



CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

Thursday, June 3, 2010

1:00 p.m. – Appropriative Pool Meeting

AT THE CHINO BASIN WATERMASTER OFFICES

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





CHINO BASIN WATERMASTER

Thursday, June 3, 2010

1:00 p.m. – Appropriative Pool Meeting

AGENDA PACKAGE



**CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING**

1:00 p.m. – June 3, 2010

*Mr. Mark Kinsey, Chair, Appropriative Pool
Mr. John Mura, Vice-Chair, Appropriative 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 Appropriative Pool Meeting held May 13, 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 9)*
3. Combining Schedule for the Period July 1, 2009 through April 30, 2010 *(Page 11)*
4. Treasurer's Report of Financial Affairs for the Period April 1, 2010 through April 30, 2010 *(Page 13)*
5. Budget vs. Actual July 2009 through April 2010 *(Page 15)*

C. LOCAL AGENCY INVESTMENT FUND

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

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 They are Constructed with Perforations Solely in the Shallow Aquifer *(Page 21)*

B. CHINO BASIN WATERMASTER 2010-2011 BUDGET

Consider Approval of the Chino Basin Watermaster 2010-2011 Budget *(Page 25)*

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 45)*

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

IV. INFORMATION

- 1. Newspaper Articles *(Page 50)*

V. POOL MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

VIII. FUTURE MEETINGS

| | | |
|------------------------------|-------------------|---|
| 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 |
| 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 |
| 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 |

Meeting Adjourn



CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Appropriative Pool Meeting held on May 13, 2010



Draft Minutes
CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING
May 13, 2010

The Appropriative Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on May 13, 2010 at 1:00 p.m.

APPROPRIATIVE POOL MEMBERS PRESENT WHO SIGNED IN

| | |
|--------------------|------------------------------------|
| Mark Kinsey, Chair | Monte Vista Water District |
| Ken Jeske | City of Ontario |
| Robert DeLoach | Cucamonga Valley Water District |
| Josh Swift | Fontana Water Company |
| Robert Young | Fontana Union Water Company |
| Charles Moorrees | San Antonio Water Company |
| Raul Garibay | City of Pomona |
| Tom Harder | Jurupa Community Services District |
| Dave Crosley | City of Chino |
| John Mura | City of Chino Hills |
| Anthony La | City of Upland |
| Ben Lewis | Golden State Water Company |

Watermaster Staff Present

| | |
|---------------------|-------------------------|
| Kenneth R. Manning | Chief Executive Officer |
| Ben Pak | Senior Project Engineer |
| Danielle Maurizio | Senior Engineer |
| Joe Joswiak | Chief Financial Officer |
| Sherri Lynne Molino | Recording Secretary |

Watermaster Consultants Present

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

Others Present Who Signed In

| | |
|------------------|---|
| Shaun Stone | City of Upland |
| Marty Zvirbulis | Cucamonga Valley Water District |
| Ryan Shaw | Inland Empire Utilities Agency |
| Jack Safely | Western Municipal Water District |
| Dave Argo | Black & Veatch |
| Mohamed El-Amamy | City of Ontario |
| Eunice Ulloa | Chino Basin Water Conservation District |

Chair Kinsey called the Appropriative Pool Meeting to order at 1:00 p.m.

AGENDA - ADDITIONS/REORDER

Chair Kinsey noted item IID will be taken directly after the Consent Calendar.

I. CONSENT CALENDAR

A. MINUTES

1. Resubmitted Verbatim Minutes of the Joint Appropriative & Non-Agricultural Pool Meeting held February 4, 2010
2. Minutes of the Appropriative Pool Meeting held April 8, 2010

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

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. Date of Application: April 5, 2010

Motion by DeLoach, second by Young, and by unanimous vote

Moved to approve Consent Calendar items A through C, as presented

II. BUSINESS ITEMS

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

Mr. Manning noted this item was on the agenda last month as an information item to begin dialog. Mr. Manning stated this item is a requirement for Watermaster to participate in. Mr. Manning stated the value of the dollars that will be spent on this endeavor will be a great benefit to the Chino Basin. Mr. Manning stated staff is recommending approval of this amendment to the agreement to form a task force and conduct the monitoring as stated in the contract. Mr. DeLoach inquired if the bold texts in the amendment document in the meeting package are the proposed changes and Mr. Manning confirmed those were the proposed changes.

Motion by DeLoach, second by Jeske, and by unanimous vote

Moved to approve Amendment No. 1 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 stated Watermaster currently has a policy in place that states any transfer in excess of \$10,000 has to go through the Watermaster process. Mr. Manning stated staff has reviewed all of the ending balances for this fiscal year and in that review it was revealed additional funds were needed in a few categories. Mr. Manning noted that fortunately funds were available in other categories, due to various reasons, to transfer those monies to the needed categories. The available funds were discussed thoroughly with Watermaster consultants to ensure no programs would be impaired. Mr. Manning reviewed this item in detail and explained how some of the funds became available, which will avoid a special assessment to the parties. Mr. Manning stated staff is asking approval of this item in order to balance the budget for the remainder of the fiscal year. A lengthy discussion regarding this item, the categories money is being moved from, a category coding error, monies expended for the Paragraph 31 Motion, the recent Regional Board fine, and projects that will still need to be worked on and/or completed next fiscal year ensued. It was noted this committee would appreciate a more detailed breakdown of costs, especially for legal and the Regional Board fine. A discussion regarding the Regional Board fine, how it is constructed, and how it will be dealt with financially ensued. Counsel Fife offered comment on the administrative OBMP expenses and the special project expenses within the framework of the Watermaster Judgment. A discussion regarding Counsel Fife's comments and legal fees ensued.

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

Moved to approve budget transfer T-10-05-10 relating to Watermaster legal fees, OBMP engineering services and MZ1 ground level monitoring, as presented

C. CHINO CREEK WELL FIELD LOCATIONS

Chair Kinsey commented that he never received the supporting documentation for this item. Mr. Manning explained why this item was placed on the agenda this month and noted the supporting documentation and discussions needed to move this item forward did not transpire; this item will be for information only this month. A discussion regarding this project and the needed material physical injury analysis ensued. Mr. Manning noted tremendous progress has been made with the CDA; however, this item is not ready to be on the agenda for action. Mr. Jeske gave the locations of the wells and noted this item is on the CDA agenda for their board meeting today.

No action was taken on this item.

Item IID was taken out of order directly after the Consent Calendar.

D. POTENTIAL IMPLEMENTATION OF MWD'S WATER SUPPLY ALLOCATION PLAN (WSAP)

Mr. Manning stated this item was discussed with the chairman of the Appropriative Pool and a few other members of the Pool after staff received this item from the Metropolitan Water District (MET), and after several discussions at MET for Watermaster to discuss the possibility of an alliance or potential next steps to see if there was any interest by Watermaster in pursuing any or all of the items in the presented memo. Mr. Manning stated this item was on the agenda last month as an information only item. Mr. Manning offered comment on the amendment to form a task force. Chair Kinsey inquired if the Committee Members read the amendment and offered comments on this project. Mr. Atwater discussed the matter in greater detail and a lengthy discussion regarding this item, replenishment deliveries, and rate structures ensued. Mr. Manning suggested one of the first meetings that should take place is with the Association of Groundwater Agencies (AGWA), which includes MET member agencies. After staff meets with them and hopefully others, and he has more information, he will provide an update at next month's meeting.

No action was taken on this item.

Chair Kinsey asked that the CEO/Staff Report be given before Watermaster General Legal Counsel Report.

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. Paragraph 31 Motion**

Counsel Fife stated the Non-Agricultural Pool filed all of its papers on Monday and those are available on the Chino Basin ftp site. Counsel Fife noted the Non-Agricultural Pool did file three separate pleadings and then California Steel also filed a pleading separately. Counsel Fife stated on Tuesday the judge continued the May 14, 2010 hearing and scheduled a new hearing date on June 4, 2010 at 10:30 a.m. Counsel Fife noted a notice was provided to all the parties on the hearing continuance.

2. ACL Complaint

Counsel Fife stated staff and counsel is moving forward with working with the Regional Board to deal with the complaint. Several meetings have taken place and there are more scheduled so that a settlement gets done expeditiously. Chair Kinsey inquired if the fine could somehow come back as a benefit to the Chino Basin parties. Chair Kinsey noted IEUA is using theirs on the water softener replacement. Mr. Manning stated half of IEUA's and half of Watermaster's fines are both going to come back to us as part of the water softener replacement program. A discussion regarding the Regional Board fine and a new proposed project schedule ensued.

3. CDA Facilitation

Counsel Fife noted this item was previously discussed; but to reiterate the CDA parties are meeting on a regular basis to work this matter out.

CEO/Staff Report was taken out of order as requested by Chair Kinsey.

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. A brief discussion regarding the cost of the water ensued.

3. 2010-2011 Watermaster Budget

Mr. Manning noted the Watermaster Budget Workshop took place yesterday and Mr. Joswiak will give a similar presentation as the one given at that workshop. 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. It was noted that questions were specifically asked about the budget for verbatim minutes and the new conference calling system which will need to go through the Watermaster process for approval. A lengthy discussion regarding the updated budget presentation and its contents ensued. Mr. DeLoach suggested a committee be formed for some of the Appropriative Pool members to work with Watermaster staff on the 2010-2011 budget due to the escalation of costs presented in the 2010-2011 budget. Mr. Manning stated that is an excellent idea and noted Watermaster staff is willing to work with the Appropriators on finding ways to reduce the budget. Chair Kinsey inquired if any of the Appropriators are willing to volunteer for the budget committee. It was noted the 2010-2011 Budget Committee would comprise of Robert DeLoach, Robert Young, Ken Jeske, Dave Crosley, John Mura, Shaun Stone, Marty Zvirbulis, and Mark Kinsey. Mr. Manning noted Watermaster staff will get the first meeting for this new committee scheduled right away.

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.

IV. INFORMATION

1. Newspaper Articles

No comment was made regarding this item.

V. POOL 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 Appropriative Pool 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 12, 2010 | 10:00 a.m. | Watermaster Budget Workshop @ CBWM |
| Thursday, May 13, 2010 | 9:00 a.m. | Agricultural Pool Meeting @ IEUA |
| ** Thursday, May 13, 2010 | 1:00 p.m. | Appropriative Meeting @ CBWM |
| ** Thursday, May 13, 2010 | 2:30 p.m. | Non-Agricultural Pool Meeting @ CBWM |
| Friday, May 14, 2010 | 10:30 a.m. | CBWM Court Hearing @ Chino Court Room C1 |
| 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 |

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

**** Please Note: Date change for Appropriative Pool and Non-Agricultural Pool meetings**

The Appropriative Pool meeting was dismissed by Chair Kinsey at 2:15 p.m.

Secretary: _____

Minutes Approved: _____

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

B. FINANCIAL REPORTS

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2. Watermaster Check Detail for the month of April 2010
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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

KENNETH R. MANNING
Chief Executive Officer

STAFF REPORT

DATE: May 27, 2010
TO: Board 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
6-03-10 Non-Agricultural Pool
6-10-10 Agricultural Pool
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

| <u>Type</u> | <u>Date</u> | <u>Num</u> | <u>Name</u> | <u>Amount</u> |
|-----------------|-------------|------------|-------------------------------------|---------------|
| 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 | 14102 | 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 |
| | | | | <u>-828,893.74</u> |

Apr 2010

8:42 AM
05/27/10

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 | AG POOL | NON-AG POOL | GROUNDWATER REPLENISHMENT | | | |
| 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 | 111,000 | 188 | | | | | | 111,188 | 0 |
| Total Revenues | 111,000 | - | 7,244,629 | 2,434 | 269,625 | - | 5 | 7,527,881 | 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 | 605,856 | 5,485,062 | 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 | 1,204,300 | 164,631 | | | | - | - |
| Allocate Debt Service to App Pool | | 942,042 | | | | | | - | - |
| Aggricultural Expense Transfer* | | | 1,465,117 | (1,465,117) | | | | | |
| Total Expenses | 1,297,079 | - | 194,068 | 75,556 | - | - | 5 | 6,252,806 | 7,680,789 |
| Net Administrative Income | 1,297,079 | - | 2,434 | - | - | - | 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 | 995 | 10,995,966 | |
| | | | 7,240,046 | 473,153 | 332,133 | 8,077,970 | 1,000 | 16,282,554 | 16,282,554 |
| 08/09 Assessable Production | | | 84,716,450 | 32,142,764 | 4,393,990 | | | 121,253,204 | |
| 08/09 Production Percentages | | | 69.867% | 26.509% | 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

| | | |
|---|-----------|---------------------|
| DEPOSITORIES: | | |
| Cash on Hand - Petty Cash | \$ | 500 |
| Bank of America | | |
| Governmental Checking-Demand Deposits | \$ | 274,029 |
| Zero Balance Account - Payroll | | - |
| Local Agency Investment Fund - Sacramento | | 16,801,930 |
| TOTAL CASH IN BANKS AND ON HAND | | 4/30/2010 |
| TOTAL CASH IN BANKS AND ON HAND | | 3/31/2010 |
| | \$ | 17,076,459 |
| | | 17,784,485 |
| PERIOD INCREASE (DECREASE) | | \$ (708,027) |

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 |
| Accounts Payable | | 92,015 |
| Accrued Payroll, Payroll Taxes & Other Current Liabilities | | 19,861 |
| Transfer to/(from) Reserves | | (920,304) |
| PERIOD INCREASE (DECREASE) | | \$ (708,027) |

SUMMARY OF FINANCIAL TRANSACTIONS:

| | Balances as of | 3/31/2010 | Petty Cash | Gov't'l Checking Demand | Zero Balance Account Payroll | Local Agency Investment Funds | Totals |
|--------------------------------------|----------------|-----------|------------|-------------------------|------------------------------|-------------------------------|----------------------|
| Balances as of | 4/30/2010 | \$ | 500 | 305,345 | \$ | 17,478,640 | \$ 17,784,485 |
| Deposits | | | - | 797,578 | - | 23,289 | 820,867 |
| Transfers | | | - | (63,133) | 63,133 | (700,000) | (700,000) |
| Withdrawals/Checks | | | - | (765,760) | (63,133) | - | (828,894) |
| Balances as of | | \$ | 500 | 274,029 | \$ | 16,801,930 | \$ 17,076,459 |
| PERIOD INCREASE OR (DECREASE) | | | - | (31,316) | - | (676,711) | \$ (708,027) |

**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**

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

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 |
|--------------------------------------|---------------------------------|---------------------------|---------------------------------|-------------------|
| Ordinary Income/Expense | | | | |
| Income | | | | |
| 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 | | | |
| Total Income | 7,627,881 | 7,680,788 | -52,907 | 99% |
| Gross Profit | 7,627,881 | 7,680,788 | -52,907 | 99% |
| Expense | | | | |
| 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% |
| Total Expense | 6,252,806 | 7,680,788 | -1,427,982 | 81% |
| Net Ordinary Income | 1,375,075 | | 1,375,075 | 100% |
| Other Income/Expense | | | | |
| 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 | 1,021,346 | | | |
| 5100 · Other Water Purchases | 2,166,022 | | | |
| 9999 · To/(From) Reserves | 5,286,588 | | | |
| Total Other Expense | 8,473,957 | | | |
| Net Other Income | -1,375,075 | | | |
| Net Income | 0 | | 0 | 0% |



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.

| | | |
|-------------------------------------|---|----------------------|
| <u>Ken Willis</u> (NAME) | <u>Chairman of the Board</u> (TITLE) | _____ (SIGNATURE) |
| <u>Michael Camacho</u> (NAME) | <u>Vice-Chair</u> (TITLE) | _____ (SIGNATURE) |
| <u>Michael Whitehead</u> (NAME) | <u>Board Secretary/Treasurer</u> (TITLE) | _____ (SIGNATURE) |
| <u>Kenneth R. Manning</u> (NAME) | <u>Chief Executive Officer/Secretary</u> (TITLE) | _____ (SIGNATURE) |
| <u>Joseph S. Joswiak</u> (NAME) | <u>C.F.O.</u> (TITLE) | _____ (SIGNATURE) |

APPROVED by the Advisory Committee this 17th day of June 2010.
ADOPTED by the Watermaster Board on this 24th 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

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

KENNETH R. MANNING
Chief Executive Officer

STAFF REPORT

DATE: June 3, 2010

TO: 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 will achieve and maintain hydraulic control.

Recommendation — Approve of the CDA's proposed locations of Wells I-16 and I-18, provided that they are constructed with perforations solely in the shallow aquifer.

Financial Impact — None.

BACKGROUND

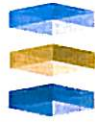
The Peace II Agreement requires that the Desalters cumulatively produce approximately 40,000 acre-feet per year of groundwater by 2012. It also, along with the Basin Plan Amendment, requires that hydraulic control must be met to reduce groundwater discharge to the Santa Ana River to de minimus quantities.

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**
- 6-03-10 Non-Agricultural Pool**
- 6-10-10 Agricultural Pool**
- 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

KENNETH R. MANNING
Chief Executive Officer

STAFF REPORT

DATE: June 3, 2010
TO: 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. After discussion 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. The Advisory Committee recommended that an Ad Hoc Budget Committee be created of Appropriative members to assist staff in the budget development.

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.



**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 |
|---|----------------------------|--------------------------------|--------------------------------|--------------------------------|----------------------------|
| Ordinary Income | | | | | |
| 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 |
| Total Income | 8,342,318 | 7,472,514 | 7,680,788 | 6,640,490 | -1,040,298 |
| Administrative Expenses | | | | | |
| 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 |
| Total Administrative Expenses | 781,386 | 422,649 | 872,374 | 829,502 | -42,872 |
| General OBMP Expenditures | | | | | |
| 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 |
| Total General OBMP Expenditures | 1,940,126 | 729,815 | 1,557,819 | 1,343,673 | -214,146 |
| OBMP Implementation Projects | | | | | |
| 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 |
| Total OBMP Implementation Projects | 4,983,211 | 2,487,754 | 5,250,595 | 4,467,315 | -783,280 |
| Total Expenses | 7,704,723 | 3,640,218 | 7,680,788 | 6,640,490 | -1,040,298 |
| Net Ordinary Income | 637,595 | 3,832,296 | 0 | 0 | 0 |
| Other Income | | | | | |
| 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 |
| Total Other Income | 6,492,532 | 7,087,309 | 0 | 0 | 0 |
| Other Expense | | | | | |
| 5010 Groundwater Recharge | 2,326,075 | 1,019,746 | 0 | 0 | 0 |
| Total Other Expense | 2,326,075 | 1,019,746 | 0 | 0 | 0 |
| Net Other Income | 4,166,457 | 6,067,563 | 0 | 0 | 0 |
| 9900 From / (To) Reserves | -4,804,052 | -10,139,076 | 0 | 0 | 0 |
| Net Income | \$0 | -\$239,217 | \$0 | \$0 | \$0 |

**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 |
|---|----------------------------|--------------------------------|--------------------------------|--------------------------------|----------------------------|
| Income | | | | | |
| 4000 Mutual Agency Revenue | | | | | |
| 4010 Local Agency Subsidies - Other | -\$50,167 | \$111,000 | \$148,410 | \$148,410 | \$0 |
| 4013 Local Agency Contr - OBMP | -41,667 | 0 | 0 | 0 | 0 |
| 4040 Cooperative Agreement | 143,051 | 0 | 0 | 0 | 0 |
| Total 4000 Mutual Agency Revenue | 51,217 | 111,000 | 148,410 | 148,410 | 0 |
| 4110 Appropriative Pool Assessments | | | | | |
| 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 |
| Total 4110 Appropriative Pool Assessments | 7,993,307 | 7,115,654 | 7,185,411 | 6,113,552 | -1,071,859 |
| 4120 Non-Agricultural Pool Assessments | | | | | |
| 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 |
| Total 4120 Non-Agricultural Pool Assessments | 172,817 | 225,016 | 155,427 | 203,518 | 48,091 |
| 4730 Prorated Interest Income | | | | | |
| 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 |
| Total 4730 Prorated Interest Income | 123,949 | 20,844 | 191,540 | 175,010 | -16,530 |
| 4900 Miscellaneous Income | | | | | |
| | 1,028 | 0 | 0 | 0 | 0 |
| Total Income | 8,342,318 | 7,472,514 | 7,680,788 | 6,640,490 | -1,040,298 |

**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 |
|--|----------------------------|--------------------------------|--------------------------------|--------------------------------|----------------------------|
| Administrative Expenses | | | | | |
| 6010 Salary Costs | | | | | |
| 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 |
| Total 6010 Salary Costs | 493,409 | 244,694 | 487,838 | 464,944 | -22,894 |
| 6020 Office Building Expense | | | | | |
| 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 |
| Total 6020 Office Building Expense | 94,093 | 47,238 | 102,500 | 103,196 | 696 |
| 6030 Office Supplies & Equip. | | | | | |
| 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 |
| Total 6030 Office Supplies & Equip. | 44,822 | 19,903 | 46,500 | 40,500 | -6,000 |
| 6040 Postage & Printing Costs | | | | | |
| 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 |
| Total 6040 Postage & Printing Costs | 70,332 | 33,639 | 84,300 | 78,300 | -6,000 |

**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 |
|--|----------------------------|--------------------------------|--------------------------------|--------------------------------|----------------------------|
| 6050 Information Services | | | | | |
| 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 |
| Total 6050 Information Services | 142,730 | 67,913 | 148,500 | 147,200 | -1,300 |
| 6060 WM Special Contract Services | | | | | |
| 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 |
| Total 6060 WM Special Contract Services | 69,660 | 68,136 | 98,000 | 75,000 | -23,000 |
| 6080 Insurance Expense | | | | | |
| 6085 Business Insurance Package | 15,498 | 15,703 | 16,500 | 17,325 | 825 |
| 6086 Position Bond Insurance | 215 | 231 | 230 | 250 | 20 |
| Total 6080 Insurance Expense | 15,713 | 15,934 | 16,730 | 17,575 | 845 |
| 6110 Dues and Subscriptions | | | | | |
| 6111 Membership Dues | 7,762 | 16,582 | 15,000 | 15,000 | 0 |
| 6112 Subscriptions | 2,291 | 623 | 2,000 | 1,000 | -1,000 |
| Total 6110 Dues and Subscriptions | 10,053 | 17,205 | 17,000 | 16,000 | -1,000 |
| 6150 Field Supplies & Equipment | | | | | |
| 6151 Small Tools & Equipment | 40 | 125 | 1,800 | 800 | -1,000 |
| 6154 Uniforms | 1,051 | 146 | 1,000 | 1,000 | 0 |
| Total 6150 Field Supplies & Equipment | 1,091 | 271 | 2,800 | 1,800 | -1,000 |
| 6170 Travel & Transportation | | | | | |
| 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 |
| Total 6170 Travel & Transportation | 36,287 | 14,905 | 37,800 | 33,160 | -4,640 |

**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 |
|---|----------------------------|--------------------------------|--------------------------------|--------------------------------|----------------------------|
| 6190 Conferences & Seminars | | | | | |
| 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 |
| Total 6190 Conferences & Seminars | 24,133 | 11,593 | 26,500 | 23,000 | -3,500 |
| 6200 Advisory Committee Expenses | | | | | |
| 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 |
| Total 6200 Advisory Committee Expenses | 17,033 | 9,314 | 18,078 | 22,470 | 4,392 |
| 6300 Watermaster Board Expenses | | | | | |
| 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 |
| Total 6300 WM 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 | | | | | |
| 8301 WM Staff Salaries | 20,009 | 13,795 | 22,569 | 26,210 | 3,641 |
| 8312 Meeting Expenses | 285 | 69 | 500 | 500 | 0 |
| Total 8300 Appropriative Pool Administration | 20,294 | 13,864 | 23,069 | 26,710 | 3,641 |
| 8400 Agricultural Pool Administration | | | | | |
| 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 |
| Total 8400 Agricultural Pool Administration | 167,194 | 70,569 | 200,114 | 182,147 | -17,967 |

**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 |
|--|----------------------------|--------------------------------|--------------------------------|--------------------------------|----------------------------|
| 8500 Non-Agricultural Pool Administration | | | | | |
| 8501 WM Staff | 4,911 | 2,822 | 6,477 | 11,466 | 4,989 |
| 8512 Meeting Expense | 206 | 69 | 200 | 200 | 0 |
| Total 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 |
| Total Administrative Expenses | 781,386 | 422,649 | 872,374 | 829,502 | -42,872 |
| General OBMP Expenses | | | | | |
| 6900 Optimum Basin Mgmt Program | | | | | |
| 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 |
| Total 6900 Optimum Basin Mgmt Program | 1,765,585 | 655,248 | 1,399,371 | 1,197,734 | -201,637 |
| Total 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 |
| Total General OBMP Expenses | 1,940,126 | 729,815 | 1,557,819 | 1,343,673 | -214,146 |

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

DRAFT

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

7101 Production Monitoring

| | | | | | |
|---|--------|--------|---------|---------|--------|
| 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 |

Total 7101 Production Monitoring

| | | | | | |
|--|---------|--------|---------|---------|--------|
| | 108,441 | 49,881 | 107,047 | 104,219 | -2,828 |
|--|---------|--------|---------|---------|--------|

7102 In-Line Meter Installation/Maintenance

| | | | | | |
|--|--------|--------|--------|--------|--------|
| 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 |

Total 7102 In-Line Meter Installation/Maintenance

| | | | | | |
|--|--------|--------|--------|--------|--------|
| | 55,732 | 20,440 | 56,179 | 66,679 | 10,500 |
|--|--------|--------|--------|--------|--------|

7103 Groundwater Quality Monitoring

| | | | | | |
|--|---------|--------|---------|--------|---------|
| 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 |

Total 7103 Groundwater Quality Monitoring

| | | | | | |
|--|---------|---------|---------|---------|---------|
| | 183,368 | 111,425 | 214,362 | 202,996 | -11,366 |
|--|---------|---------|---------|---------|---------|

7104 Groundwater Level Monitoring

| | | | | | |
|--|---------|---------|---------|---------|---------|
| 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 |

Total 7104 Groundwater Level Monitoring

| | | | | | |
|--|---------|---------|---------|---------|---------|
| | 378,889 | 175,844 | 366,956 | 336,282 | -30,674 |
|--|---------|---------|---------|---------|---------|

**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 |
|--|----------------------------|--------------------------------|--------------------------------|--------------------------------|----------------------------|
| 7105 Recharge Basin Water Quality Monitoring | | | | | |
| 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 |
| Total 7105 Recharge Basin Water Quality Monitoring | 4,812 | 2,659 | 43,912 | 4,280 | -39,632 |
| 7107 Ground Level Monitoring-MZ1 | | | | | |
| 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 |
| Total 7107 Ground Level Monitoring-MZ1 | 396,028 | 85,367 | 550,059 | 815,620 | 265,561 |
| 7108 Hydraulic Control Monitoring | | | | | |
| 7108.1 Hydraulic Control Monitoring - WM 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 |
| Total 7108 Hydraulic Control Monitoring | 600,571 | 188,615 | 567,022 | 493,700 | -73,322 |
| 7109 Recharge & Well Monitoring | | | | | |
| 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 |
| Total 7109 Recharge & Well Monitoring | 0 | 2,413 | 9,152 | 8,440 | -712 |

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

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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 |
|---|----------------------------|--------------------------------|--------------------------------|--------------------------------|----------------------------|
| 7200 OBMP Pgm Element 2 - Comp Recharge | | | | | |
| 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 |
| Total 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 | | | | | |
| 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 |
| Total 7300 OBMP Pgm Element 3 & 5 - Water Supply Plan | 80,713 | 31,911 | 96,003 | 72,111 | -23,892 |
| 7400 OBMP Pgm Element 4 - Mgmt Zone Strategies | | | | | |
| 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 |
| Total 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 | | | | | |
| 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 |
| Total 7500 OBMP Pgm Element 6 & 7 - Coop Efforts/Salt Mgmt | 70,454 | 76,635 | 163,727 | 154,180 | -9,547 |

**CHINO BASIN WATERMASTER
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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 |
|--|----------------------------|--------------------------------|--------------------------------|--------------------------------|----------------------------|
| 7600 OBMP Pgm Element 8 & 9 Storage Mgmt/Conj Use | | | | | |
| 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 |
| Total 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 | | | | | |
| 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 |
| Total 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 |
| Total OBMP Implementation Projects | 4,983,211 | 2,487,754 | 5,250,595 | 4,467,315 | -783,280 |
| Total General OBMP & Implementation Projects | 6,923,337 | 3,217,569 | 6,808,414 | 5,810,988 | -997,426 |
| Total Expenses | 7,704,723 | 3,640,218 | 7,680,788 | 6,640,490 | -1,040,298 |
| Net Ordinary Income | 637,595 | 3,832,296 | 0 | 0 | 0 |

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

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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 |
|---|----------------------------|--------------------------------|--------------------------------|--------------------------------|----------------------------|
| Other Income | | | | | |
| 4225 Interest Income | 54,889 | 13,504 | 0 | 0 | 0 |
| 4225 Interest Income | 54,889 | 13,504 | 0 | 0 | 0 |
| Total 4225 Interest Income | | | | | |
| Water Replenishment Assessments | | | | | |
| 4210 Approp Pool-Replenishment | | | | | |
| 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 |
| Total 4210 Approp Pool-Replenishment | 6,427,596 | 4,887,365 | 0 | 0 | 0 |
| 4220 Non-Ag Pool-Replenishment | | | | | |
| 4223 Net Replenishment | 10,047 | 9,478 | 0 | 0 | 0 |
| Total 4220 Non-Ag Pool-Replenishment | 10,047 | 9,478 | 0 | 0 | 0 |
| 4600 Groundwater Sales | | | | | |
| 4613 Stored Wwater Sales | 0 | 2,176,962 | 0 | 0 | 0 |
| Total 4600 Groundwater Sales | 0 | 2,176,962 | 0 | 0 | 0 |
| Total Other Income | 6,492,532 | 7,087,309 | 0 | 0 | 0 |
| Other Expense | | | | | |
| 5010 Groundwater Recharge | | | | | |
| 5011.4 Replenishment Water | 0 | 0 | 0 | 0 | 0 |
| 5011 Replenishment Wwater | 2,326,075 | 1,019,746 | 0 | 0 | 0 |
| 5017 IEUA Surcharges | 0 | 0 | 0 | 0 | 0 |
| Total 5010 Groundwater Recharge | 2,326,075 | 1,019,746 | 0 | 0 | 0 |
| Total Other Expense | 2,326,075 | 1,019,746 | 0 | 0 | 0 |
| Net Other Income | 4,166,457 | 6,067,563 | 0 | 0 | 0 |
| 9900 (To) / From Reserves | -4,804,052 | -10,139,076 | 0 | 0 | 0 |
| Net Income | \$0 | -\$239,217 | \$0 | \$0 | \$0 |

CHINO BASIN WATERMASTER
ACCOUNT NUMBER JUSTIFICATION
FY 2010 - 2011 BUDGET

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| Budget Account Number | Account Description | Comments and Information |
|---|--|---|
| ORDINARY INCOME/EXPENSE | | |
| 4000 COOPERATIVE EFFORT CONTRIBUTIONS | | |
| 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. |
| 4110 APPROPRIATIVE POOL ASSESSMENTS | | |
| 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. |
| 4120 NON-AGRICULTURAL POOL ASSESSMENTS | | |
| 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. |
| 4730 | PRORATED INTEREST INCOME | Interest is prorated between the Pools and the Education Fund using formula approved by the Advisory Committee and Pools several years ago. |
| 6010 SALARY COSTS | | |
| 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. |
| 6020 OFFICE BUILDING EXPENSE | | |
| 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. |
| 6030 OFFICE SUPPLIES & EQUIPMENT | | |
| 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. |

CHINO BASIN WATERMASTER
ACCOUNT NUMBER JUSTIFICATION
FY 2010 - 2011 BUDGET

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| Budget Account Number | Account Description | Comments and Information |
|---|--------------------------------------|---|
| 6040 POSTAGE & PRINTING COSTS | | |
| 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. |
| 6050 INFORMATION SERVICES | | |
| 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, upgraded computer hardware, servers, printers, back up power supplies, etc. |
| 6060 WATERMASTER SPECIAL CONTRACT SERVICES | | |
| 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. |
| 6080 INSURANCES | | |
| 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. |
| 6110 DUES & SUBSCRIPTIONS | | |
| 6111 | Membership Dues | Watermaster memberships include: American Water Works Assoc Research Foundation, Association of California Water Agencies, Association of Ground Water Agencies. Watermaster subscribes to the periodicals and trade journals. |
| 6112 | Subscriptions | |
| 6150 FIELD SUPPLIES & EQUIPMENT | | |
| 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. |
| 6170 TRAVEL & TRANSPORTATION | | |
| 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. |
| 6190 CONFERENCES & SEMINARS | | |
| 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. |

CHINO BASIN WATERMASTER
ACCOUNT NUMBER JUSTIFICATION
FY 2010 - 2011 BUDGET

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| Budget Account Number | Account Description | Comments and Information |
|-----------------------|--|--|
| 6200 | ADVISORY COMMITTEE | |
| 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. |
| 6300 | WATERMASTER BOARD EXPENSES | |
| 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. |
| 6500 | EDUCATION FUND EXPENDITURES | This account disburses funds from the educational account as directed. |
| 8300 | APPROPRIATIVE POOL ADMINISTRATION AND SPECIAL PROJECTS | |
| 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. |
| 8400 | AGRICULTURAL POOL ADMINISTRATION AND SPECIAL STUDIES | |
| 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. |
| 8500 | NON-AGRICULTURAL POOL ADMINISTRATION AND SPECIAL PROJECTS | |
| 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. |
| 9500 | ALLOCATED G&A EXPENDITURES | Administrative overhead that is allocated to OBMP and Project jobs as a percentage of total Watermaster salaries. |
| 9900 | OPTIMUM BASIN MANAGEMENT PROGRAM | |
| 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. |
| 6950 | COOPERATIVE EFFORTS | On an ad hoc basis, Watermaster and other agencies agree to share the costs of various projects that will benefit both parties. |
| 9501 | ALLOCATED G&A EXPENDITURES | Administrative overhead that is allocated to OBMP and Project jobs as a percentage of total Watermaster salaries. |
| 7000 | OPTIMUM BASIN MANAGEMENT PROGRAM IMPLEMENTATION PROJECTS | |
| 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 380 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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| Budget Account Number | Account Description | Comments and Information |
|-----------------------|---|--|
| 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 HCMP 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. Required supplies for this line item include rubber gloves, sample bags, tools, and field lab equipment. |
| 7107 | GROUND LEVEL MONITORING-MZ1 | 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 is 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 safe 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 Gumm'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. |

CHINO BASIN WATERMASTER
ACCOUNT NUMBER JUSTIFICATION
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| Budget Account Number | Account Description | Comments and Information |
|-----------------------|---|--|
| 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 Subsideance Management Plan in 2007. Watermaster will be implementing the MZ1 Subsideance 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. |
| 7500 | OBMP PROGRAM ELEMENTS 6 & 7 - COOPERATIVE EFFORTS AND SALT MANAGEMENT | 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. |
| 7600 | OBMP PROGRAM ELEMENTS 8 & 9 - STORAGE MANAGEMENT AND CONJUNCTIVE USE PROGRAMS | 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. |
| 7700 | INACTIVE WELL PROTECTION PROGRAM | This budget category includes Watermaster's effort to expand the existing DYY Program and to develop new groundwater storage programs. |
| 7690 | RECHARGE IMPROVEMENT DEBT PAYMENT | 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. |
| 9502 | <u>ALLOCATED G&A EXPENDITURES</u> | 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. |
| | <u>SUPPLEMENTAL & REPLENISHMENT WATER INCOME AND EXPENSES</u> | Administrative overhead that is allocated to OBMP and Project jobs as a percentage of total Watermaster salaries. |
| 4210 | App Pool Replenishment Assessments | 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. |
| 4211 | 15% Gross Assessments | 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. |
| 4212 | 85% Gross Assessments | Costs levied against the 15%/85% group for replacing water. |
| 4213 | 100% Net Assessments | Costs levied against the 15%/85% group for replacing water. |
| 4220 | Non-Aq Pool Replenishment | Costs levied against those subject to 100% assessments for replacing water. |
| 5010 | Groundwater Recharge | Non-Ag members (primarily industrial producers) are required to replace any water produced which exceeds their assigned water rights. |
| 5011 | Replenishment Water | Costs of Replenishment or Supplemental Water. |
| 5017 | IEUA Surcharges | 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. |

**CHINO BASIN WATERMASTER
ASSESSMENT CALCULATION
FISCAL YEAR 2010-2011
ESTIMATED, BASED ON PREVIOUS YEARS ASSESSMENT PACKAGE

DRAFT

| | FISCAL YEAR 2010-2011 BUDGET | ASSESSMENT | APPROPRIATIVE POOL | AGRICULTURAL POOL | NON-AG POOL | | | |
|--|------------------------------------|--------------------|--------------------|--------------------|------------------|---|--|------------------|
| | | | | | | Production & Exchanges in Acre-Feet (Actuals) | Production & Exchanges in Acre-Feet (Projected Estimate) | |
| PRODUCTION BASIS | | | | | | | | |
| 2008-09 | | 121,253,204 | 84,716,450 | 69.867% | 32,142,764 | 26.509% | 4,393,990 | 3.624% |
| 2009-10 | | 121,253,204 | 84,716,450 | 69.867% | 32,142,764 | 26.509% | 4,393,990 | 3.624% |
| BUDGET | | | | | | | | |
| 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 | |
| General Admin & OBMP Assessments | \$5,939,527 | | 579,552 | | 219,891 | | 30,060 | |
| TOTAL BUDGET | | | | | | | | |
| Less Budgeted Interest Income | (175,010) | | 579,552 | | 219,891 | | 30,060 | |
| Contributions from Outside Agencies | (148,410) | | | | | | | |
| CASH DEMAND | 5,616,107 | | 3,344,275 | | 219,891 | | 30,060 | |
| OPERATING RESERVE | | | | | | | | |
| Administrative | 0 | \$0 | \$0 | | \$0 | | \$0 | |
| OBMP | 0 | 0 | 0 | | 0 | | 0 | |
| Less: Funds On Hand Utilized for Assessments | 0 | | | | | | | |
| FUNDS REQUIRED TO BE ASSESSED | | \$5,616,107 | \$579,552 | \$3,344,275 | \$219,891 | \$1,268,871 | \$30,060 | \$173,458 |
| Proposed Assessments | | | | | | | | |
| General Administration Assessments | A | | \$6.84 | \$39.48 | \$6.84 | \$39.48 | \$6.84 | \$39.48 |
| Minimum Assessments | | | \$5.00 | | | | \$5.00 | |
| Prior Year Assessments (Actuals) | B | | \$7.19 | \$44.02 | \$7.19 | \$44.02 | \$7.19 | \$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

KENNETH R. MANNING
Chief Executive Officer

STAFF REPORT

DATE: June 3, 2010

TO: 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.¹ 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.

¹ 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.

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

**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 17th day of June 2010.
ADOPTED by the Watermaster Board on this 24th 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

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 |
| Special Referee's December 21 Report | | | |
| 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. |



CHINO BASIN WATERMASTER

IV. INFORMATION

1. Newspaper Articles



dailybulletin.com

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.

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