



CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

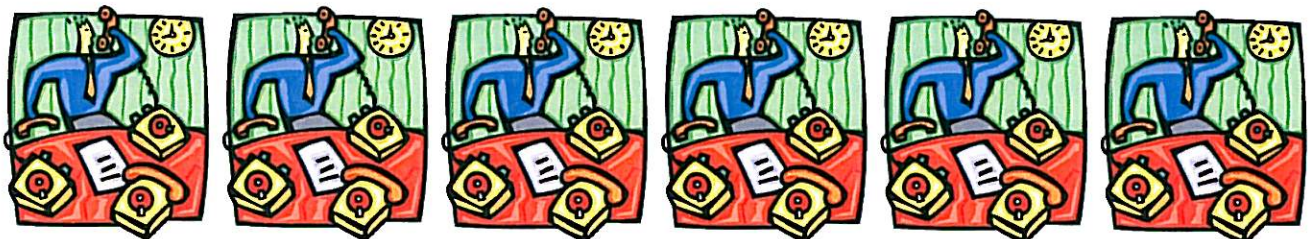
Thursday, June 3, 2010

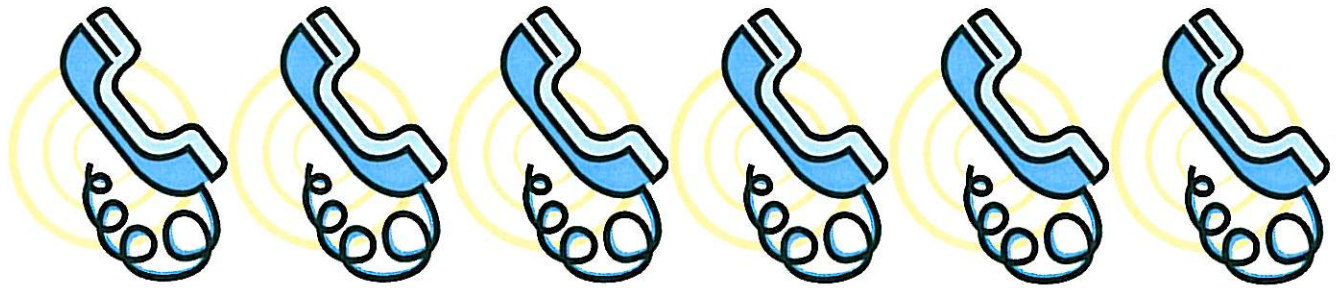
2:30 p.m. – Non-Agricultural Pool Conference Call Meeting

Call 1-800-930-9525 Pass Code: 917924

OR

*AT THE CHINO BASIN WATERMASTER OFFICES
9641 San Bernardino Road
Rancho Cucamonga, CA 91730
(909) 484-3888*



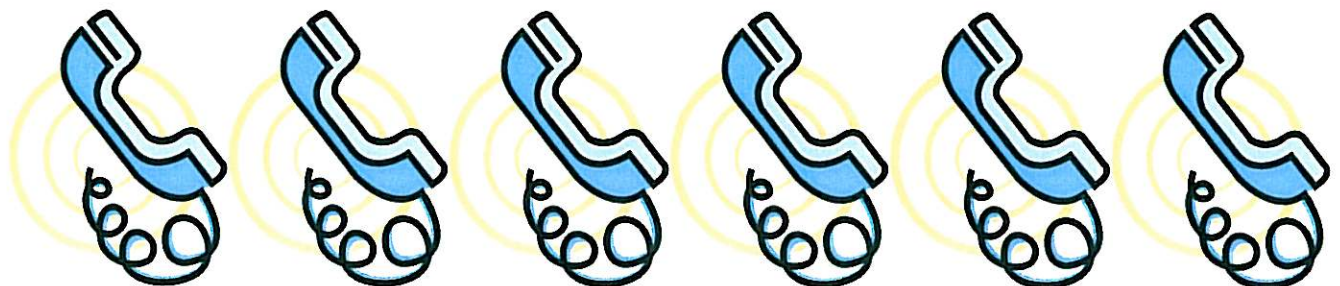


CHINO BASIN WATERMASTER

Thursday, June 3, 2010

2:30 p.m. – Non-Agricultural Pool Conference Call Meeting

AGENDA PACKAGE



**CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL CONFERENCE CALL MEETING**

1-800-930-9525 PASS CODE: 917924

2:30 p.m. – June 3, 2010

*Mr. Bob Bowcock, Chair, Non-Agricultural Pool
Mr. Kevin Sage, Vice-Chair Non-Agricultural Pool*

**Call Can Be Taken 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 Non-Agricultural Pool Conference Call Meeting held May 13, 2010
(Page 1)
2. Minutes of the Special Non-Agricultural Pool Conference Call Meeting held May 19, 2010
(Page 5)

B. FINANCIAL REPORTS

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

C. LOCAL AGENCY INVESTMENT FUND

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

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

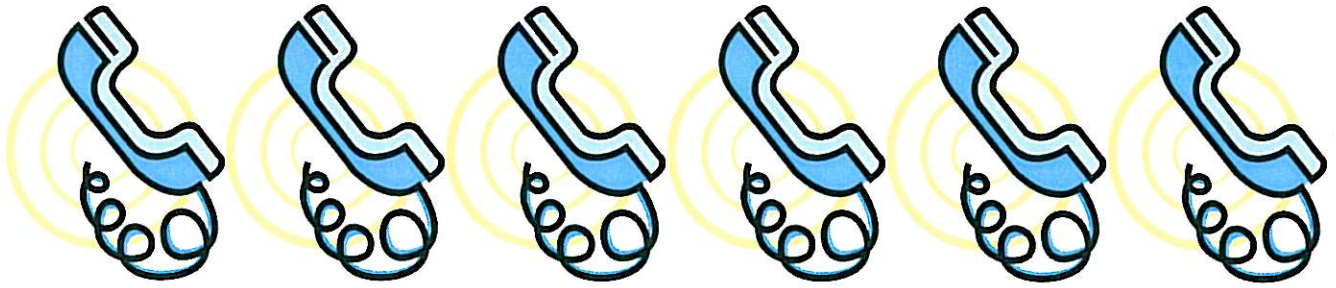
VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Pursuant to the Non-Agricultural 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

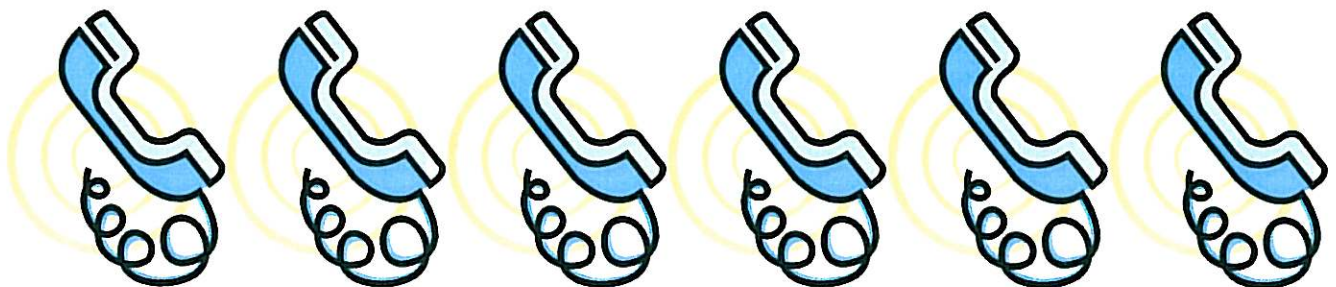


CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Non-Agricultural Pool Conference Call Meeting held on May 13, 2010
2. Special Non-Agricultural Pool Conference Call Meeting held on May 19, 2010



Draft Minutes
CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL CONFERENCE CALL MEETING
AND SEPARATE CONFIDENTIAL SESSION CONFERENCE CALL MEETING
May 13, 2010

The Non-Agricultural Pool Meeting was held via conference call using the Chino Basin Watermaster conference call number on May 13, 2010 at 2:30 p.m. The Non-Agricultural Pool Confidential Session was held via conference call using a confidential number provided by Bob Bowcock and/or Kevin Sage on May 13, 2010 for the confidential session item VII.

NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL

Bob Bowcock, Chair	Vulcan Materials (Calmat Division)
Kevin Sage	Vulcan Materials (Calmat Division)
Brian Geye	Auto Club Speedway
Steve Arbelbide	California Steel Industries
Tom O'Neil	City of Ontario
Jeff Wells	California Steel Industries
David Penrice	Aqua Capital Management LP
Curtis Stubbings	Praxair, Inc.

Watermaster Staff Present at Watermaster

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

Watermaster Consultants Present on Conference Call

Michael Fife	Brownstein, Hyatt, Farber & Schreck
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Others Present on Conference Call

Allen Hubsch	Hogan & Hartson LLP
Marguerite Battersby	Sheppard Mullin

Others Present at Watermaster Who Signed In

Mohamed El-Amamy	City of Ontario
Jack Safely	Western Municipal Water District
David Starnes	Swan Lake Mobile Home Park
Eunice Ulloa	Chino Basin Conservation District
Dave Crosley	City of Chino
Marty Zvirbulis	Cucamonga Valley Water District

Chair Bowcock called the Non-Agricultural Pool Conference Call Meeting to order at 2:36 p.m.

AGENDA - ADDITIONS/REORDER

There were no additions or reorders made to the agenda.

I. CONSENT CALENDAR

A. MINUTES

1. Verbatim Minutes of the Non-Agricultural Pool Conference Call Meeting held April 8, 2010

The Non-Agricultural Pool passed on item A. Minutes.

Motion by El-Amamy, second by Geye, and by unanimous vote

Moved to have all Non-Agricultural Pool minutes will contain motions and actions only and tape(s) from the meetings will be kept indefinitely in a secured location at Watermaster; copies can be requested at any time, as presented

B. FINANCIAL REPORTS

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

The Non-Agricultural Pool did not approve on item B. Financial Report.

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 El-Amamy, second by Geye, and by unanimous vote

Moved to approve item C, as presented

II. BUSINESS ITEMS

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

Mr. Manning reported on this item.

Motion by El-Amamy, second by Geye, and by unanimous vote

Moved to approve amendment no. 1 to agreement to form a task force, as presented

B. BUDGET TRANSFER

Mr. Manning reported on this item.

Motion by Arbelbide, second by Geye, and by majority vote – El-Amamy voted to oppose the no vote

Moved to not 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

Mr. Manning reported on this item.

No motion was made regarding this item.

D. VOLUME VOTING

Chair Bowcock reported on this item.

A motion was made and retracted instead A special conference call meeting regarding the Non-Agricultural Pool's volume vote was scheduled for May 19, 2010 at 4:00 p.m. using the Watermaster regular conference call number.

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**

1. Paragraph 31 Motion
No comments were made regarding this item.
2. ACL Complaint
No comments were made regarding this item.
3. CDA Facilitation
No comments were made regarding this item.

B. CEO/STAFF REPORT

1. Legislative Update
No comments were made regarding this item.
2. Recharge Update
Mr. Manning reported on this item.
3. 2010-2011 Watermaster Budget
Mr. Manning reported on this item. It was noted Mr. Bowcock wants to have a sit down meeting with Mr. Joswiak.
4. Agreement to Form a Task Force to Conduct the Annual Emerging Constituents Characterization Program for the Santa Ana River Watershed
No comments were made regarding this item.

IV. INFORMATION

1. Newspaper Articles
No comments were made regarding this item.

V. POOL MEMBER COMMENTS

No comments were made regarding this item.

VI. OTHER BUSINESS

No comments were made regarding this item.

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

The closed session was convened at 4:00 p.m.

There were no reported actions given to the recording secretary by Chair Bowcock.

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 Non-Agricultural Pool Conference Call Meeting was dismissed by Chair Bowcock at 4:30 p.m. as reported by Chair Bowcock

Secretary: _____

Minutes Approved: _____

Draft Minutes
CHINO BASIN WATERMASTER
SPECIAL NON-AGRICULTURAL POOL CONFERENCE CALL MEETING
May 19, 2010

The Special Non-Agricultural Pool Conference Call Meeting was held via conference call using the Chino Basin Watermaster conference call number on May 19, 2010 at 4:00 p.m.

NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL

Bob Bowcock, Chair	Vulcan Materials (Calmat Division)
Kevin Sage	Vulcan Materials (Calmat Division)
Brian Geye	Auto Club Speedway
Steve Arbelbide	California Steel Industries
Mohamed El-Amamy	City of Ontario
Curtis Stubbings	Praxair, Inc.
Glen Whritenour	RRI Etiwanda, Inc.
David Starnes	Swan Lake Mobile Home Park
Michael Adler	Swan Lake Mobile Home Park

Watermaster Staff Present at Watermaster

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

Others Present on Conference Call

Allen Hubsch	Hogan & Hartson LLP
Marguerite Battersby	Sheppard Mullin

Others Present at Watermaster Who Signed In

David Penrice	Aqua Capital Management LP
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Chair Bowcock called the Special Non-Agricultural Pool Conference Call Meeting to order at 4:02 p.m.

AGENDA - ADDITIONS/REORDER

There were no additions or reorders made to the agenda.

I. BUSINESS ITEMS

D. VOLUME VOTING

Chair Bowcock reported on this item.

Motion by El-Amamy, second by Arbelbide, and by unanimous vote

Moved to approve the revised volume vote rule for the Overlying Non-Agricultural Pool for the Rules & Regulations and the Judgment Overlying Non-Agricultural Pool Pooling Plan, Exhibit "G" page 65, to read "Affirmative action of the Committee shall require a majority of the voting power of members in attendance, provided that it includes concurrence by at least one-third of its total member," as presented

II. FUTURE MEETINGS

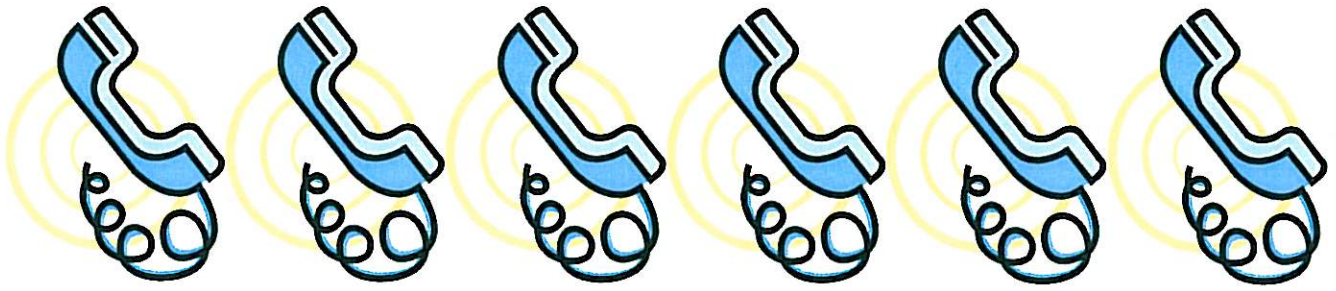
Wednesday May 19, 2010	12:30 p.m.	* RMP Half Day Workshop @ Rancho Central Park
Wednesday May 19, 2010	4:00 p.m.	Special Non-Agricultural Pool Conference Call Mtg.
Thursday, May 20, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, May 20, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, May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

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

The Special Non-Agricultural Pool Conference Call meeting was dismissed by Chair Bowcock at 4:26 p.m.

Secretary: _____

Minutes Approved: _____

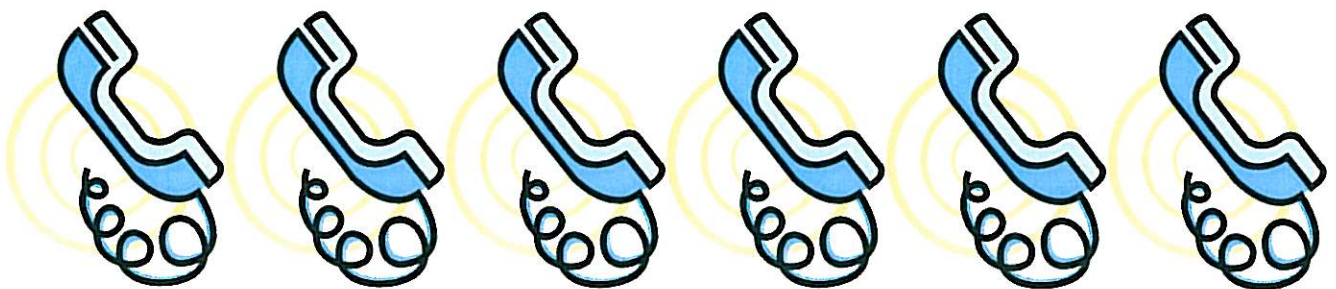


CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

B. FINANCIAL REPORTS

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





CHINO BASIN WATERMASTER

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

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><u>-828,893.74</u></u>

Apr 2010

CHINO BASIN WATERMASTER
Check Detail
April 2010

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

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

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER OPERATIONS		EDUCATION FUNDS	GRAND TOTALS	BUDGET 2009-2010
			APPROPRIATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS			
Administrative Revenues:										
Administrative Assessments			7,215,654	-	268,376				7,484,030	\$7,340,839
Interest Revenue			28,975	2,434	1,249			5	32,663	191,540
Mutual Agency Project Revenue			-	-	-				-	148,410
Grant Income			188						111,188	0
Miscellaneous Income	111,000									0
Total Revenues	111,000		7,244,818	2,434	269,624			5	7,627,881	7,680,789
Administrative & Project Expenditures:										
Watermaster Administration	549,872								549,872	580,238
Watermaster Board-Advisory Committee	56,984								56,984	61,901
Pool Administration		20,048		129,372	11,469				160,888	229,860
Optimum Basin Mgmt Administration		1,332,686							1,332,686	1,557,820
OBMP Project Costs		3,210,334							3,210,334	4,109,362
Debt Service		942,042							942,042	1,131,233
Education Funds Use									-	375
Mutual Agency Project Costs									-	10,000
Total Administrative/OBMP Expenses	606,856	5,485,052		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								
Agricultural Expense Transfer*		1,465,117		(1,465,117)						
Total Expenses	5,947,738				194,068				6,252,806	7,680,789
Net Administrative Income	1,297,079		2,434		75,556			5	1,375,075	-
Other Income/(Expense)										
Replenishment Water Assessments						7,073,805			7,073,805	0
Interest Revenue						25,077			25,077	0
Water Purchases										0
Balance Adjustment										0
Other Water Purchases										0
Groundwater Replenishment						(2,166,022)			(2,166,022)	0
Net Other Income						(1,021,346)			(1,021,346)	0
Net Transfers To/(From) Reserves	5,286,588		2,434		75,556			5	5,286,588	-
Working Capital, July 1, 2009	5,942,967		470,719		256,577			995	10,995,966	
Working Capital, End Of Period	7,240,046		473,153		332,133			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
<hr/>		
TOTAL CASH IN BANKS AND ON HAND		\$ 17,076,459
TOTAL CASH IN BANKS AND ON HAND		17,784,485
		\$ (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)
<hr/>		
PERIOD INCREASE (DECREASE)		\$ (708,027)

SUMMARY OF FINANCIAL TRANSACTIONS:

	Petty Cash	Gov't'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 3/31/2010	\$ 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 4/30/2010	\$ 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**

Financial Institution	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,

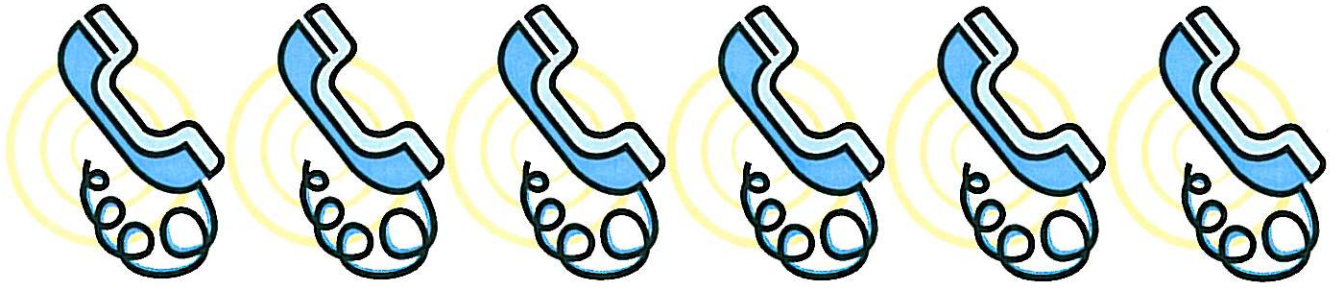
Joseph S. Joswiak
Chief Financial Officer
Chino Basin Watermaster

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%
	<u>4,152,376</u>	<u>5,250,595</u>	<u>-1,098,219</u>	<u>79%</u>
Total Expense	<u>6,252,806</u>	<u>7,680,788</u>	<u>-1,427,982</u>	<u>81%</u>
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	<u>7,098,882</u>			
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	<u>8,473,957</u>			
Net Other Income	<u>-1,375,075</u>			
Net Income	<u>0</u>		<u>0</u>	<u>0%</u>

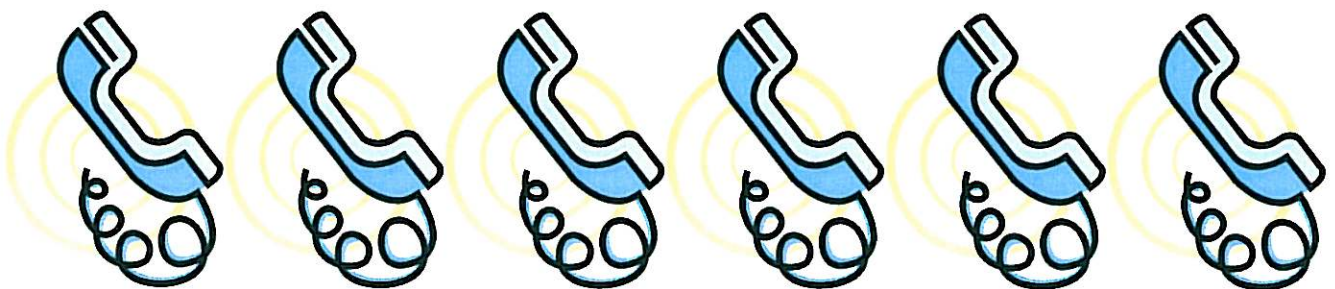


CHINO BASIN WATERMASTER

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)

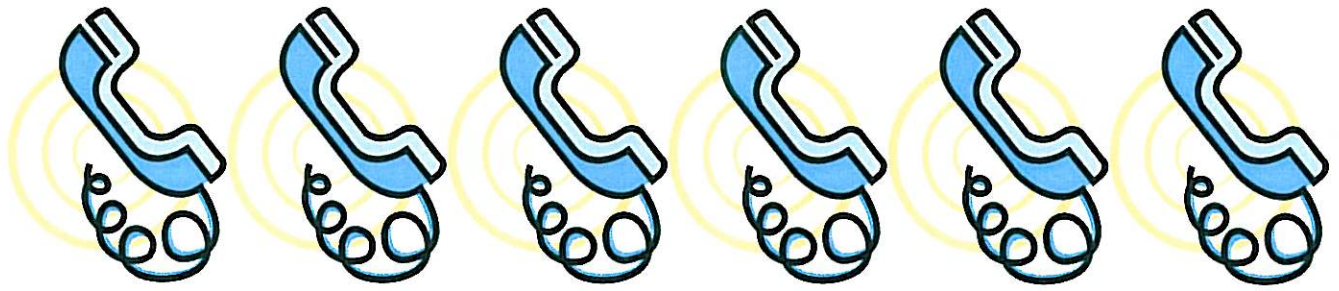
I, Ken Manning, Secretary of the Chino Basin Watermaster, DO HEREBY CERTIFY that the foregoing Revised Resolution being No. 10-02, was adopted at a regular meeting of the Chino Basin Watermaster Board by the following vote:

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

CHINO BASIN WATERMASTER

Secretary

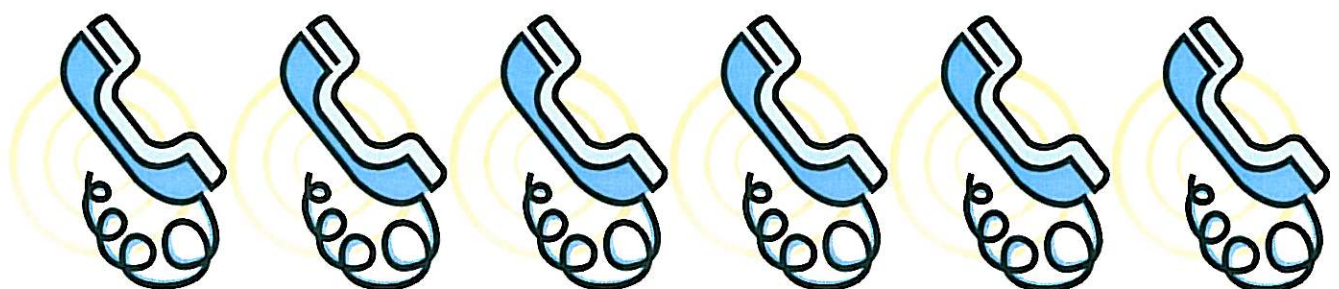
Date: _____



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

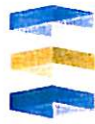
The Peace II Agreement requires that the Desalters cumulatively produce approximately 40,000 acre-feet per year of groundwater by 2012. It also, along with the Basin Plan Amendment, requires that hydraulic control must be met to reduce groundwater discharge to the Santa Ana River to de minimus quantities.

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.

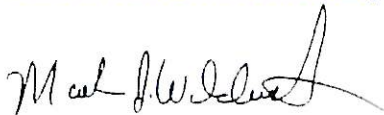
In Figure 1 of the technical specifications referenced above, the production wells I-16 and I-18 are located in approximately the same locations as two of the CCWF wells that have been modeled and approved by Watermaster (WEI, November 25, 2009). If, in addition, these production wells are screened across 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,

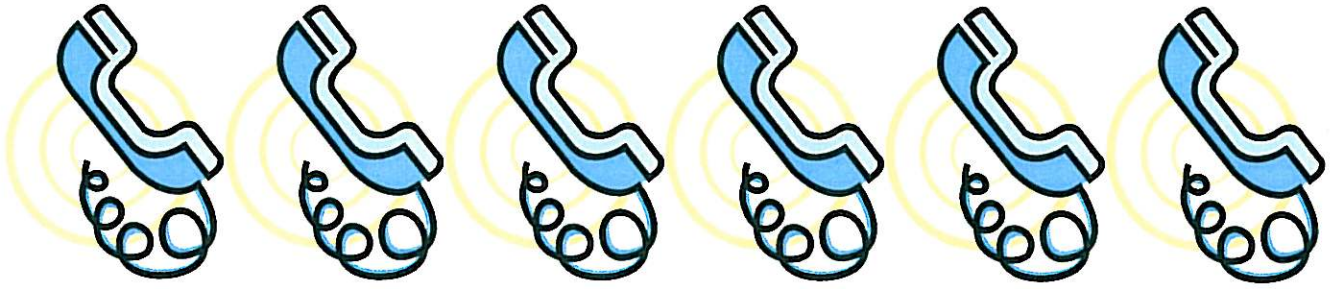
Wildermuth Environmental, Inc.



Mark J. Wildermuth, PE
Chairman



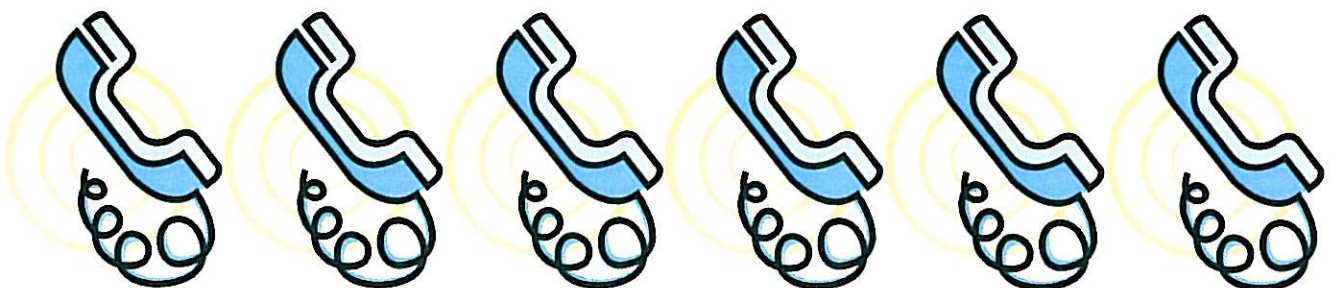
Andrew E. Malone, PG
Principal Geologist



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 Appropriate 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 Expenses	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**

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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
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**

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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
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					
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**

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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
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
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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
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**

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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
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**

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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
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 & Scalmadini	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**

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

	FY 08-09 June Actual	FY 09-10 December Actual	FY 09-10 Approved Budget	FY 10-11 Proposed Budget	Current vs. Proposed
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**

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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
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
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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
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
7600 OBMP Pgm Element 8 & 9 Storage Mgmt/Conj Use					
7601 OBMP - VM 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 - VM 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 Water 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 Water	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

DRAFT

Budget Account
Number Description

Comments and Information

ORDINARY INCOME/EXPENSE

4000 COOPERATIVE EFFORT CONTRIBUTIONS

4010 Local Agency Subsidies - Other

4110 APPROPRIATIVE POOL ASSESSMENTS

4111 Administrative Assessment

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.

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.

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.

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.

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.

This account covers funds required to pay the budgeted debt service payment and the operating and maintenance expenses.

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

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.

Consists of adjustments related to prior years, if any.

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.

Expenses related to processing of bi-weekly payroll and preparation of quarterly and annual tax returns, including year end W-2 processing

Expenses related to processing of flexible spending medical and dependent care accounts.

Benefits paid to employees such as medical, dental, vision, vacation, sick leave & holidays.

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, stationery, 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

DRAFT

Budget Account Number	Account Description	Comments and Information
6040	<u>POSTAGE & PRINTING COSTS</u>	
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	<u>INFORMATION SERVICES</u>	
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	<u>WATERMASTER SPECIAL CONTRACT SERVICES</u>	
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	<u>INSURANCES</u>	
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	<u>DUES & SUBSCRIPTIONS</u>	
6111	Membership Dues	Watermaster memberships include: American Water Works Assoc Research Foundation, Association of California Water Agencies, Association of Ground Water Agencies.
6112	Subscriptions	Watermaster subscribes to the periodicals and trade journals.
6150	<u>FIELD SUPPLIES & EQUIPMENT</u>	
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	<u>TRAVEL & TRANSPORTATION</u>	
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	<u>CONFERENCES & SEMINARS</u>	
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

DRAFT

Budget Account Number	Account Description	Comments and Information
<u>6200</u>	<u>ADVISORY COMMITTEE</u>	
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.
<u>6300</u>	<u>WATERMASTER BOARD EXPENSES</u>	
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.
<u>6500</u>	<u>EDUCATION FUND EXPENDITURES</u>	This account disburses funds from the educational account as directed.
<u>8300</u>	<u>APPROPRIATIVE POOL ADMINISTRATION AND SPECIAL PROJECTS</u>	
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.
<u>8400</u>	<u>AGRICULTURAL POOL ADMINISTRATION AND SPECIAL STUDIES</u>	
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.
<u>8500</u>	<u>NON-AGRICULTURAL POOL ADMINISTRATION AND SPECIAL PROJECTS</u>	
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.
<u>9500</u>	<u>ALLOCATED G&A EXPENDITURES</u>	Administrative overhead that is allocated to OBMP and Project jobs as a percentage of total Watermaster salaries.
<u>6900</u>	<u>OPTIMUM BASIN MANAGEMENT PROGRAM</u>	
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.
<u>6950</u>	<u>COOPERATIVE EFFORTS</u>	On an ad hoc basis, Watermaster and other agencies agree to share the costs of various projects that will benefit both parties.
<u>9501</u>	<u>ALLOCATED G&A EXPENDITURES</u>	Administrative overhead that is allocated to OBMP and Project jobs as a percentage of total Watermaster salaries.
<u>7000</u>	<u>OPTIMUM BASIN MANAGEMENT PROGRAM IMPLEMENTATION PROJECTS</u>	
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)

CHINO BASIN WATERMASTER
ACCOUNT NUMBER JUSTIFICATION
FY 2010 - 2011 BUDGET

DRAFT

Budget Account
Account Description
Number

Comments and Information

7102	IN-LINE METER INSTALLATION	Approximately 260 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 line 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 cataloged 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-MZI	Pursuant to the OBMP and Peace Agreement, Program Element 1 also includes the development and implementation of a ground-level monitoring and testing program. Watermaster is interested in determining how much, if any, subsidence has occurred in the Basin and in monitoring the effectiveness of the OBMP in minimizing it. Data is collected from a network of ground elevation stations (surveys), from a multi-piezometer and from a dual borehole extensometer in the subsidence-prone area (mainly Management Zone 1). Satellite imagery (InSAR) will also be collected and analyzed for subsidence. A pilot ASR test at a well owned by the City of Chino Hills will be initiated. Watermaster is implementing these efforts as part of the MZ1 Subsidence Management Plan. A web page for real-time water level reading at the PA-7 Piezometer (Ayala Park) has been implemented, which is a requirement of the MZ-1 Long-Term Management Plan. A new Central MZ1 piezometer is also planned, as well as an extensive ground-level survey to determine reference points for several wells near the piezometer.
7108	HYDRAULIC CONTROL MONITORING PROGRAM	As part of the Basin Plan, a monitoring plan to evaluate the state of hydraulic control in the southern end of the basin has been developed. Hydraulic control will be used to maximize the 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-Infiltrary 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. Engineering services to review quarterly and annual reports for Chino Basin Recycled Water Groundwater Recharge Program.
7109	RECHARGE AND WELL MONITORING PROGRAM	
7200	OBMP PROGRAM ELEMENT 2 -- COMPREHENSIVE RECHARGE PROGRAM	This budget category includes the Recharge Master Plan update required by Judge Gunn's December 21, 2008 order approving Peace II. GRCC participation and recharge basin O&M.
7300	OBMP PROGRAM ELEMENTS 3 & 5 -- WATER SUPPLY PLAN - DESALTER	The expenses in this budget line item includes engineering services for the technical review of non-Watermaster consultant work products for consistency with OBMP, Basin Plan and other Watermaster interests. Work in this category also includes the design support for the proposed Chino Creek Desalter well field.

CHINO BASIN WATERMASTER
ACCOUNT NUMBER JUSTIFICATION
FY 2010 - 2011 BUDGET

DRAFT

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 Subsidence Management Plan in 2007. Watermaster will be implementing the MZ1 Subsidence Management Plan in FY 2008-2009 and in years thereafter, and adapting the plan as new data and understanding dictates. Data collected and analyzed will be presented and discussed at the MZ1 Technical Group meetings. New monitoring wells were installed in MZ-3 and monitored during FY 2005-2006 and FY 2006-2007. A technical memorandum will be completed this fiscal year and a revised monitoring program will be developed.
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.
SUPPLEMENTAL & REPLENISHMENT WATER INCOME AND EXPENSES		
4210	App Pool Replenishment Assessments	Administrative overhead that is allocated to OBMP and Project jobs as a percentage of total Watermaster salaries.
4211	15% Gross 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.
4212	85% Gross Assessments	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.
4213	100% Net 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.
4220	Non-Aq Pool Replenishment	Costs levied against the 15%/85% group for replacing water.
5010	Groundwater Recharge	Costs levied against the 15%/85% group for replacing water.
5011	Replenishment Water	Costs levied against those subject to 100% assessments for replacing water.
5017	IEUA Surcharges	Non-Aq members (primarily industrial producers) are required to replace any water produced which exceeds their assigned water rights.
		Costs of Replenishment or Supplemental Water.
		This budget line covers the costs of purchasing replenishment water from MWD at \$233/AF.
		Inland Empire Utilities Agencies charges a fee for water delivered.

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

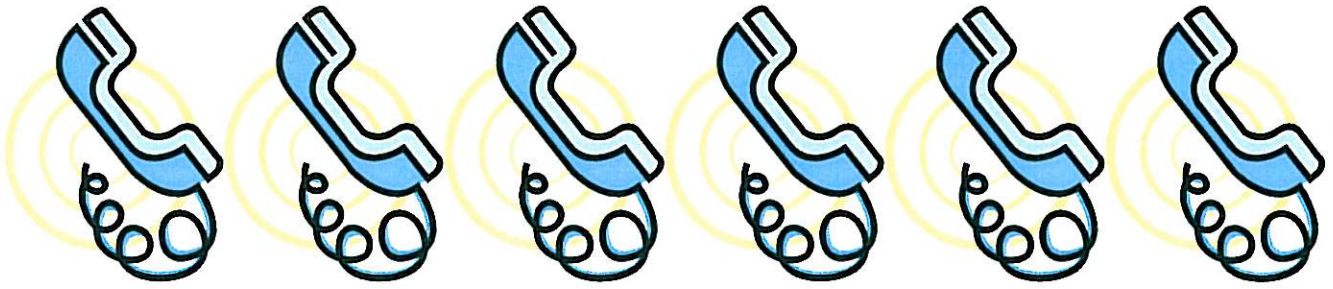
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****ESTIMATED, BASED ON PREVIOUS YEARS ASSESSMENT PACKAGE**

PRODUCTION BASIS	FISCAL YEAR 2010-2011 BUDGET	ASSESSMENT	APPROPRIATIVE POOL		AGRICULTURAL POOL		NON-AG POOL	
			General Administration	OBMP	General Administration	OBMP	General Administration	OBMP
2008-09 Production & Exchanges in Acre-Feet (Actuals)	\$829,503	121,253,204	84,716,450	69.867%	32,142,764	26.509%	4,393,990	3.624%
2009-10 Production & Exchanges in Acre-Feet (Projected Estimate)	5,110,024	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)		3,570,240		1,354,606		185,178	
CASH DEMAND								
			(175,010)		(46,393)		(6,342)	
			(148,410)		(39,342)		(5,378)	
			5,616,107		3,344,275		219,891	
					1,268,871		30,060	
OPERATING RESERVE								
Administrative	0%	\$0	\$0		\$0		\$0	
OBMP	0%	0	0		0		0	
Less: Funds On Hand Utilized for Assessments								
			0		0		0	
FUNDS REQUIRED TO BE ASSESSED								
			\$5,616,107		\$219,891		\$30,060	
			\$579,552		\$1,268,871		\$173,458	

Proposed Assessments								
General Administration Assessments	A	Per Acre-Foot	\$6.84	\$39.48	\$6.84	\$39.48	\$6.84	\$39.48
Minimum Assessments		Per Producer	\$5.00		\$5.00		\$5.00	
Prior Year Assessments (Actuals)	B	Per Acre-Foot	\$7.19	\$44.02	\$7.19	\$44.02	\$7.19	\$44.02
	A - B		(\$0.35)	(\$4.54)	(\$0.35)	(\$4.54)	(\$0.35)	(\$4.54)

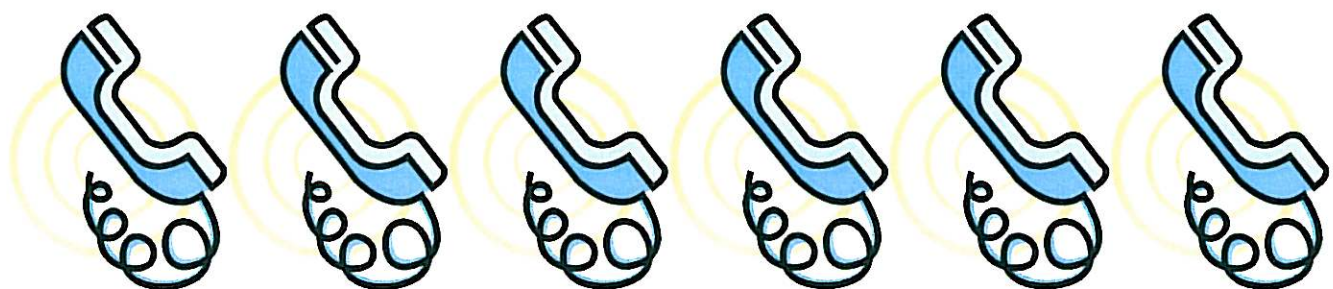
(1) Total costs are allocated to Pools by actual production percentages. Does not include Recharge Debt Payment or Replenishment water purchases.



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:

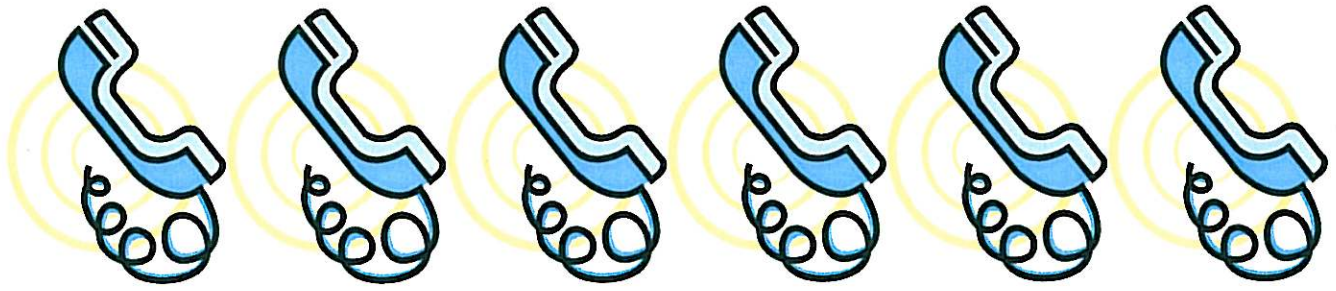
AYES: 0
NOES: 0
ABSENT: 0
ABSTAIN: 0

CHINO BASIN WATERMASTER

Secretary

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

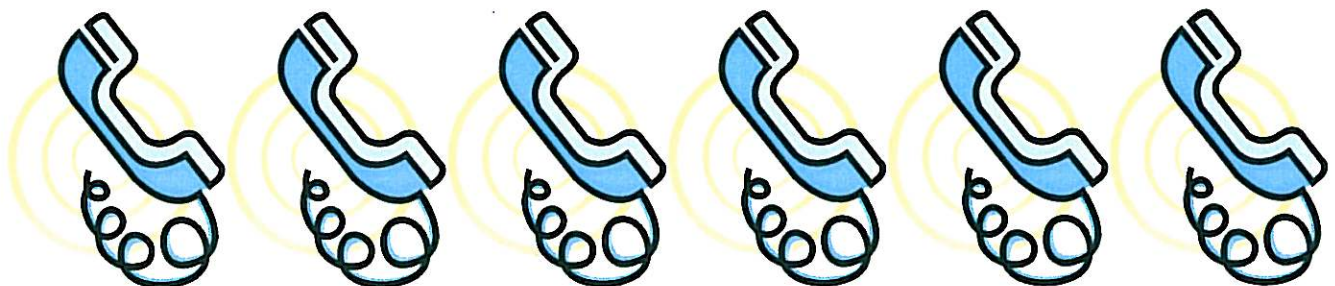
Requirement		How Requirement is Met in the RMPU	
		Where in RMPU	Specific Actions
Special Referee's December 21 Report			
1	Baseline conditions must be clearly defined and supported by technical analysis. The baseline definition should encompass factors such as pumping, demand, recharge capacity, total 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 is 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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