design Competition and the Consumer Power and Conservation Financing Authority Act.

CA AB 2679

**AUTHOR:** Eng [D]  
**TITLE:** Public Buildings: Energy and Water: Consumption  
**DISPOSITION:** Pending  
**COMMITTEE:** Assembly Appropriations Committee  
**HEARING:** 05/28/2010  
**SUMMARY:**

Requires all state public buildings to conform to a specified compliance schedule to achieve reductions in energy and water consumption and to maintain specified water and energy reduction levels and all new buildings to have zero energy consumption or be grid neutral by a specified date. Requires each public entity operating a building to provide the Department of General Services an onsite assessment. Requires applicable public entities to adopt and implement processes in the Green Building Action Plan.

CA AB 2693

**AUTHOR:** Blumenfield [D]  
**TITLE:** Local Government Renewable Energy Self-Generation  
**DISPOSITION:** Pending  
**LOCATION:** Assembly Utilities and Commerce Committee  
**SUMMARY:**

Amends existing law which states the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations, and that authorizes a local government to receive a bill credit to a designated benefiting account for electricity exported to the electrical grid by an eligible renewable generating facility. Revises the definition of a local government to include a joint powers authority or agency.

**THIS BILL FAILED TO BE APPROVED BY POLICY COMMITTEE AND IS LIKELY INELIGIBLE FOR FUTURE CONSIDERATION THIS YEAR**

CA SB 1153

**AUTHOR:** Hancock [D]  
**TITLE:** Energy: Sustainable Energy Zone  
**DISPOSITION:** Pending  
**COMMITTEE:** Senate Appropriations Committee  
**HEARING:** 05/27/2010  
**SUMMARY:**

Authorizes the Energy Commission to designate a sustainable energy zone suitable for the construction or operation of renewable energy projects and

designated transmission corridors. Requires the Energy Commission to identify zones where projects can be built that are consistent with the strategic plan for the state's electric transmission grid. Requires the Energy Commission to report to the legislature regarding the designation of sustainable energy zones. Deletes provisions regarding greenhouse gases.

CA SB 1198

**AUTHOR:** Huff [R]  
**TITLE:** Energy: Energy Resources Conservation and Development  
**DISPOSITION:** Pending  
**FILE:** 87  
**LOCATION:** Senate Third Reading File  
**SUMMARY:**

Amends existing law that requires the State Energy Resources Conservation and Development Commission to set standards for minimum levels of operating efficiency for products. Provides that the television product labeling regulations adopted by the commission would not be effective until a specified date, and if the U.S. Federal Trade Commission fails to issue a final labeling rule for those products as of a specified date. Provides that these regulations would remain in effect until a final rule is issued.

CA SB 1241

**AUTHOR:** Wolk [D]  
**TITLE:** Greenhouse Gas Emissions Reduction: Agriculture  
**DISPOSITION:** Pending  
**COMMITTEE:** Senate Appropriations Committee  
**HEARING:** 05/27/2010  
**SUMMARY:**

Requires the Secretary of Food and Agriculture and the Department of Food and Agriculture to establish and convene the state Agricultural Climate Benefits Advisory Committee to advise the state Air Resources Board on strategies to support agricultural activities that reduce global warming impacts that may negatively impact agriculture and the rest of the state.

CA SB 1247

**AUTHOR:** Dutton [R]  
**TITLE:** Renewable Energy Resources  
**DISPOSITION:** Pending  
**LOCATION:** Senate Energy, Utilities and Communications Committee  
**SUMMARY:**

Deletes the existing definition of renewable energy under the Renewables Portfolio Standard Program. Defines the term to mean an electric generating facility that uses biomass, solar energy, wind, geothermal, fuel cells using renewable fuels, hydroelectric generation, nuclear generation, digester gas, municipal solid waste conversion, landfill gas, ocean wave, ocean thermal, or tidal current, and any additions or enhancements to the facility using that technology. Makes conforming changes to hydroelectric.

**THIS BILL FAILED TO BE APPROVED BY POLICY COMMITTEE AND IS LIKELY INELIGIBLE FOR FUTURE CONSIDERATION THIS YEAR**

CA SB 1367

**AUTHOR:** Wyland [R]  
**TITLE:** Renewable Energy: Procurement Attainment Date  
**DISPOSITION:** Pending  
**LOCATION:** Senate Energy, Utilities and Communications Committee  
**SUMMARY:**

Relates to the Portfolio Standard Program. Extends the target date for a retail

seller to procure 20 percent of its retail sales from eligible renewable energy resources.

**THIS BILL FAILED TO BE APPROVED BY POLICY COMMITTEE AND IS LIKELY INELIGIBLE FOR FUTURE CONSIDERATION THIS YEAR**

CA SB 1465

**AUTHOR:** Lowenthal A [D]  
**TITLE:** Energy: Microturbines  
**DISPOSITION:** Pending  
**LOCATION:** Senate Energy, Utilities and Communications Committee  
**SUMMARY:**

Amends the Waste Heat and Carbon Emissions Reduction Act. Requires an electrical corporation to purchase excess electricity from a customer of an electrical corporation that uses a microturbine with a generating capacity of not more than one megawatt that runs off waste or standard gas associated with the extraction of oil or gas and has a time-of-use meter capable of registering the flow of electricity in 2 directions.

**THIS BILL FAILED TO BE APPROVED BY POLICY COMMITTEE AND IS LIKELY INELIGIBLE FOR FUTURE CONSIDERATION THIS YEAR**

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Date: June 16, 2010  
To: The Honorable Board of Directors  
Through: Public, Legislative Affairs, and Water Resources Committee (06/09/10)  
From: Thomas A. Love  
Interim Chief Executive Officer/General Manager  
Submitted by: Martha Davis  
Executive Manager of Policy Development  
Subject: May Legislative Report from Innovative Federal Strategies, LLC

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**RECOMMENDATION**

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

**BACKGROUND**

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

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

None.

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# *Innovative Federal Strategies* LLC

Comprehensive Government Relations

## MEMORANDUM

**To:** Tom Love and Martha Davis, IEUA

**From:** Letitia White and Heather Hennessey

**Date:** May 26, 2010

**Re:** May Monthly Legislative Update

Capitol Hill remained busy in May with the Senate undertaking almost a month of work on Financial Reform legislation and the House considering a host of low-priority legislative topics. Unfortunately, Congress has not yet begun work on the FY 2011 Appropriations bills because of the pending FY 2010 Supplemental Appropriations Act, which is discussed more fully below. This is the final week of legislative work - - concluding seven straight weeks that Congress has been in session - - before the Memorial Day Recess. As is typical of the week before a recess, both the House and Senate face a long list of legislative demands and a short time period in which to accomplish them. Because this is an election year and Members will be anxious to return home to campaign for re-election, Congress will likely recess in October. This leaves a very short window to complete their legislative business. After the Memorial Day break, Congress will return to Washington to work through June and recess again for the Forth of July.

IEUA's federal agenda has largely been stalled along with the appropriations process. We were able to provide you with many grant notices this month as the federal agencies began to move their FY 2010 funding. If you decide to pursue any of the grants, please let us know so that we can be helpful.

### *FY 2010 Supplemental Appropriations*

The regular FY 2011 Appropriations process is currently on hold while Appropriations Committee Members and staff are occupied with the FY 2010 Supplemental Appropriations Act. Additional FY 2010 money is needed for ongoing operations in Iraq and Afghanistan as well as for border security, FEMA disasters in the U.S. and relief to victims of the Haiti earthquake. The final price tag for the bill will fluctuate as the House and Senate make amendments to the legislation, but funding in the Supplemental could end up being between \$60 and \$80 billion.

In a departure from normal procedure, the Senate began work on the spending package, and it is moving through the Senate floor this week. The House Appropriations Committee is scheduled to consider their version of the bill in the full Appropriations Committee on Thursday the 27<sup>th</sup>. If that schedule is met, the House could have floor debate in early June with a Conference Committee to reconcile the differences between the two versions and final passage to follow.

Because the FY 2010 Supplemental is likely to be one of the few large pieces of legislation to move this year, it is attracting many other spending provisions. While conservative Members are

## *Innovative Federal Strategies LLC*

very concerned about further increasing budget deficits, more liberal Members want to include additional job creation and economic stimulus funding. For instance, the House version of the Supplemental currently includes additional funding for local fire fighter personnel and teacher hiring. As Congress works to complete the bill, we will monitor it closely in case any of the spending provisions contain funding that could be of benefit to you. We will let you know of any opportunities that arise.

### ***Tax Extenders and Safety-Net Benefits***

Congressional leaders are eager to pass a \$190 billion package of tax breaks for businesses, physician payments and an extension of unemployment benefits before the Memorial Day recess. The bill, which is currently taking shape in the House, is a complicated combination of tax credits intended to help create jobs and closures of "tax loopholes" to compensate for the cuts. Business trade groups and Chambers of Commerce, who will either gain or lose money depending on their status under the bill, are intensely lobbying Members of Congress. Also lobbying hard are doctors, who face the June 1<sup>st</sup> reduction in their current Medicare reimbursement rate. The bill also contains funding for gulf oil cleanup and some financial relief for struggling states. However, the huge price tag, which is largely not offset by spending cuts, is causing deep opposition with fiscal conservatives. House leaders are still gauging support for the measure and the intense lobbying effort is causing some doubts that the votes exist to pass the bill. Even if the House is able to pass the measure, it is not clear that Senate leaders will be able to get the 60 votes needed to overcome a filibuster threat from conservative Senators opposed to high spending which is not off-set.

### ***Climate Change and Environment***

The ongoing crisis of the gulf oil spill has completely diverted attention on Capitol Hill away from Climate Change legislation and toward the future of offshore drilling. Committees in both chambers have held multiple oversight and informational hearings. As a result of that change in focus, there was no significant work during May on any of the pending Climate Change bills before Congress. Meanwhile, Senator Lisa Murkowski of Alaska has secured a commitment from Senate Leadership that she will be allowed a June floor vote on her provision to block the EPA from regulating greenhouse gasses. The outcome of that vote will likely guide the climate change debate for the rest of this year.

The House Energy and Commerce Committee did take time during May to consider a bill introduced by Chairman Henry Waxman of California which would drastically increase funding for the Drinking Water Revolving Fund and make statutory changes to help disadvantaged rural water systems. The bill also encourages water utilities to undertake better planning efforts and speeds up the EPA's testing efforts for chemicals in groundwater that affect people's endocrine systems. Titled the Assistance, Quality, and Affordability Act of 2010, HR 5320 was passed out of the Energy and Environment Subcommittee on May 19<sup>th</sup>. As of right now, there is no Senate counterpart pending. We will continue to monitor the bill and update you if it moves forward.

Date: June 16, 2010  
To: The Honorable Board of Directors  
Through: Public, Legislative Affairs, and Water Resources Committee (06/09/10)  
From: Thomas A. Love  
Interim Chief Executive Officer/General Manager  
Submitted by: Martha Davis  
Executive Manager of Policy Development  
Subject: May Legislative Report from Agricultural Resources

---

**RECOMMENDATION**

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

**BACKGROUND**

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

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

None.

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# *Agricultural Resources*

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[agresources@erols.com](mailto:agresources@erols.com)

May 24, 2010

## Legislative Report

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**TO:** Thomas Love  
Acting General Manager, Inland Empire Utility Agency

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

**SU:** Legislative Report, April and May 2010

**Highlights:**

- *The Unexpected Overwhelms the Political Agenda – In Multiple Instances OR, from Snow Storms to Political Storms*
- *The Napolitano 1 MAF Plan for California Water – Status*
- *Climate Change Legislation*
- *Appropriations*
- *Drought Conditions/Water Supply*
- *News and Notes*
- *IEUA Working Partners*

*The Unexpected Overwhelms Political Agenda – Multiple Instances and in Unforeseen Instances OR, From Snow Storms to Political Storms.* At the beginning of every calendar year, leaders – from IEUA to MWD or even all the way to the Oval Office, set forth goals for the pending year. And, over the course of any given year, those leaders fight and battle, scrape and claw, to accomplish those goals. Every so often, however,

unanticipated and unexpected events overwhelm the system. Contemporaneously, the most obvious example – 9/11. The current calendar year began in Washington with a series of unprecedented snow storms that paralyzed the entire region, shutting down everything for days and weeks. By April, Spring arrived, the leaves came out and the migratory birds began returning. Something else happened. In April 2010, two events occurred within days of one another. The first, an attempted act of terrorism in Times Square, in New York city.. The second, the Gulf oil spill. Individually, both are truly significant events. Occurring almost simultaneously, they became all but overwhelming and disruptive. In New York, the police, counter-terrorism experts, the media and street vendors teamed up to catch the perpetrator within 53 hours. While the effort failed, and the “bad guy” caught (who now apparently is talking and talking), that it happened at all is a stark reminder that the world has changed, the rules governing moral conduct have changed and there are those who seek to do harm (a) to America; and (b) to innocent people. And most disturbing of all, these people – terrorists by any other name – are active. The second event is the Gulf oil spill. It is fast becoming one of the largest and most devastating environmental disasters of our lifetimes. The physical implications – in the Gulf, the Atlantic Coast, and the Atlantic Ocean – are just coming into relief. The political, social and economic implications, in the region, here in Washington, and even in Europe are still formative – and remain largely unknown at this time. It will take months – likely much longer – to fully realize the impact of either or both. One thing is clear, the political and legislative agenda for calendar year 2010 was just rewritten. Between a new generation of terrorism and this ever-enlarging oil spill, the current agenda is in a state of upheaval. Health care is enacted. Financial Reform is pending. Immigration reform appears to be pushed back. Climate change/energy was declared “dead” several weeks ago. However, in light of events in the Gulf, it now appears that some form of climate change and/or energy policy legislation is back “in play.” However, it’s also likely that “cap and trade” will be dropped and significant portions of this particular legislation will be rewritten. Offshore drilling is now under enormous scrutiny. IEUA has to conduct environmental reviews for its projects. The oil industry, by contrast, in the Gulf, received routine wavers. A highly critical picture is emerging – the Interior Department was not doing its job. Law and policy were routinely waived or ignored. EPA just announced that it is considering banning BP from Federal contracts. We have entered a period of enormous instability – politically. There is open speculation on the Hill that Secretary Salazar may not survive, but that will not be known for a while.. There are two additional “wild card” issues – either or both of which will contribute to “agenda-upheaval.” One is the nomination of a new Supreme Court Justice. Whatever the outcome, it will consume several weeks of a shrinking political calendar. More problematic – the out-of-control financial situation in Greece and whether or not it’s contained or spreads. Former President Bill Clinton just spoke at the Yale commencement and according to a Washington Post account, *“today’s college graduates will be left to deal with a world that*

*has three major problems. 'It is too unstable; it is too unequal, and it is completely unsustainable,' Clinton said. He urged them to change that, and said that will mean working together."*

***The Napolitano Plan – 1 Million Acre Feet of New Water.*** Drought conditions have subsided, but have not “gone away.” In response to the multi-year drought, House Water and Power Subcommittee Chair, Rep. Grace Napolitano, drafted a plan to create 1 MAF of new water annually through water recycling and conservation within 48-60 months. She submitted it to Secretary Salazar in August, last year. He did not act on it or receive it favorably. Following a California congressional delegation meetings earlier this year, the Chairwoman reconfigured the proposal and submitted it to the White House, where it is under active consideration. Members of the delegation, outside groups and various interested parties have endorsed it. She continues to believe that, given erratic weather conditions and the lack of reliability (or predictability of weather), “stretching” California’s existing water supplies is the responsible course of actions to fill the “gap” years – that period of time between now and when long-term solutions can be put into place after 2020.

***Climate Change Legislation.*** Best report I can provide is “on, off, on, off.” Climate change legislation was declared dead – then it was back on the agenda. The legislation and its content is politically gyrating. Almost assuredly, “cap and trade” is dead – to be stripped from early versions of the bill. But, a new form of the bill is now emerging. It’s fate is uncertain. All of this is a direct result of the Gulf Oil Spill. Given BP’s inability to contain the spill, and the likelihood that it will worsen – catastrophically (throughout the Gulf and around Florida and up the Florida, Georgia, South and North Carolina coast lines following the “loop” current – these unfolding events are influencing the content of a revised climate bill.

***Appropriations.*** Given the disruptive nature of the legislative year and the outside issues overwhelming the legislative calendar (and continuing to do so), the Appropriations process has not started this year. Normally, by this time of the year, the House is marking up and approving annual spending bills. Not this year – at least not yet. This all but guarantees a July and September dominated (on the House and Senate floor) with annual spending bills for the fiscal year that begins October 1.

***Drought Conditions and Water Supplies.*** Typically, April 1<sup>st</sup> arrives and the rain stops. That’s California’s water-weather history. This year, April 1 arrived and the rains and snow continued. Overall, California has enjoyed a significant (but not complete) water recovery. The NOAA-USDA Drought Monitor shows only the northeast corner of California experiencing any level of drought – and it’s in the Moderate range. The Winter storms kept coming and coming and drought conditions have diminished. Water stability and dependability, however, remain at risk. Even with the improved water year, DWR, which issued its final allocations on May 20, is projecting 45% deliveries (68% would be considered “normal”) so the State has a ways to go

before a normal year will be realized. The State has repeatedly stated that, after three years of sustained drought, the watersheds are so dry and significant amounts of precipitation would be absorbed and not convert to run off.

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

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

Date: June 16, 2010

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (06/09/10)

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

Submitted by: Sondra Elrod  
Public Information Officer

Subject: Public Outreach and Communications

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### **RECOMMENDATION**

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

### **BACKGROUND**

#### **Calendar of Events**

#### **June 2010**

- June 3, Three Valleys Leadership Breakfast, Sheraton Fairplex, 7:30 a.m.
- June 3, Chino State of the City Address, Chaffey Chino Campus 11:30 a.m.
- June 24, Chino Hills State of the City Address, Los Serranos Country Club, 5:00 p.m. dinner, 5:45 p.m. City Address.

#### **August 2010**

- August 12, County of San Bernardino Water Conference, Ontario Convention Center

#### **Outreach/Educational Inland Valley Daily Bulletin Newspaper Campaign**

The monthly tips on ways to help conserve water continue to appear in our local newspapers each month.

#### **Water Conservation Outreach**

IEUA is continuing to work with conservation partners to plan the Regional Conservation message. The slogan is *Saving Water...It's the Right Thing to Do*. The movie theatre campaign will begin appearing at the end of May and run through the end of September.



Regional Conservation Outreach Campaign

- Ongoing monthly ¼-page ads in the Inland Valley Daily Bulletin, Champion Newspaper, Fontana Herald News, La Opinion, and Inland Empire Magazine.
- Ongoing water wise gardening classes.

MWD's conservation ad campaign, "Water Conservation a Way of Life" will begin running on Monday, May 17 through June 30, 2010. They will have 30 second spots on TV and 60 second spots on radio.

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

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



# CHINO BASIN WATERMASTER

## IV. INFORMATION

1. Newspaper Articles



## Agency fires CEO

Rebecca U. Cho, Staff Writer

Created: 05/20/2010 07:36:25 PM PDT

The longtime head of an Inland Empire wastewater agency was ousted from his position this week.

The Inland Empire Utilities Agency board of directors voted Wednesday to terminate Richard W. Atwater as chief executive officer and general manager. He had held the position since 1999.

"The board wanted to take a different direction and decided there was a need for change," Terry Catlin, the agency's board president, said Thursday.

Catlin declined to go into further detail. He said Atwater was in the process of receiving a severance package. Catlin is the general manager of the Water Facilities Authority based in Upland.

The board, on a 3-2 vote, made the decision in closed session.

Atwater learned of his firing after the meeting, when Catlin approached him and said the board was terminating him without cause, Atwater said.

The decision left him baffled, he said.

"I had never had a discussion with [Catlin] or any of the board members about it," Atwater said. "He never explained why he did that."

The Inland Empire Utilities Agency, a municipal water district based in Chino, operates a sewage-treatment plant and is a distributor of wholesale water and recycled water. During Atwater's tenure, the agency had received several environmental awards, including twice winning the Governor's Environmental and Economic Leadership Award.

Ken Willis, chairman of the Chino Basin Watermaster and an Upland councilman,

said he was surprised to hear of Atwater's removal.

"I wasn't hearing any complaints from anybody," Willis said.

*rebecca.cho@inlandnewspapers.com,  
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