



# CHINO BASIN WATERMASTER



## NOTICE OF MEETINGS

**Thursday, July 22, 2010**

11:00 a.m. – Watermaster Board Meeting

*(Lunch will be served)*

**AT THE CHINO BASIN WATERMASTER OFFICES**

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



# **CHINO BASIN WATERMASTER**

**Thursday, July 22, 2010**

11:00 a.m. – Watermaster Board Meeting

## **AGENDA PACKAGE**



**CHINO BASIN WATERMASTER  
WATERMASTER BOARD MEETING**

11:00 a.m. – July 22 2010

WITH

*Mr. Ken Willis, Chair, Appropriative Pool  
Mr. Michael Camacho, Vice-Chair, Municipals*

**At The Offices Of**

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

**AGENDA**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**AGENDA - ADDITIONS/REORDER**

**I. CONSENT CALENDAR**

**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 Watermaster Board Meeting held June 24, 2010 *(page 1)*

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of May 2010 *(page 5)*
2. Watermaster Visa Check Detail for the month of May 2010 *(page 9)*
3. Combining Schedule for the Period July 1, 2009 through May 31, 2010 *(page 11)*
4. Treasurer's Report of Financial Affairs for the Period May 1, 2010 through May 31, 2010 *(page 13)*
5. Budget vs. Actual July 2009 through May 2010 *(page 15)*

**II. BUSINESS ITEMS**

**A. SUMMARIZED MINUTES**

Discussion and Possible Action Regarding the Preparation of Minutes for Watermaster Board Meetings *(page 17)*

**III. REPORTS/UPDATES**

**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**

1. CDA Facilitation
2. Non-Agricultural Pool Volume Vote Changes

**B. ENGINEERING REPORT**

1. Presentation on the Achievement of Hydraulic Control and the Potential for Land Subsidence

**C. CEO/STAFF REPORT**

- 1. Legislative Update
- 2. Recharge Update
- 3. Policy Manual / Database Management
- 4. Local Storage Agreement from the City of Fontana
- 5. October 4<sup>th</sup> & 5<sup>th</sup> for Strategic Planning Conference
  - a) October 3<sup>rd</sup> – CBWM 6<sup>th</sup> Annual Golf Tournament

**IV. INFORMATION**

- 1. Newspaper Articles *(page 19)*

**V. BOARD MEMBER COMMENTS**

**VI. OTHER BUSINESS**

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

- 1) Settlement with the Chino Airport

**VIII. FUTURE MEETINGS**

Thursday, July 22, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM
Thursday, July 22, 2010	1:00 p.m.	Workshop on Local Storage @ CBWM
Tuesday, July 27, 2010	9:00 a.m.	GRCC Technical Committee Meeting @ CBWM
Thursday, August 5, 2010	1:00 p.m.	Appropriative Pool Meeting @ CBWM
Thursday, August 5, 2010	2:30 p.m.	Non-Agricultural Pool Meeting @ CBWM
Thursday, August 12, 2010	9:00 a.m.	Agricultural Pool Meeting @ IEUA
Thursday, August 19, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, August 19, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, August 26, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM

**Meeting Adjourn**



# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Watermaster Board Meeting held on June 24, 2010



***Draft Minutes***  
**CHINO BASIN WATERMASTER**  
**WATERMASTER BOARD MEETING**

*June 24, 2010*

The Watermaster Board Meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on June 24, 2010 at 11:00 a.m.

**WATERMASTER BOARD MEMBERS PRESENT**

Ken Willis, Chair	West End Consolidated Water Company
Terry Catlin	Inland Empire Utilities Agency
John Rossi	Western Municipal Water District
Bob Kuhn	Three Valleys Municipal Water District
Michael Whitehead	Fontana Water Company
Kevin Sage	Vulcan Materials Company
Tom Haughey	City of Chino
Geoffrey Vanden Heuvel	Agricultural Pool
Paul Hofer	Agricultural Pool

**WATERMASTER BOARD MEMBERS ABSENT**

Charles Field	Western Municipal Water District
Michael Camacho	Inland Empire Utilities Agency
Bob Bowcock	Vulcan Materials Company

**Watermaster Staff Present**

Kenneth R. 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**

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

**Others Present Who Signed In**

Gil Aldaco	City of Chino
Tom Love	Inland Empire Utilities Agency
Jean Cihigoyenetché	Inland Empire Utilities Agency
Marty Zvirbulis	Cucamonga Valley Water District
David DeJesus	Three Valleys Municipal Water District
Rick Hansen	Three Valleys Municipal Water District
Steve Kennedy	Three Valleys Municipal Water District
Robert Young	Fontana Union Water Company
Steven G. Lee	Reid & Hellyer for the Agricultural Pool
Jennifer Novak	State of California, Dept. of Justice, CIM
Jeff Pierson	Ag Pool – Crops
Bob Feenstra	Ag Pool - Dairy
Ken Jeske	City of Ontario
Mohamed El-Amamy	City of Ontario
Raul Garibay	City of Pomona
Eunice Ulloa	Chino Basin Water Conservation District

Tom Harder  
Ben Lewis  
Ron Craig  
John Mura  
Hank Stoy  
David Batt  
Tram Tran

Jurupa Community Services District  
Golden State Water Company  
City of Chino Hills  
City of Chino Hills  
Visitor  
San Gabriel Valley Water Company  
McCormick Kidman & Behrens

Chair Willis called the Watermaster Board meeting to order at 11:04 a.m.

**PLEDGE OF ALLEGIANCE**

**AGENDA - ADDITIONS/REORDER**

No additions or reorders were made to the agenda.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Watermaster Board Meeting held May 27, 2010

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of April 2010
2. Watermaster Visa 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

**C. LOCAL AGENCY INVESTMENT FUND**

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

**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

*Motion by Kuhn, second by Haughey, and by majority vote – Non-Agricultural Pool voted not on item B Financial Reports*

***Moved to approve Consent Calendar items A through D, as presented***

**II. BUSINESS ITEMS**

**A. CHINO CREEK WELL FIELD LOCATIONS**

Mr. Manning gave an update on the Chino Creek Well Field Locations.

*Motion by Vanden Heuvel, second by Willis, and by unanimous vote*

***Moved to approve Chino Creek Well Field Locations, as presented***

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

Mr. Joswiak gave the updated Chino Basin Watermaster 2010-2011 Budget.

*Motion by Whitehead, second by Catlin, and by majority vote – Non-Agricultural Pool abstained*

***Moved to approve the Chino Basin Watermaster 2010-2011 Budget, as presented***

**C. CONDITION SUBSEQUENT NO. 8**

Mr. Manning gave a report on Condition Subsequent no. 8 and Resolution No. 10-03.

*Motion by Vanden Heuvel, second by Haughey, and by majority vote – Catlin abstained  
Moved to approve Resolution 10-03 regarding updated Recharge Master Plan in satisfaction of December 21, 2007 court order Condition Subsequent Number 8, as presented*

**D. ACWA Health Benefits Authority**

Mr. Manning reported on this item.

*Motion by Kinsey, second by Jeske, and by majority vote – Non-Agricultural Pool abstained  
Moved to approve the Chino Basin Watermaster 2010-2011 Budget, as presented*

**III. REPORTS/UPDATES**

**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**

1. Paragraph 31 Motion  
Counsel Slater reported on this item.
2. ACL Complaint  
Counsel Slater reported on this item.
3. CDA Facilitation  
Counsel Slater reported on this item.

**B. CEO/STAFF REPORT**

1. Legislative Update  
Mr. Manning reported on this item.
2. Recharge Update  
Mr. Manning reported on this item.
3. Potential Implementation of MWD's Water Supply Allocation Plan Update  
Mr. Manning reported on this item.

**IV. INFORMATION**

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

**V. BOARD MEMBER COMMENTS**

No comment was made regarding this item.

**VI. OTHER BUSINESS**

No comment was made regarding this item.

The regular open Watermaster Board meeting was convened to hold its confidential session at 11:50 a.m.

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

The confidential session was convened at 1:30 p.m.



Counsel Slater reported items from closed session:

- 1) Extended CEO Contract
- 2) Accepted CEO Evaluation

By unanimous vote and the Non-Agricultural Pool abstained.

**VIII. FUTURE MEETINGS**

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

The Watermaster Board meeting was dismissed by Chair Willis at 1:31 p.m.

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

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



# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### B. FINANCIAL REPORTS

1. Cash Disbursements for the month of May 2010
2. Watermaster Check Detail for the month of May 2010
3. Combining Schedule for the Period July 1, 2009 through May 30, 2010
4. Treasurer's Report of Financial Affairs for the Period May 1, 2010 through May 30, 2010
5. Budget vs. Actual July 2009 through May 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:** July 22, 2010  
**TO:** Watermaster Board Members  
**SUBJECT:** Cash Disbursement Report

### SUMMARY

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

**Recommendation** – Staff recommends the Cash Disbursements for May 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 May 2010 were \$745,654.60. The most significant expenditures during the month were Inland Empire Utilities Agency in the amount of \$375,000.00, Wildermuth Environmental, Inc. in the amount of \$136,366.94 and Brownstein Hyatt Farber Schreck in the amount of \$98,192.72.

### Actions:

**7-01-10 Appropriative Pool** – Approved unanimously

**7-01-10 Non-Agricultural Pool** – No vote

**7-08-10 Agricultural Pool** – Roll Call vote (3 yes to 4 no) – not approved

**7-15-10 Advisory Committee** – Approved by majority – Bowcock (Non-Ag) & Pierson (Ag Pool) voted no

**7-22-10 Watermaster Board**

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

May 2010

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
General Journal	05/01/2010	05/01/10	PAYROLL FOR 04/18/10-05/01/10	-8,394.58
General Journal	05/01/2010	05/01/10	PAYROLL FOR 04/18/10-05/01/10	-25,833.00
Bill Pmt -Check	05/03/2010	14146	A&R BRIDGESTONE FIRESTONE AUTO CARE	-347.72
Bill Pmt -Check	05/03/2010	14147	APPLIED COMPUTER TECHNOLOGIES	-2,337.25
Bill Pmt -Check	05/03/2010	14148	ARROWHEAD MOUNTAIN SPRING WATER	-26.39
Bill Pmt -Check	05/03/2010	14149	COMPUTER NETWORK	-70.69
Bill Pmt -Check	05/03/2010	14150	KONICA MINOLTA BUSINESS SOLUTIONS	-992.41
Bill Pmt -Check	05/03/2010	14151	LOS ANGELES TIMES	-48.00
Bill Pmt -Check	05/03/2010	14152	MET LIFE SMALL BUSINESS CENTER	-50.00
Bill Pmt -Check	05/03/2010	14153	PARK PLACE COMPUTER SOLUTIONS, INC.	-3,450.00
Bill Pmt -Check	05/03/2010	14154	PRE-PAID LEGAL SERVICES, INC.	-77.70
Bill Pmt -Check	05/03/2010	14155	SOLINST CANADA LTD.	-17.76
Bill Pmt -Check	05/03/2010	14156	STANDARD INSURANCE CO.	-549.35
Bill Pmt -Check	05/03/2010	14157	STAPLES BUSINESS ADVANTAGE	-267.46
Bill Pmt -Check	05/03/2010	14158	STATE COMPENSATION INSURANCE FUND	-836.03
Bill Pmt -Check	05/03/2010	14159	THREE VALLEYS MUNICIPAL WATER DIST	-15.00
Bill Pmt -Check	05/06/2010	14160	A&R BRIDGESTONE FIRESTONE AUTO CARE	-239.52
Bill Pmt -Check	05/06/2010	14161	BOWCOCK, ROBERT	-250.00
Bill Pmt -Check	05/06/2010	14162	CAMACHO, MICHAEL	-750.00
Bill Pmt -Check	05/06/2010	14163	CUCAMONGA VALLEY WATER DISTRICT	-3,750.00
Bill Pmt -Check	05/06/2010	14164	DIRECTV	-83.99
Bill Pmt -Check	05/06/2010	14165	FEENSTRA, BOB	-125.00
Bill Pmt -Check	05/06/2010	14166	HAUGHEY, TOM	-250.00
Bill Pmt -Check	05/06/2010	14167	HSBC BUSINESS SOLUTIONS	-398.18
Bill Pmt -Check	05/06/2010	14168	IDEAL GRAPHICS	-1,314.14
Bill Pmt -Check	05/06/2010	14169	INLAND EMPIRE UTILITIES AGENCY	-375,000.00
Bill Pmt -Check	05/06/2010	14170	JAMES JOHNSTON	-870.00
Bill Pmt -Check	05/06/2010	14171	KUHN, BOB	-375.00
Bill Pmt -Check	05/06/2010	14172	OFFICE DEPOT	-271.86
Bill Pmt -Check	05/06/2010	14173	PLATINUM CONSULTING GROUP	-450.00
Bill Pmt -Check	05/06/2010	14174	PURCHASE POWER	-2,500.00
Bill Pmt -Check	05/06/2010	14175	REID & HELLYER	-17,874.14
Bill Pmt -Check	05/06/2010	14176	STAPLES BUSINESS ADVANTAGE	-360.52
Bill Pmt -Check	05/06/2010	14177	STATE COMPENSATION INSURANCE FUND	-1,045.22
Bill Pmt -Check	05/06/2010	14178	UNITED PARCEL SERVICE	-21.19
Bill Pmt -Check	05/06/2010	14179	VANDEN HEUVEL, GEOFFREY	-375.00
Bill Pmt -Check	05/06/2010	14180	VERIZON	-605.67
Bill Pmt -Check	05/06/2010	14181	W.C. DISCOUNT MOBILE AUTO DETAILING	-75.00
Bill Pmt -Check	05/06/2010	14182	WHITEHEAD, MICHAEL	-250.00
Bill Pmt -Check	05/06/2010	14183	WILDERMUTH ENVIRONMENTAL INC	-66,480.50
Bill Pmt -Check	05/06/2010	14184	WILLIS, KENNETH	-500.00
Bill Pmt -Check	05/06/2010	14185	YUKON DISPOSAL SERVICE	-142.88
Bill Pmt -Check	05/11/2010	14186	EL TORITO	-270.67
Bill Pmt -Check	05/12/2010	14187	A&R BRIDGESTONE FIRESTONE AUTO CARE	-287.96

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

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
Bill Pmt -Check	05/12/2010	14188	NORDBAK'S PROMOTIONAL PRODUCTS	-752.37
Bill Pmt -Check	05/12/2010	14189	PETTY CASH	-374.18
General Journal	05/15/2010	05/15/10	PAYROLL FOR 05/01/10-05/15/10	-7,422.04
General Journal	05/15/2010	05/15/10	PAYROLL FOR 05/01/10-05/15/10	-25,845.88
Bill Pmt -Check	05/20/2010	14190	AWWA	-1,435.00
Bill Pmt -Check	05/20/2010	14191	BANC OF AMERICA LEASING	-3,215.74
Bill Pmt -Check	05/20/2010	14192	CUCAMONGA VALLEY WATER DISTRICT	-5,792.00
Bill Pmt -Check	05/20/2010	14193	FIRST AMERICAN REAL ESTATE SOLUTIONS	-125.00
Bill Pmt -Check	05/20/2010	14194	GUARANTEED JANITORIAL SERVICE, INC.	-865.00
Bill Pmt -Check	05/20/2010	14195	MCI	-1,242.77
Bill Pmt -Check	05/20/2010	14196	PAYCHEX	-223.71
Bill Pmt -Check	05/20/2010	14197	SAFEGUARD DENTAL & VISION	-7.91
Bill Pmt -Check	05/20/2010	14198	SOUTHERN CALIFORNIA WATER COMMITTEE	-850.00
Bill Pmt -Check	05/20/2010	14199	STAPLES BUSINESS ADVANTAGE	-676.87
Bill Pmt -Check	05/20/2010	14200	STAULA, MARY L	-136.61
Bill Pmt -Check	05/20/2010	14201	THE STANDARD INSURANCE COMPANY	-200.64
Bill Pmt -Check	05/20/2010	14202	UNION 76	-141.71
Bill Pmt -Check	05/20/2010	14203	VERIZON WIRELESS	-590.23
Bill Pmt -Check	05/20/2010	14204	WESTERN DENTAL SERVICES, INC.	-28.06
Bill Pmt -Check	05/21/2010	14205	ACWA SERVICES CORPORATION	-214.10
Bill Pmt -Check	05/21/2010	14206	BANK OF AMERICA	-1,064.70
Bill Pmt -Check	05/21/2010	14207	BROWNSTEIN HYATT FARBER SCHRECK	-98,192.72
Bill Pmt -Check	05/21/2010	14208	KONICA MINOLTA BUSINESS SOLUTIONS	-724.67
Bill Pmt -Check	05/21/2010	14209	LIATTI & ASSOCIATES	-1,416.30
Bill Pmt -Check	05/21/2010	14210	MIJAC ALARM	-30.00
Bill Pmt -Check	05/21/2010	14211	PRE-PAID LEGAL SERVICES, INC.	-77.70
Bill Pmt -Check	05/21/2010	14212	PREMIERE GLOBAL SERVICES	-482.74
Bill Pmt -Check	05/21/2010	14213	R&D PEST SERVICES	-85.00
Bill Pmt -Check	05/21/2010	14214	UNITED PARCEL SERVICE	-62.60
Bill Pmt -Check	05/21/2010	14215	W.C. DISCOUNT MOBILE AUTO DETAILING	-75.00
Bill Pmt -Check	05/21/2010	14216	CALPERS	-5,110.13
Bill Pmt -Check	05/26/2010	14217	WILDERMUTH ENVIRONMENTAL INC	-69,886.44
Bill Pmt -Check	05/26/2010	14218	CUCAMONGA VALLEY IAAP	-77.00
				<b>-745,654.60</b>

May 2010

CHINO BASIN WATERMASTER  
 VISA Check Detail Report  
 May 2010

<u>Type</u>	<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Paid Amount</u>
Bill Pmt -Check	14206	05/21/2010	BANK OF AMERICA	1012 · Bank of America Gen'l Ckg	
Bill	4024420001939341	04/30/2010		6141.3 · Admin Meetings	-138.28
				6191 · Conferences	-267.05
				6909.1 · OBMP Meetings	-33.01
				6312 · Meeting Expenses	-464.20
				6031.7 · Other Office Supplies	-162.16
TOTAL					<u>-1,064.70</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 MAY 31, 2010**

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS		GROUNDWATER OPERATIONS SB222 FUNDS	GROUNDWATER REPLENISHMENT	EDUCATION FUNDS	GRAND TOTALS	BUDGET 2009-2010
			POOL APPROPRIATIVE	AG POOL					
<b>Administrative Revenues:</b>									
Administrative Assessments	111,000		7,215,654	-	225,016		7,440,671	\$7,340,839	
Interest Revenue			28,975	2,434	1,249		32,663	191,540	
Mutual Agency Project Revenue			-	-	-		-	148,410	
Grant Income			188				111,188	0	
Miscellaneous Income								0	
<b>Total Revenues</b>	<b>111,000</b>	<b>-</b>	<b>7,244,818</b>	<b>2,434</b>	<b>226,265</b>	<b>-</b>	<b>7,584,522</b>	<b>7,680,789</b>	
<b>Administrative &amp; Project Expenditures:</b>									
Watermaster Administration	570,238						570,238	580,238	
Watermaster Board-Advisory Committee	60,930						60,930	61,901	
Pool Administration			22,358	148,056	11,001		181,416	229,860	
Optimum Basin Mgmt Administration		1,499,021					1,499,021	1,557,820	
OBMP Project Costs		3,375,423					3,375,423	4,109,362	
Debt Service		942,042					942,042	1,131,233	
Education Funds Use								375	
Mutual Agency Project Costs								10,000	
<b>Total Administrative/OBMP Expenses</b>	<b>631,169</b>	<b>5,816,486</b>	<b>22,358</b>	<b>148,056</b>	<b>11,001</b>	<b>-</b>	<b>6,629,071</b>	<b>7,680,789</b>	
<b>Net Administrative/OBMP Expenses</b>	<b>(520,169)</b>	<b>(5,816,486)</b>							
<b>Allocate Net Admin Expenses To Pools</b>		4,874,444	363,428	137,890	18,850				
<b>Allocate Net OBMP Expenses To Pools</b>		942,042	3,405,647	1,292,157	176,641				
<b>Allocate Debt Service to App Pool</b>			1,578,103	(1,578,103)					
<b>Agricultural Expense Transfer*</b>			6,311,579		206,492		6,629,071	7,680,789	
<b>Total Expenses</b>			<b>933,239</b>	<b>2,434</b>	<b>19,773</b>	<b>-</b>	<b>955,451</b>	<b>-</b>	
<b>Net Administrative Income</b>									
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						(6,640,034)	(6,640,034)	0	
<b>Net Other Income</b>						<b>(1,707,174)</b>	<b>(1,707,174)</b>	<b>0</b>	
<b>Net Transfers To/(From) Reserves</b>									
		(751,724)	933,239	2,434	19,773	(1,707,174)	(751,724)	-	
<b>Working Capital July 1, 2009</b>			5,942,967	470,719	256,577	4,166,457	10,995,966		
<b>Working Capital End Of Period</b>			6,876,206	473,153	276,350	2,459,283	10,244,242	10,244,242	
<b>08/09 Assessable Production</b>			84,716,450	32,142,764	4,393,990		121,253,204		
<b>08/09 Production Percentages</b>			69.867%	26.509%	3.624%		100.000%		

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

C:\Financial Statements\2009-2010\2010-05\Combining\_May2010\_05\July2009-May2010

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**CHINO BASIN WATERMASTER  
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD  
MAY 1 THROUGH MAY 31, 2010**

<b>DEPOSITORIES:</b>			
Cash on Hand - Petty Cash	\$	500	
Bank of America			
Governmental Checking-Demand Deposits	\$	4,240,739	
Zero Balance Account - Payroll	\$	-	
Local Agency Investment Fund - Sacramento			
<b>TOTAL CASH IN BANKS AND ON HAND</b>			<b>5/31/2010</b>
<b>TOTAL CASH IN BANKS AND ON HAND</b>			<b>4/30/2010</b>
	<b>\$</b>	<b>16,315,169</b>	
		<b>17,076,459</b>	
<b>PERIOD INCREASE (DECREASE)</b>		<b>\$ (761,290)</b>	

**CHANGE IN CASH POSITION DUE TO:**

Decrease/(Increase) in Assets:		
Accounts Receivable	\$	-
Assessments Receivable		16,338
Prepaid Expenses, Deposits & Other Current Assets		(1,877)
(Decrease)/Increase in Liabilities		5,350,370
Accounts Payable		(56,101)
Accrued Payroll, Payroll Taxes & Other Current Liabilities		(6,070,020)
Transfer to/(from) Reserves		-
<b>PERIOD INCREASE (DECREASE)</b>		<b>\$ (761,290)</b>

	Petty Cash	Gov't'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
<b>SUMMARY OF FINANCIAL TRANSACTIONS:</b>					
Balances as of 4/30/2010	\$ 500	\$ 274,029	\$ -	\$ 16,801,930	\$ 17,076,459
Deposits	-	4,712,365	-	-	4,712,365
Transfers	-	(67,496)	68,618	(4,728,000)	(4,726,877)
Withdrawals/Checks	-	(678,159)	(68,618)	-	(746,778)
Balances as of 5/31/2010	\$ 500	\$ 4,240,739	\$ -	\$ 12,073,930	\$ 16,315,169
<b>PERIOD INCREASE OR (DECREASE)</b>	<b>\$ -</b>	<b>\$ 3,966,710</b>	<b>\$ -</b>	<b>\$ (4,728,000)</b>	<b>\$ (761,290)</b>

**CHINO BASIN WATERMASTER  
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD  
MAY 1 THROUGH MAY 31, 2010**

**INVESTMENT TRANSACTIONS**

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
5/27/2010	Withdrawal		\$ (4,728,000)				
<b>TOTAL INVESTMENT TRANSACTIONS</b>			<b>\$ (4,728,000)</b>	<b>-</b>			

\* 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  
May 31, 2010**

<u>Financial Institution</u>	Principal Amount	Number of Days	Interest Rate	Maturity Date
Local Agency Investment Fund	\$ 12,073,930			
<b>TOTAL INVESTMENTS</b>	<b>\$ 12,073,930</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 May 2010

	<u>YTD</u> <u>Actuals</u> <u>07/09 - 05/10</u>	<u>FY</u> <u>2009-2010</u> <u>Budget</u>	<u>\$Amt</u> <u>Over (Under)</u> <u>Budget</u>	<u>%</u> <u>of</u> <u>Budget</u>
<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	225,016	155,427	69,589	145%
4700 · Non Operating Revenues	32,663	191,540	-158,877	17%
4900 · Miscellaneous income	188			
<b>Total Income</b>	<u>7,584,522</u>	<u>7,680,788</u>	<u>-96,266</u>	<u>99%</u>
<b>Gross Profit</b>	7,584,522	7,680,788	-96,266	99%
<b>Expense</b>				
6010 · Salary Costs	454,376	487,838	-33,462	93%
6020 · Office Building Expense	89,795	102,500	-12,705	88%
6030 · Office Supplies & Equip.	29,557	43,500	-13,943	68%
6040 · Postage & Printing Costs	62,436	84,300	-21,864	74%
6050 · Information Services	115,757	148,500	-32,743	78%
6060 · Contract Services	97,235	98,000	-765	99%
6080 · Insurance	15,934	16,730	-796	95%
6110 · Dues and Subscriptions	16,521	17,000	-479	97%
6140 · WM Admin Expenses	2,166	3,000	-834	72%
6150 · Field Supplies	1,024	2,800	-1,776	37%
6170 · Travel & Transportation	26,191	37,800	-11,609	69%
6190 · Conferences & Seminars	21,502	26,500	-4,998	81%
6200 · Advisory Comm - WM Board	17,478	18,078	-600	97%
6300 · Watermaster Board Expenses	43,453	43,823	-371	99%
8300 · Appr PI-WM & Pool Admin	22,358	23,069	-711	97%
8400 · Agri Pool-WM & Pool Admin	24,427	25,114	-687	97%
8467 · Ag Legal & Technical Services	113,579	98,000	15,579	116%
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	11,001	6,677	4,324	165%
6500 · Education Funds Use Expens	0	375	-375	0%
9500 · Allocated G&A Expenditures	-362,255	-488,230	125,975	74%
	<u>812,585</u>	<u>872,374</u>	<u>-59,789</u>	<u>93%</u>
6900 · Optimum Basin Mgmt Plan	1,373,017	1,568,880	-195,863	88%
6950 · Mutual Agency Projects	0	10,000	-10,000	0%
9501 · G&A Expenses Allocated-OBMP	126,004	148,448	-22,444	85%
	<u>1,499,021</u>	<u>1,727,328</u>	<u>-228,307</u>	<u>87%</u>

	YTD Actuals 07/09 - 05/10	FY 2009-2010 Budget	\$Amt Over (Under) Budget	% of Budget
7101 · Production Monitoring	86,405	131,259	-44,854	66%
7102 · In-line Meter Installation	41,196	56,179	-14,983	73%
7103 · Grdwtr Quality Monitoring	147,933	214,362	-66,429	69%
7104 · Gdwtr Level Monitoring	324,039	366,956	-42,917	88%
7105 · Sur Wtr Qual Monitoring	3,679	43,912	-40,233	8%
7107 · Ground Level Monitoring	277,873	381,406	-103,533	73%
7108 · Hydraulic Control Monitoring	439,833	533,543	-93,710	82%
7109 · Recharge & Well Monitoring Prog	9,113	9,152	-40	100%
7200 · PE2- Comp Recharge Pgm	1,464,624	1,478,560	-13,936	99%
7300 · PE3&5-Water Supply/Desalte	62,387	85,694	-23,307	73%
7400 · PE4- Mgmt Plan	77,945	110,705	-32,760	70%
7500 · PE6&7-CoopEfforts/SaltMgmt	150,587	163,727	-13,140	92%
7600 · PE8&9-StorageMgmt/Conj Use	29,558	29,550	8	100%
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	260,251	339,782	-79,531	77%
	4,317,465	5,081,086	-763,621	85%
<b>Total Expense</b>	<b>6,629,071</b>	<b>7,680,788</b>	<b>-1,051,717</b>	<b>86%</b>
<b>Net Ordinary Income</b>	<b>955,451</b>		<b>955,451</b>	<b>100%</b>
<b>Other Income/Expense</b>				
Other Income				
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			
Total Other Income	7,098,882			
Other Expense				
5010 · Groundwater Replenishment	6,640,034			
5100 · Other Water Purchases	2,166,022			
9999 · To/(From) Reserves	-751,724			
Total Other Expense	8,054,332			
<b>Net Other Income</b>	<b>-955,451</b>			
<b>Net Income</b>	<b>0</b>		<b>0</b>	<b>0%</b>



# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM

### A. SUMMARIZED MINUTES





# 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:** 7/22/10

**TO:** Watermaster Board Members

**SUBJECT:** Reevaluate the Board's action requiring staff to only provide Motions and Actions within the minutes of all Board meetings.

### SUMMARY

**Issue -** In March 2010 the Board took action to direct staff to only include Motions and Actions within the minutes. The direction to provide only minimal information on Board actions was in response to a series of comments made by the Overlying Non Agricultural Pool that Watermaster staff was biased in its characterization of proceedings over the previous two months. As a result, the Overlying Non Agricultural Pool voted not to approve minutes for January and February, 2010, and requested that Watermaster provide verbatim minutes for all meetings. In reaction, the Board took the action in March to direct staff to prepare the minutes with only Motions and Actions.

Since March, the Agricultural Pool and the Non Agricultural Pool have rescinded their direction to Watermaster staff requiring verbatim minutes. They have directed staff to return to summary minutes for all Actions and Motions. The Appropriative Pool and the Advisory Committee never took action to change the way Watermaster staff prepared minutes for their meetings. The Board consideration of the change is in recognition that all of the Pools and the Advisory are all now asking for summary minutes be prepared for each of their meetings.

Watermaster staff intends on keeping audio files for all meetings at Watermaster until it has a new policy, adopted by Watermaster that provides direction for the holding and disposal of meeting audio files.

**Financial Impact -** The return to summary minutes will have a net savings to Watermaster that is already reflected in the 2010-2011 adopted budget.

**Recommendation -** Direct Watermaster staff to return to the practice of preparing summary minutes for all Board meetings of the Chino Basin Watermaster and retain all audio files for meetings until a new policy is adopted that provides direction for the holding and disposal of meeting audio files.



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# CHINO BASIN WATERMASTER

## IV. INFORMATION

1. Newspaper Articles



# Threatened Santa Ana sucker fish could get new habitat protections

10:00 PM PDT on Tuesday, July 6, 2010

By JANET ZIMMERMAN  
The Press-Enterprise

Southern California water agencies have banded together to battle a federal proposal to set aside critical habitat for the threatened Santa Ana sucker fish, saying the action would jeopardize billions of dollars in current and pending projects.

The U.S. Fish and Wildlife Service wants to exclude more than 3,000 acres, a third of the area it originally deemed necessary for the fish's survival along the Santa Ana River. It also has proposed adding 38 acres in the river's upper portion in San Bernardino County.

The agency estimates a critical habitat designation would cost \$6.9 million to \$9.5 million over the next 20 years, primarily for monitoring and sediment control for transportation projects, according to its analysis.



Story continues below

More than 75 percent of Santa Ana sucker habitat has been lost to water diversions, dam construction and urban development. **Special to The Press-Enterprise**

With the revised habitat proposal and a new economic analysis, the agency has opened a comment period. A public hearing is set July 21, from 1-3 p.m. and 6-8 p.m., at Ayres Suites Corona West, 1900 W. Frontage Road, Corona.

A task force formed by San Bernardino Valley Municipal Water District, Riverside Public Utilities, Western Municipal Water District in Riverside and 10 other water agencies hired an economic analyst, who says the 38-acre addition would cause \$320 billion in lost water-capture projects at Seven Oaks Dam and bridge improvements, among other plans.

"You have to take into account the impacts to humans," said Doug Headrick, general manager at the San Bernardino district.

His agency and the others also have hired biologists, are lobbying congressional representatives and have proposed expanding a Santa Ana sucker breeding program at the Riverside-Corona Resource Conservation District.

The 6-inch algae-eating fish lives in the lower and middle portions of the Santa Ana River and in the San Gabriel River, Big Tujunga Creek and the Santa Clara River in Los Angeles County, where it relies on gravel for the development of its eggs. More than 75 percent of its habitat has been lost because of water diversions, dam construction and urban development. In 2000, the fish was deemed threatened under the federal Endangered Species Act.

Fish and Wildlife wants to revise the 9,605-acre critical habitat proposal it made last December in response to a lawsuit from the Tucson-based Center for Biological Diversity.

A critical habitat designation does not ban development. It only affects activities that involve a federal permit, license or funding and that destroy or adversely alter the area.

That would apply to a newly approved permit giving the San Bernardino Valley and Western water districts rights to capture trillions of gallons of runoff from the Seven Oaks Dam to augment local water supplies.

Besides the 38-acre addition, Fish and Wildlife wants to exclude 3,048 acres of habitat in the river's middle and lower sections that are

covered by the Western Riverside County Multiple Species Habitat Conservation Plan, which protects designated lands to preserve plants and animals, many of them endangered.

The habitat conservation plan area includes 3,480 acres of suitable territory for the sucker, according to Fish and Wildlife. The fish would benefit more from protection under that plan than from designation of critical habitat, agency spokeswoman Jane Hendron said.

But Ileene Anderson, a biologist with the Center for Biological Diversity, said it makes no sense to remove critical habitat in the only Santa Ana River area where the fish live now -- between the bridges at Riverside Avenue in Colton and Mission Boulevard in Riverside.

"It's a very small area where they're eking out a living. We're concerned that if something happened off one of those bridges, like a truck going off or an oil spill, it could annihilate the whole population in the Santa Ana River," she said.

Comments will be accepted until Aug. 2 and can be submitted to Public Comments Processing, Attn: FWS-R8-ES-2009-0072, Division of Policy and Directives Management, U.S. Fish and Wildlife Service, 4401 N. Fairfax Drive, Suite 222, Arlington, Va. 22203.

*Reach Janet Zimmerman at 951-368-9586 or [jjzimmerman@PE.com](mailto:jjzimmerman@PE.com)*

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latimes.com/news/custom/scimedemail/la-me-water-drought-20100620,0,4400238.story

**latimes.com**

## California's drought may be over, but no one's rushing to lift restrictions

**Precipitation has been above average this year and many state reservoirs are nearly full. But the long-term concerns that politicians and water districts have harped on for years aren't going away.**

By Bettina Boxall, Los Angeles Times

June 20, 2010

Late spring storms smothered the Sierra in snow. The state's biggest reservoir is nearly full. Precipitation across much of California has been above average. By standard measures, California's three-year drought is over.

"From a hydrologic standpoint, for most of California, it is gone," said state hydrologist Maury Roos, who has monitored the ups and downs of the state's water for 50 years.

But Gov. Arnold Schwarzenegger isn't lifting his drought declaration. Los Angeles isn't ending its watering restrictions and Southern California's major water wholesaler isn't reversing delivery cuts. Despite months of rain and snow and rising levels in the state's major reservoirs, water managers aren't ready to celebrate or make the drought's end official.

Caution, politics and a changing water landscape are all at play.

"The concern is, if we return to a dry year next year we're in trouble" said Assemblyman Jared Huffman (D-San Rafael), one of the Legislature's water policy experts. "But you also have to wonder if the drought isn't also a convenient political tool sometimes — especially in an election year."

The Colorado River Basin, a significant water source for the Southland, remains stuck in a long-term drought. Environmental restrictions on pumping water from Northern California will continue to reduce exports to the south. Both are cause for caution.

On the political side, an expensive water bond made its way onto the November ballot with the help of images of shrinking reservoirs and parched fields in the Central Valley.

Data from the state Department of Water Resources paint a [vastly improved water picture](#). As of May 31, statewide precipitation was at 115% of average, reservoir storage was at 95% and runoff at 80%.

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## Statement on 2010 Water Bond

6/29/10

As you may have heard, there is a possibility that Proposition 18, the Safe, Clean and Reliable Drinking Water Supply Act, may be pushed from the November 2010 statewide ballot to 2012. Below please find our campaign statement that was just released to the news media:

Statement from Jim Earp, executive director of California Alliance for Jobs and chair of the campaign to pass the water bond, Alliance for Clean Water and Jobs.

**SACRAMENTO, CA** – “The water bond represents a truly comprehensive solution to fix the problems in the Delta, increase conservation and recycling, and expand the availability and quality of water supplies in every region of the state. That’s why the measure enjoys unprecedented support from business, labor, environmentalists, farmers, water agencies and many others.

“We’re confident that when presented to voters, they will approve the measure. However, in light of the economic situation, we agree with the Governor and legislative leaders that the best timing for the water bond is in 2012. We support postponing the bond to 2012.”

We greatly appreciate the broad support the water bond has received, and our campaign will keep you posted as we know more about the status of the bond. We have posted below written statements from the Governor and Senator Dave Cogdill.

### **Gov. Schwarzenegger Issues Statement Regarding the Water Supply Act of 2010**

Governor Arnold Schwarzenegger today issued the following statement regarding the Water Supply Act of 2010:

“After reviewing the agenda for this year, I believe our focus should be on the budget -- solving the deficit, reforming out of control pension costs and fixing our broken budget system. It’s critical that the water bond pass, as it will improve California’s economic growth, environmental sustainability and water supply for future generations. For that reason, I will work with legislature to postpone the bond to the next ballot and avoid jeopardizing its passage

The Water Supply Act is a crucial component of the comprehensive water package that passed in 2009. The bond will fund, with local cost-sharing, drought relief, water supply reliability, Delta sustainability, statewide water system operational improvements, conservation and watershed protection, groundwater protection and water recycling and water conservation programs.

Delaying the bond will not impact other parts of the 2009 water package, such as enhancing the Delta ecosystem, better monitoring groundwater basins, reducing statewide consumption and improving diversion patterns.

In May 2004, state leaders passed a bill to delay voting on the high-speed rail bond until November 2006, and later delayed the vote again until November 2008, when it eventually passed as Proposition 1A. The voters' approval of Proposition 1A in 2008 made a \$9.95 billion bond-funded down payment on high-speed rail in California.

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## Senator Cogdill Issues Statement Regarding Voter Approval of Water Bond

Senator Dave Cogdill, R-Modesto, today issued the following statement regarding the decision to delay the Safe, Clean and Reliable Drinking Water Act until the November 2012 ballot:

“Ensuring California has a safe and reliable water supply is, has, and always will be my top priority. I have dedicated the last four years to achieving this goal and I am committed to getting this bond passed at the ballot box. While I believe we must immediately invest in our water future, timing is everything and I'm willing to wait to bolster voter understanding of this critical measure.

“I'm encouraged by the fact that a [recent poll](#) shows that 75 percent of voters believe passing a bond is important. By waiting until 2012, we can give the economy a greater opportunity to rebound and lessen economic concerns about this critical investment.

“When I leave the Legislature later this year, my dedication to rebuilding our aging water infrastructure will not end. I will continue to fight to ensure California's water needs are met now and for future generations of families, businesses, farmers and ranchers. It's not just a public safety concern, it's critical to our overall economy and one of the biggest issues facing our state.”

*Delaying bonds have not hampered ultimate success at the ballot box. Though the bond authorizing the construction of a high speed rail was twice delayed, 52 percent of voters ultimately approved the measure in 2008.*

## Latest Press Release

Lake Oroville, the biggest reservoir in the State Water Project system, has risen 14 feet this month and water levels are still climbing. Shasta Lake, the giant of California reservoirs, is nearly full. Roos expects June runoff to be above average, boosted by snowmelt from storms that kept fattening the Sierra snowpack well into spring.

All in all, Roos said, this is turning out to be the best water year since 2006, before the drought began. "It looks pretty good to me," he said.

But not everything is back to normal. While most farmers in the Central Valley will get their full federal water allotment this year, the hard-hit west side of the San Joaquin Valley is still facing cuts, as are irrigation districts in the state's northeast corner.

The state project that sends water to the Southland has ramped up deliveries from initial projections, but they will remain well below normal. State officials say that is due to strict pumping curbs in the Sacramento-San Joaquin Delta, to protect salmon and smelt populations, and because Oroville has been slower to refill than some other reservoirs.

Water managers warn that even if the drought is over, the days of carefree water use in California are gone forever.

"We're trying to prepare the consumer for the fact that this isn't just a short-term thing — if it's wet or dry. This may be every year," said Debra Man, assistant general manager of the Metropolitan Water District of Southern California, which sells imported water to Los Angeles and other Southland cities. "We're facing more than just weather."

After jumping for much of the past decade, the MWD's imports of Northern California water fell in recent years, not only because of the drought, but because fish protections are restricting pumping from the delta.

The Colorado River Basin, MWD's other big supplier, is in the grip of a stubborn, long-term drought. And a complicated legal agreement struck earlier this decade calls for California to limit its use of the river to the state's historic allotment, an amount that has been exceeded regularly in the past.

All that has diminished MWD's supplies, draining its regional water reserves by half — too much, Man said, for the agency to end the rationing it imposed last year.

In the Bay Area, however, several districts dropped their drought restrictions as conditions improved. Los Angeles is not ready to do the same, even though the city will get slightly more water than usual from the [Eastern Sierra](#) this year.

"Things have improved. I'm happy that they have," said James McDaniel, a senior assistant general manager in the L.A. Department of Water and Power. But "we're still quite concerned about another dry year coming up. We could be in a real bad situation."

Citing the same supply pressures as Man, McDaniel said he has stopped talking about drought and instead refers to "a chronic water-supply shortage. ... I don't know that it will ever be the same as it was before."

From the start, the drought took on political dimensions. When Schwarzenegger announced his June 2008 drought proclamation, he included a plug for a massive bond to fund new water infrastructure.

When lawmakers last year approved the \$11-billion bond package and placed it on this November's ballot, they invoked the drought.

When farm interests staged angry rallies protesting irrigation cutbacks last summer, they stood next to withered fields. When Central Valley politicians attacked the Endangered Species Act, they complained that the act's pumping limits and the drought were wrecking the valley's economy and causing massive job losses (a claim that was not supported by [farm labor statistics](#)).

"This was a real drought. There's no doubt about that," said Huffman, the Assemblyman. "It caused real impacts. At the same time, I would agree the politics were extreme, especially last year and especially in the San Joaquin Valley. I think some folks saw an opportunity."

Deputy Press Secretary Jeff Macedo said the governor has no plans to declare the drought over. "We haven't gotten to that point yet."

"After three years of drought, these communities in the Central Valley have been affected greatly. They still are feeling those effects," he added. "This isn't a political issue. This is part of the governor reacting to a natural disaster."

[bettina.boxall@latimes.com](mailto:bettina.boxall@latimes.com)

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## Sherri Lynne Molino

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**Subject:** Schwarzenegger backs delaying water bond vote to 2012

Gov. **Arnold Schwarzenegger** said today he will work to postpone the vote on the \$11.14 billion water bond, now on the November ballot, to 2012 to "avoid jeopardizing its passage."

"After reviewing the agenda for this year, I believe our focus should be on the budget -- solving the deficit, reforming out of control pension costs and fixing our broken budget system," he said in a statement. "It's critical that the water bond pass, as it will improve California's economic growth, environmental sustainability and [water supply](#) for future generations."

The statement from Schwarzenegger, one of the primary backers of the measure, comes as lawmakers are [reportedly considering](#) putting up a vote to bump the bond off the November ballot. Lawmakers approved the bond as part of last year's package of water policy and infrastructure bills.

Read more: <http://blogs.sacbee.com/capitolalertlatest/2010/06/schwarzenegger-backs-delaying.html#ixzz0sHe6THyY>

Chris Frahm  
Brownstein Hyatt Farber Schreck, LLP  
550 West C Street, Suite 1750  
San Diego, CA 92101  
[CFrahm@bhfs.com](mailto:CFrahm@bhfs.com)  
619.702.6917 Direct  
619.239.4333 Facsimile  
619.702.6915 A.J. McQuarrie (Assistant)

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