

# CHINO BASIN WATERMASTER



## NOTICE OF MEETINGS

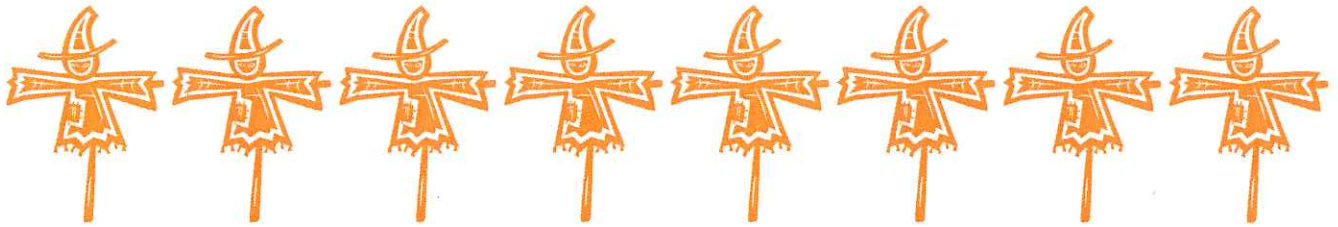
Thursday, October 7, 2010

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*

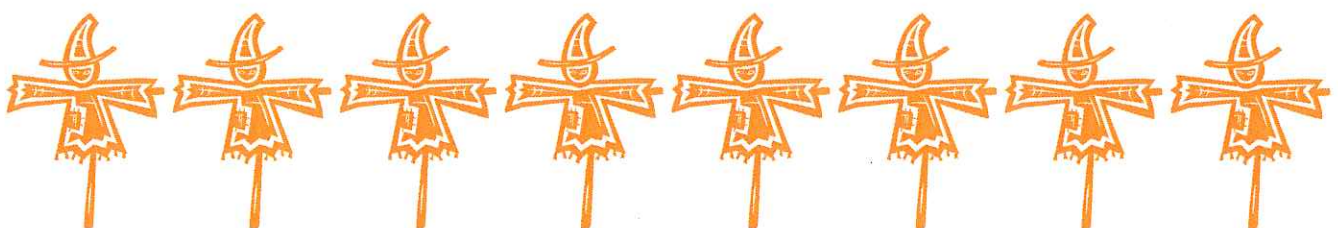


# **CHINO BASIN WATERMASTER**

**Thursday, October 7, 2010**

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

## **AGENDA PACKAGE**



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

**2:30 p.m. – October 7, 2010**

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

**1-800-930-9525 PASS CODE: 917924**

**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. BUSINESS ITEMS**

**A. MINUTES**

Consider Approval of the Minutes of the September 2, 2010 Non-Agricultural Pool Conference Call Meeting (*Page 1*)

**B. FINANCIAL REPORTS**

Consider to Receive and File August 2010 Financial Reports as follows

1. Cash Disbursements for the month of August 2010 (*Page 9*)
2. Watermaster Visa Check Detail for the month of August 2010 (*Page 21*)
3. Combining Schedule for the Period August 1, 2009 through August 31, 2010 (*Page 25*)
4. Treasurer's Report of Financial Affairs for the Period August 1, 2010 through August 31, 2010 (*Page 29*)
5. Budget vs. Actual July 2010 through August 2010 (*Page 33*)

**C. WATERMASTER RESOLUTION NO. 10-04 FOR PHASE III DESALTER EXPANSION**

Consider Approval for Proposed Chino Basin Watermaster Resolution No. 10-04 for Phase III Desalter Expansion - *Note: Attachments will go out under separate cover (Page 37)*

**D. CHINO BASIN WATERMASTER 2010-2011 ASSESSMENT PACKAGE**

Consider Approval of the Chino Basin Watermaster 2010-2011 Assessment Package (*Page 57*)

**E. SAN SEVAINE CHANNEL REPAIR AGREEMENT**

Consider Approval of the Proposed Agreement between the San Bernardino County Flood Control District, the Inland Empire Utilities Agency, and the Chino Basin Watermaster Concerning the Repair of the San Sevaime Channel (*Page 87*)

**F. BUDGET MODIFICATION**

Consider Approval in the Amount of \$63,333 to Be Added to the Approved 2010/2011 Fiscal Year Budget as Recommended by the Chino Basin Watermaster Outside Audit Firm of Mayer Hoffman McCann (*Page 99*)

**II. REPORTS/UPDATES**

**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**

1. October 8, 2010 Hearing
2. Paragraph 31 Appeal

**B. ENGINEERING REPORT**

1. Progress Report on Safe Yield Determination

**C. CEO/STAFF REPORT**

1. Legislative Update
2. Recharge Update
3. Strategic Planning Conference Update
4. Budget Projections

**III. INFORMATION**

1. Cash Disbursements for September 2010 (*Page 101*)
2. Newspaper Articles (*Page 113*)

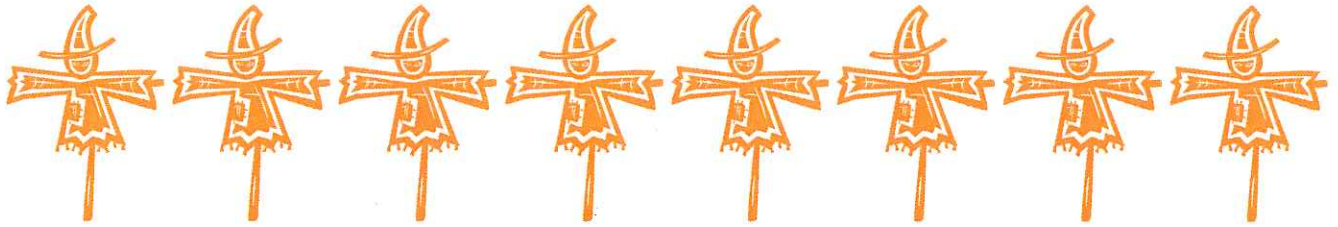
**IV. POOL MEMBER COMMENTS**

**V. OTHER BUSINESS**

**VI. FUTURE MEETINGS**

Monday, October 4, 2010	7:30 a.m.	CBWM Strategic Planning Conference – Frontier
Tuesday, October 5, 2010	8:30 a.m.	CBWM Strategic Planning Conference - Frontier
Thursday, October 7, 2010	1:00 p.m.	Appropriative Pool Meeting @ CBWM
Thursday, October 7, 2010	2:30 p.m.	Non-Agricultural Pool Conference Call Meeting
Friday, October 8, 2010	10:30 a.m.	CBWM Hearing @ Chino Courthouse
Thursday, October 14, 2010	9:00 a.m.	Agricultural Pool Meeting @ IEUA
Thursday, October 21, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, October 21, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, October 21, 2010	11:00 a.m.	Water Quality Meeting @ CBWM
Thursday, October 28, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM
<b><i>Watermaster Holiday Schedule for Advisory Committee and Watermaster Board Meetings</i></b>		
Thursday, November 18, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, November 18, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM
Thursday, December 16, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, December 16, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM

**Meeting Adjourn**

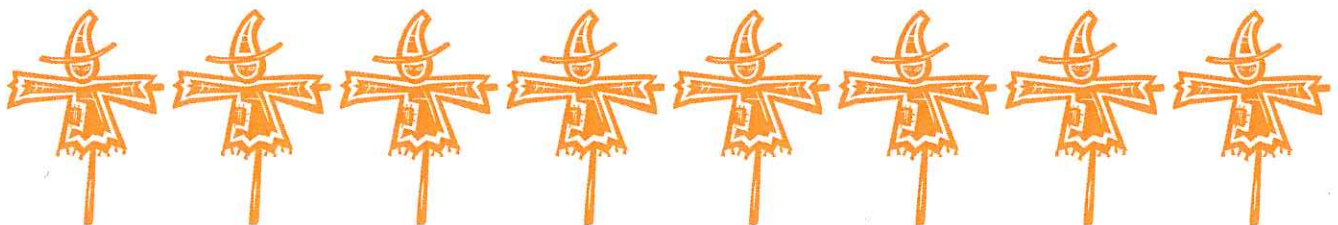


# CHINO BASIN WATERMASTER

## I. BUSINESS ITEM

### A. MINUTES

1. Non-Agricultural Pool Conference Call Meeting held on September 2, 2010



**Draft MINUTES  
CHINO BASIN WATERMASTER  
NON-AGRICULTURAL POOL CONFERENCE CALL MEETING  
September 2, 2010**

The Non-Agricultural Pool Conference Call Meeting was held via conference call using the Chino Basin Watermaster conference call number on September 2, 2010 at 2:30 p.m.

**NON-AGRICULTURAL POOL MEMBER PRESENT AT WATERMASTER WHO SIGNED IN**

Bob Bowcock, Chair	Vulcan Materials (Calmat Division)
Roger Han	Praxair, Inc.

**NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL**

Brian Geye	Auto Club Speedway
Bob Lawhn	RRI Energy, Inc.
David Penrice	Aqua Capital Management LP
Dennis Poulsen	California Steel Industries, Inc.
Curtis Stubbings	Praxair, Inc.
Scott Burton	City of Ontario

**Watermaster Staff Present at Watermaster**

Kenneth R. Manning	Chief Executive Officer
Joe Joswiak	Chief Financial Officer
Danni Maurizio	Senior Engineer

**Watermaster Consultants Present at Watermaster**

Scott Slater	Brownstein, Hyatt, Farber & Schreck
Michael Fife	Brownstein, Hyatt, Farber & Schreck

**Others Present on Conference Call**

Allen Hubsch	Hogan Lovells US LLP
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**Others Present at Watermaster who Signed in**

Jill Willis	Best Best & Krieger
Steven G. Lee	Reid & Hellyer

Chair Bowcock called the Non-Agricultural Pool Conference Call Meeting to order at 2:35 p.m.

**AGENDA - ADDITIONS/REORDER**

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Non-Agricultural Pool Meeting held August 5, 2010

*Allan Hubsch stated the August 5, 2010 minutes are to be received and filed, without approval, as presented*

2. Resubmitted Minutes of the Non-Agricultural Pool Meeting held July 1, 2010

*Chair Bowcock stated the record stands.*

**B. FINANCIAL REPORTS**

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

*No action was taken.*

**II. BUSINESS ITEMS**

**A. AUCTION OVERSIGHT SUB-COMMITTEE**

Mr. Manning gave a report on this item.

*No action was taken.*

**B. ASSESSMENT FOR REGIONAL BOARD ACL FINE**

Mr. Manning gave a report on this item.

*No action was taken.*

**C. PEACE II AGREEMENT AND PHASE III DESALTER EXPANSION**

Mr. Manning and Counsel Slater gave a report on this item.

*No action was taken.*

**III. REPORTS/UPDATES**

**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**

1. September 24, 2010 Hearing  
Counsel Fife gave a report on this item.
  
2. Non-Agricultural Pool Appeal  
Counsel Fife gave a report on this item.

**B. ENGINEERING REPORT**

1. Basin Plan Amendment Update  
Mr. Manning gave a report on this item.

**C. CEO/STAFF REPORT**

1. Legislative Update  
Mr. Manning gave a report on this item.
  
2. Recharge Update  
Mr. Manning gave a report on this item.
  
3. GRCC Recharge Improvement Activities Ahead of Recharge Improvement Implementation  
Mr. Manning gave a report on this item.
  
4. Peace II Resolution Workshop – September 14, 2010  
Mr. Manning gave a report on this item.
  
5. Discussion on Closed Session Rules for Policy Manual  
Mr. Manning gave a report on this item.

**IV. INFORMATION**

- 1. Cash Disbursements for August 2010 as of August 25, 2010  
No comment was made regarding this item.
- 2. Newspaper Articles  
No comment was made regarding this item.

**V. POOL MEMBER COMMENTS**

No comment was made regarding this item.

**VI. OTHER BUSINESS**

No comment was made regarding this item.

The regular open Non-Agricultural Pool meeting was convened to hold its confidential session at 3:35 p.m.

**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.

See Confidential Session Public Report.

**VIII. FUTURE MEETINGS**

Thursday, September 2, 2010	2:30 p.m.	Non-Agricultural Pool Meeting @ CBWM
Thursday, September 9, 2010	9:00 a.m.	Agricultural Pool Meeting @ IEUA
Tuesday, September 14, 2010	10:00 a.m.	Peace II Resolution Workshop @ CBWM
Thursday, September 16, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, September 16, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, September 16, 2010	11:00 a.m.	Water Quality Meeting @ CBWM
Thursday, September 23, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM
Friday, September 24, 2010	10:30 a.m.	CBWM Hearing @ Chino Courthouse

The Non-Agricultural Pool meeting was dismissed by Chair Bowcock at approximately 5:20 p.m.

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

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



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## EXHIBIT A

### RESOLUTION NO. 1:

Pool Counsel shall serve as secretary to the Non-Agricultural Pool Committee during confidential meetings and sessions of the Committee, for the purposes, among other things, of preparing and maintaining a list of the members of the Committee and their representatives, for conducting roll calls during such meetings and sessions, for maintaining records of the actions taken during such meetings and sessions, for preparing and sending reports thereof to Watermaster staff and others, each as and when appropriate given the potentially confidential nature of such meetings and sessions.

### RESOLUTION NO. 2:

Pool Counsel is authorized and instructed to maintain a copy of the approved minutes, reports and resolutions of the Non-Agricultural Pool Committee commencing with the minutes of the Committee meeting which occurred on July 1, 2010. In the event of any conflict between minutes, reports and resolutions maintained by Watermaster staff and those maintained by Pool Counsel, those maintained by Pool Counsel shall constitute the true minutes, reports and resolutions of the Committee.

### RESOLUTION NO. 3:

A report of the July 9, 2010 confidential meeting of the Non-Agricultural Pool Committee is hereby approved as follows:

- 1) The Non-Agricultural Pool Committee hereby adopts a budget of \$150,000 for legal fees and costs incurred by Pool Counsel; that Watermaster staff is hereby authorized and instructed by the Committee to assess those members of the Pool, in an aggregate amount equal to such budgeted amount, such aggregate amount to be allocated among them in the same proportion and manner as the base assessments for the 2010-2011 water year.
- 2) Pool Counsel is authorized and instructed to file a notice of appeal of the Superior Court's decision regarding the Committee's Section 31 motion, and to take other action consistent therewith.
- 3) Pool Counsel is authorized and instructed to file a motion with the Court regarding the amendment to the Pooling Plan of the Non-Agricultural Pool, which was previously approved by the Committee, and to take other action consistent therewith.

### RESOLUTION NO. 4:

A report of the August 5, 2010 confidential session of the Non-Agricultural Pool Committee is hereby approved as follows:

1) The Non-Agricultural Pool Committee affirmed its desire and intent to adopt a budget of \$150,000 for legal fees and costs incurred by Pool Counsel; and for Watermaster staff to assess those members of the Pool, in an aggregate amount equal to such budgeted amount, such aggregate amount to be allocated among them in the same proportion and manner as the base assessments for the 2010-2011 water year, consistent with the prior action of the Committee at its meeting on July 9, 2010.

2) The Committee affirmed its intent to file a notice of appeal of the Superior Court's decision regarding the Committee's Section 31 motion, consistent with the prior action of the Committee at its meeting on July 9, 2010.

Watermaster staff is hereby authorized and instructed to include the foregoing report in the minutes of the August 5, 2010 meeting of the Committee.

RESOLUTION NO. 5:

The Non-Agricultural Pool Committee hereby adopts and re-adopts, confirms and re-confirms, a budget of \$150,000 for legal fees and costs incurred by Pool Counsel; that Watermaster staff is hereby authorized and instructed by the Committee to assess the members of the Committee, in an aggregate amount equal to such budgeted amount, such aggregate amount to be allocated among them in the same proportion and manner as the base assessments for the 2010-2011 water year; that Watermaster staff is hereby authorized and instructed to transmit notices of such assessment to the members of the Committee; that the Committee Chairman is authorized and instructed to approve the invoices of Pool Counsel, in the Committee Chairman's discretion; that Watermaster staff is authorized and instructed to pay Pool Counsel, promptly after receipt thereof, the amounts of any invoices which the Committee Chairman instructs Watermaster staff to pay (for those invoices which the Committee Chairman has previously instructed Watermaster staff to pay and which have not been paid, Watermaster should pay such invoices promptly following receipt of this resolution); that the Committee Chairman and Pool Counsel are authorized and instructed to take such other actions, and to give such authorizations and instructions to Watermaster staff and others as they deem appropriate to effectuate this resolution; that the Committee Chairman is directed to report back to the Committee if Watermaster staff or others take any action to avoid, circumvent or delay the foregoing, for possible further action.

**CHINO BASIN WATERMASTER**  
**NON-AGRICULTURAL POOL MEETING**  
September 2, 2010  
**CONFIDENTIAL SESSION**  
**PUBLIC REPORT**

A confidential session of the Non-Agricultural (Overlying) Pool Committee was convened on September 2, 2010 immediately following the conclusion of the public session of the Committee's meeting. Pool Counsel recorded attendance at the meeting.

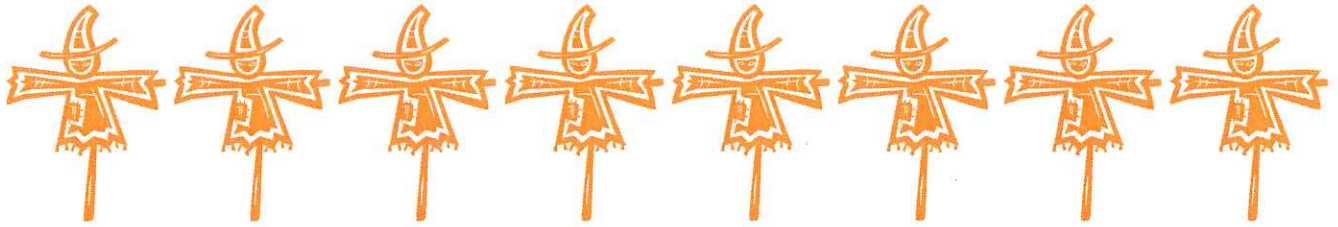
Each of the Resolutions set forth on Exhibit A attached hereto was debated and duly adopted as the affirmative action of the Committee. The Chairman directed Pool Counsel to publicly report the adoption by the Committee of such Resolutions.

The City of Ontario requested that the public report contain a note that the City of Ontario voted to oppose Resolutions 3, 4 and 5. The Chair directed Pool Counsel to include such a note.

The session and meeting adjourned at approximately 5:20 pm.

By:   
Allen W. Hubsch  
Pool Counsel

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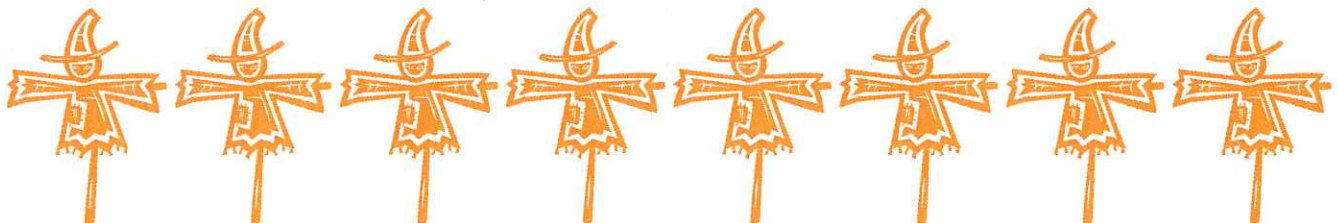


# CHINO BASIN WATERMASTER

## I. BUSINESS ITEM

### B. FINANCIAL REPORTS

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





# CHINO BASIN WATERMASTER

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

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**KENNETH R. MANNING**  
Chief Executive Officer

## STAFF REPORT

**DATE:** October 7, 2010  
**TO:** Committee Members  
**SUBJECT:** Cash Disbursement Report – Financial Report B1

### SUMMARY

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

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

**Fiscal Impact** – Funds disbursed were included in the FY 2010-2011 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 August 2010 were \$303,596.88. The most significant expenditures during the month were Brownstein Hyatt Farber Schreck in the amount of \$161,616.62 (check number 14387 dated August 4, 2010 and check number 14461 dated August 25, 2010), payroll related expenses for the period August 8, 2010 to August 21, 2010 in the amount of \$33,536.16 (general journal 08/08/10-08/21/10 dated August 21, 2010) and payroll related expenses for the period July 25, 2010 to August 7, 2010 in the amount of \$32,632.65 (general journal 07/25/10-08/07/10 dated August 7, 2010).

### Actions:

October 7, 2010 Appropriative Pool –  
October 7, 2010 Non-Agricultural Pool –  
October 14, 2010 Agricultural Pool –  
October 21, 2010 Advisory Committee –  
October 28, 2010 Watermaster Board –

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CHINO BASIN WATERMASTER  
Cash Disbursements for the Month of  
August 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
General Journal	08/02/2010	08/02/10	Wage Works Direct Debit 08/02/10	Wage Works Direct Debit 08/02/10	1012 - Bank of America Gen'l Ckg	2,039.24
				Employee Flexible Spending Deduction	1012 - Bank of America Gen'l Ckg	2,039.24
<b>TOTAL</b>						
Bill Pmt -Check	08/04/2010	14387	BROWNSTEIN HYATT FARBBER SCHRECK		1012 - Bank of America Gen'l Ckg	35,612.55
Bill	08/30/2010	435336		435336 - Legal expenses	6907.3 - WM Legal Counsel	562.05
Bill	08/30/2010	435337		435337 - Santa Ana River	6907.34 - Santa Ana River	21,278.70
Bill	08/30/2010	435338		435338 - Legal expenses	6907.3 - WM Legal Counsel	57,453.30
<b>TOTAL</b>						
Bill Pmt -Check	08/04/2010	14388	APPLIED COMPUTER TECHNOLOGIES	1969	1012 - Bank of America Gen'l Ckg	2,107.25
Bill	07/31/2010	1969		Database Services - July 2010	6052.2 - Applied Computer Technol	2,107.25
<b>TOTAL</b>						
Bill Pmt -Check	08/04/2010	14389	BOWCOCK, ROBERT	7/15/10 Advisory Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	07/22/2010	7/15 Advisory Mtg		7/15/10 Advisory Meeting	6311 - Board Member Compensation	125.00
<b>TOTAL</b>						
Bill Pmt -Check	08/04/2010	14390	CAMACHO, MICHAEL	7/02/10 CDA Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	07/02/2010	7/02 CDA Meeting		7/02/10 CDA Meeting	6311 - Board Member Compensation	125.00
Bill	07/09/2010	7/09 Admin Mtg		7/09/10 Admin Meeting	6311 - Board Member Compensation	125.00
Bill	07/15/2010	7/15 Advisory Comm		7/15/10 Advisory Committee Meeting	6311 - Board Member Compensation	125.00
Bill	07/22/2010	7/22 Board Meeting		7/22/10 Board Meeting	6311 - Board Member Compensation	125.00
Bill	07/23/2010	7/23 CDA Meeting		7/23/10 CDA Meeting	6311 - Board Member Compensation	125.00
Bill	07/29/2010	7/29 Admin Mtg		7/29/10 Admin Meeting	6311 - Board Member Compensation	125.00
Bill	07/30/2010	7/30 CDA Meeting		7/30/10 CDA Meeting	6311 - Board Member Compensation	875.00
<b>TOTAL</b>						
Bill Pmt -Check	08/04/2010	14391	CITISTREET	Payroll and Taxes for 07/11/10-07/24/10	1012 - Bank of America Gen'l Ckg	1,321.09
General Journal	07/24/2010	07/11/10-07/24/10	CITISTREET	Staffs 457 Retirement Deductions	2000 - Accounts Payable	1,321.09
<b>TOTAL</b>						
Bill Pmt -Check	08/04/2010	14392	FEENSTRA, BOB	7/22/10 Board Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	07/22/2010	7/22 Board Meeting		7/22/10 Board Meeting	6311 - Board Member Compensation	125.00
<b>TOTAL</b>						
Bill Pmt -Check	08/04/2010	14393	HAUGHEY, TOM	7/22/10 Board Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	07/22/2010	7/22 Board Meeting		7/22/10 Board Meeting	6311 - Board Member Compensation	125.00
<b>TOTAL</b>						

CHINO BASIN WATERMASTER  
Cash Disbursements for the Month of  
August 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/04/2010	14394	HSBC BUSINESS SOLUTIONS	7003-7309-1000-2744	1012 - Bank of America Gen'l Ckg	418.13
Bill	07/30/2010	7003730910002744		misc. office supplies-drinks, coffee, paper goods	6031.7 - Other Office Supplies	418.13
TOTAL						
Bill Pmt -Check	08/04/2010	14395	INLAND EMPIRE UTILITIES AGENCY	1800001728	1012 - Bank of America Gen'l Ckg	122.14
Bill	07/30/2010	1800001728		Fee for OC59 Wheeling charge	6031.7 - Other Office Supplies	122.14
TOTAL						
Bill Pmt -Check	08/04/2010	14396	JAMES JOHNSTON	205	1012 - Bank of America Gen'l Ckg	855.00
Bill	07/31/2010	205		Website Services - July 2010	6053 - Internet Expense	855.00
TOTAL						
Bill Pmt -Check	08/04/2010	14397	KUHN, BOB	7/22/10 Board Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	07/22/2010	7/22 Board Meeting		7/22/10 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						
Bill Pmt -Check	08/04/2010	14398	PARK PLACE COMPUTER SOLUTIONS, INC.	441	1012 - Bank of America Gen'l Ckg	3,600.00
Bill	07/31/2010	441		IT Services - July 2010	6052.1 - Park Place Comp Solutn	3,600.00
TOTAL						
Bill Pmt -Check	08/04/2010	14399	PIERSON, JEFFREY	7/22/10 Board Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	07/22/2010	7/22 Board Meeting		7/22/10 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						
Bill Pmt -Check	08/04/2010	14400	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	6,946.90
General Journal	07/24/2010	07/11/10-07/24/10		CaPERS for 07/11/10-07/24/10	2000 - Accounts Payable	6,946.90
TOTAL						
Bill Pmt -Check	08/04/2010	14401	PURCHASE POWER	8000909000168851	1012 - Bank of America Gen'l Ckg	2,518.61
Bill	07/30/2010	8000909000168851		postage refill and check to SWRCB	6042 - Postage - General	2,518.61
TOTAL						
Bill Pmt -Check	08/04/2010	14402	STAPLES BUSINESS ADVANTAGE	8016063339	1012 - Bank of America Gen'l Ckg	187.43
Bill	07/24/2010	8016063339		misc. office supplies - pens, folders, cart. tape	6031.7 - Other Office Supplies	187.43
TOTAL						
Bill Pmt -Check	08/04/2010	14403	VANDEN HEUVEL, GEOFFREY	6311	1012 - Bank of America Gen'l Ckg	125.00
Bill	07/02/2010	7/02 CDA Meeting		7/02/10 CDA Meeting	6311 - Board Member Compensation	125.00

CHINO BASIN WATERMASTER  
Cash Disbursements for the Month of  
August 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	07/09/2010	7/09 CDA Meeting		7/09/10 CDA Meeting	6311 - Board Member Compensation	125.00
Bill	07/23/2010	7/23 CDA Meeting		7/23/10 CDA Meeting	6311 - Board Member Compensation	125.00
Bill	07/30/2010	7/30 CDA Meeting		7/30/10 CDA Meeting	6311 - Board Member Compensation	125.00
<b>TOTAL</b>						<b>500.00</b>
Bill Pmt -Check	08/04/2010	14404	VERIZON		1012 - Bank of America Gen'l Ckg	
Bill	07/30/2010	012519116950792103		communication services - July 2010	6022 - Telephone	438.74
Bill	08/03/2010	012561121521714508		communication services - July 2010	7405 - PE4-Other Expense	156.45
<b>TOTAL</b>						<b>595.19</b>
Bill Pmt -Check	08/04/2010	14405	WHITEHEAD, MICHAEL		1012 - Bank of America Gen'l Ckg	
Bill	07/22/2010	7/22 Board Meeting		7/22/10 Board Meeting	6311 - Board Member Compensation	125.00
<b>TOTAL</b>						<b>125.00</b>
Bill Pmt -Check	08/04/2010	14406	WILLIS, KENNETH		1012 - Bank of America Gen'l Ckg	
Bill	07/21/2010	7/21 Agenda Mtg		7/21/10 Agenda Meeting	6311 - Board Member Compensation	125.00
Bill	07/22/2010	7/22 Board Meeting		7/22/10 Board Meeting	6311 - Board Member Compensation	125.00
<b>TOTAL</b>						<b>250.00</b>
Bill Pmt -Check	08/04/2010	14407	YUKON DISPOSAL SERVICE		1012 - Bank of America Gen'l Ckg	
Bill	08/03/2010	08-K2 213849		08-K2 213849 Service for August 2010	6024 - Building Repair & Maintenance	177.88
<b>TOTAL</b>						<b>177.88</b>
Bill Pmt -Check	08/05/2010	14408	FIVE STAR CATERING		1012 - Bank of America Gen'l Ckg	
Bill	08/04/2010			deposit to caterer for Strategic Planning Conf.	6191 - Conferences - General	2,744.04
<b>TOTAL</b>						<b>2,744.04</b>
Bill Pmt -Check	08/05/2010	14409	FRONTIER PROJECT FOUNDATION		1012 - Bank of America Gen'l Ckg	
Bill	08/04/2010			Strategic Planning Conference fee for rental Strategic Planning Conference	6193.1 - Strategic Planning Conference	700.00
<b>TOTAL</b>						<b>700.00</b>
Bill Pmt -Check	08/05/2010	14410	SIERRA LAKES GOLF CLUB		1012 - Bank of America Gen'l Ckg	
Bill	08/04/2010			Strategic Planning Conference Deposit due for Oct. 3, 2010 Golf Tournament	6193.1 - Strategic Planning Conference	200.00
<b>TOTAL</b>						<b>200.00</b>
General Journal	08/07/2010	07/25/10-08/07/10	Payroll and Taxes for 07/25/10-08/07/10		1014 - Bank of America PIR Ckg	
			Payroll Taxes for 07/25/10-08/07/10		1012 - Bank of America Gen'l Ckg	7,204.70
			Direct Deposits for 07/25/10-08/07/10		1012 - Bank of America Gen'l Ckg	25,427.95
<b>TOTAL</b>						<b>32,632.65</b>

CHINO BASIN WATERMASTER  
Cash Disbursements for the Month of  
August 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/13/2010	14411	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14412	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14413	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14414	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14415	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14416	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14417	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14418	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14419	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14420	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14421	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14422	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14423	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						

CHINO BASIN WATERMASTER  
Cash Disbursements for the Month of  
August 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/13/2010	14424	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14425	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14426	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14427	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14428	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14429	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14430	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14431	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14432	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14433	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14434	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	08/13/2010	14435	TEST CHECK	VOID: POSITIVE PAY TEST CHECK	1012 - Bank of America Gen'l Ckg	
TOTAL						
General Journal	08/16/2010	08/16/10	Wage Works Direct Debit 08/16/10	Wage Works Direct Debit 08/16/10	1012 - Bank of America Gen'l Ckg	
			Employee Flexible Spending Deduction		1012 - Bank of America Gen'l Ckg	1,039.24

CHINO BASIN WATERMASTER  
Cash Disbursements for the Month of  
August 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						1,039.24
Bill Pmt -Check	08/17/2010	14436	FIRST AMERICAN REAL ESTATE SOLUTIONS	12913434	1012 - Bank of America Gen'l Ckg	62.50
Bill	07/31/2010	12923434		12913434	7103.7 - Grdwtr Qual-Computer Svc	62.50
				12913434	7101.4 - Prod Monitor-Computer	125.00
TOTAL						255.02
Bill Pmt -Check	08/17/2010	14437	PAYCHEX	2010072900	1012 - Bank of America Gen'l Ckg	255.02
Bill	07/31/2010	2010072900		July 2010	6012 - Payroll Services	255.02
TOTAL						1,140.00
Bill Pmt -Check	08/17/2010	14438	PUMP CHECK	3902	1012 - Bank of America Gen'l Ckg	56.25
Bill	07/31/2010	3902		3902 - In-Line - Calib & Test	7102.8 - In-Line - Calib & Test	56.25
				3902 - In-Line Meters	7102.7 - In-line Meters	1,196.25
TOTAL						7.91
Bill Pmt -Check	08/17/2010	14439	SAFEGUARD DENTAL & VISION	3255122	1012 - Bank of America Gen'l Ckg	7.91
Bill	07/31/2010	3255122		Dental premium for August 2010	60182.2 - Dental & Vision Ins	7.91
TOTAL						64.65
Bill Pmt -Check	08/17/2010	14440	STREETWIZE	84424	1012 - Bank of America Gen'l Ckg	64.65
Bill	08/12/2010	84424		change hours of operation on front door	6031.7 - Other Office Supplies	64.65
TOTAL						313.12
Bill Pmt -Check	08/17/2010	14441	THE STANDARD INSURANCE COMPANY	160-513170-00006	1012 - Bank of America Gen'l Ckg	313.12
Bill	08/12/2010	16051317000006		Dental insurance premium - September 2010	60182.2 - Dental & Vision Ins	313.12
TOTAL						100.00
Bill Pmt -Check	08/17/2010	14442	W.C. DISCOUNT MOBILE AUTO DETAILING	Truck washing service	1012 - Bank of America Gen'l Ckg	100.00
Bill	08/12/2010			truck washing 4 trucks	6177 - Vehicle Repairs & Maintenance	100.00
TOTAL						28.06
Bill Pmt -Check	08/17/2010	14443	WESTERN DENTAL SERVICES, INC.	002483	1012 - Bank of America Gen'l Ckg	28.06
Bill	08/12/2010	002483		Dental premium - September 2010	60182.2 - Dental & Vision Ins	28.06
TOTAL						3,913.48
Bill Pmt -Check	08/18/2010	14444	BANC OF AMERICA LEASING	011591268	1012 - Bank of America Gen'l Ckg	3,913.48
Bill	08/17/2010	011591268		Minolta lease - billing period 08/01/10-08/31/10	6043.1 - Ricoh Lease Fee	3,913.48
TOTAL						

CHINO BASIN WATERMASTER  
Cash Disbursements for the Month of  
August 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/18/2010	14445	CALPERS	1741	1012 - Bank of America Gen'l Ckg	3,758.46
Bill	08/17/2010	1741		Medical insurance premium - September 2010	60182.1 - Medical Insurance	3,758.46
TOTAL						
Bill Pmt -Check	08/18/2010	14446	CITISTREET	Payroll and Taxes for 07/25/10-08/07/10	1012 - Bank of America Gen'l Ckg	1,829.87
General Journal	08/07/2010	07/25/10-08/07/10	CITISTREET	Staff 457 retirement deductions	2000 - Accounts Payable	1,829.87
TOTAL						
Bill Pmt -Check	08/18/2010	14447	COMPUTER NETWORK	79163	1012 - Bank of America Gen'l Ckg	41.33
Bill	08/12/2010	79163		port switch	6055 - Computer Hardware	41.33
TOTAL						
Bill Pmt -Check	08/18/2010	14448	CUCAMONGA VALLEY WATER DISTRICT	Lease due September 1, 2010	1012 - Bank of America Gen'l Ckg	5,792.00
Bill	08/16/2010			Lease due September 1, 2010	1422 - Prepaid Rent	5,792.00
TOTAL						
Bill Pmt -Check	08/18/2010	14449	GUARANTEED JANITORIAL SERVICE, INC.	28092	1012 - Bank of America Gen'l Ckg	865.00
Bill	08/17/2010	28092		service -August 2010	6024 - Building Repair & Maintenance	865.00
TOTAL						
Bill Pmt -Check	08/18/2010	14450	IMCI	66084522	1012 - Bank of America Gen'l Ckg	1,235.80
Bill	08/17/2010	66084522		66084522 - internet service	6053 - Internet Expense	1,235.80
TOTAL						
Bill Pmt -Check	08/18/2010	14451	PRE-PAID LEGAL SERVICES, INC.	111802	1012 - Bank of America Gen'l Ckg	77.70
Bill	08/17/2010	111802		August 2010	60194 - Other Employee Insurance	77.70
TOTAL						
Bill Pmt -Check	08/18/2010	14452	PREMIERE GLOBAL SERVICES	03282737	1012 - Bank of America Gen'l Ckg	823.75
Bill	07/31/2010	03282737		CDA calls on 6/30, 7/02, 7/07, 7/09, 7/14, 7/16, 7/21 7305 - PE3&5-Supplies		823.75
				7/07 water auction call, 7/08 CGC call, 7/10 SEIR c: 6909.1 - CBMP Meetings		416.12
				7/01 Non Agricultural Pool Meeting call	8512 - Meeting Expense	107.96
				monthly fee	6022 - Telephone	9.95
TOTAL						1,357.78
Bill Pmt -Check	08/18/2010	14453	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	6,950.53
General Journal	08/07/2010	07/25/10-08/07/10	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPers retirement payments	2000 - Accounts Payable	6,950.53
TOTAL						

CHINO BASIN WATERMASTER  
Cash Disbursements for the Month of  
August 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	08/18/2010	14454	REID & HELLYER	170918	1012 - Bank of America Gen'l Ckg	
	07/31/2010	170918		170918 - Ag Pool Legal services	8467 - Ag Legal & Technical Services	8,373.00
				170918 - Ag Pool Legal services	8467.1 - Frank B. & Associates	962.50
TOTAL						9,335.50
Bill	08/18/2010	14455	STAULA, MARY L		1012 - Bank of America Gen'l Ckg	
	08/31/2010			Retiree Medical premium	60182.4 - Retiree Medical	136.61
TOTAL						136.61
Bill	08/18/2010	14456	UNION 76	300-732-989	1012 - Bank of America Gen'l Ckg	
	07/31/2010	300732989		Fuel expense - July 2010	6175 - Vehicle Fuel	190.19
TOTAL						190.19
Bill	08/18/2010	14457	UNITED PARCEL SERVICE	2x81X0	1012 - Bank of America Gen'l Ckg	
	07/31/2010	2x81X0		miscellaneous correspondence	6042 - Postage - General	103.24
TOTAL						103.24
Bill	08/17/2010	0894094256	VERIZON WIRELESS	0894094256	1012 - Bank of America Gen'l Ckg	
				monthly service	6022 - Telephone	528.90
TOTAL						528.90
General Journal	08/21/2010	08/08/10-08/21/10	Payroll and Taxes for 08/08/10-08/21/10	Payroll and Taxes for 08/08/10-08/21/10	1012 - Bank of America Gen'l Ckg	
				Payroll Taxes for 08/08/10-08/21/10	1012 - Bank of America Gen'l Ckg	7,356.55
				Direct Deposits for 08/08/10-08/21/10	1012 - Bank of America Gen'l Ckg	26,179.61
TOTAL						33,536.16
Bill	08/23/2010	14459	BANK OF AMERICA	4024-4200-0193-9341	1012 - Bank of America Gen'l Ckg	
	07/31/2010	4024420001939341		savings club	6031.7 - Other Office Supplies	12.00
				to purchase licenses for anti virus software	6054 - Computer Software	250.00
				travel expenses for Ben Pak	6181 - Conferences - General	1,127.60
				lunch for 7/22/10 Watermaster Board Meeting	6212 - Meeting Expense	285.19
TOTAL						1,674.79
General Journal	08/24/2010	08/24/10	Wage Works Direct Debit 08/24/10	Wage Works Direct Debit 08/24/10	1012 - Bank of America Gen'l Ckg	
				Employee Flexible Spending Deduction	1012 - Bank of America Gen'l Ckg	1,400.00
TOTAL						1,400.00
Bill	08/25/2010	14460	AMERICAN WATER WORKS ASSOCIATION	7000256584	1012 - Bank of America Gen'l Ckg	



CHINO BASIN WATERMASTER  
Cash Disbursements for the Month of  
August 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	08/23/2010	7000256584		membership dues - D. Maurizio	6111 - Membership Dues	201.00
<b>TOTAL</b>						201.00
Bill Pmt -Check	08/25/2010	14461	BROWNSTEIN HYATT FARBEN SCHRECK		1012 - Bank of America Gen'l Ckg	
Bill	07/31/2010	435651		435651 - General expense	6907.3 - WM Legal Counsel	16,732.96
				435651 - Desalter negotiations	6907.33 - Desalter Negotiations	1,206.00
				435651 - Santa Ana Sucker	6907.36 - Santa Ana Sucker	1,026.00
				435651 - Paragaph 31 motion	6907.35 - Purchase & Sale Agreement NOI	1,583.55
				435651 - Chino Airport Plume	6907.32 - Chino Airport Plume	171.00
Bill	07/31/2010	435652		435652 - Santa Ana River Application	6907.34 - Santa Ana River	310.79
Bill	07/31/2010	435653		435653 - Ontario Airport Plume	6907.31 - Ontario Airport Plume	126.90
Bill	07/31/2010	435654		435654 - Chino Airport Plume	6907.32 - Chino Airport Plume	29,017.57
Bill	07/31/2010	435655		435655 - Desalter Negotiations	6907.33 - Desalter Negotiations	29,224.95
Bill	07/31/2010	435656		435656 - Paragaph 31 motion	6907.35 - Purchase & Sale Agreement NOI	20,442.60
Bill	07/31/2010	435657		435657 - Santa Ana Sucker	6907.36 - Santa Ana Sucker	4,321.00
<b>TOTAL</b>						104,163.32
Bill Pmt -Check	08/25/2010	14462	GLOBAL PRESENTER.COM		1012 - Bank of America Gen'l Ckg	
Bill	08/23/2010	51942		balance due-Digital Audio Recorder-Boardroom	6055 - Computer Hardware	3,129.89
<b>TOTAL</b>						3,129.89
Bill Pmt -Check	08/25/2010	14463	KONICA MINOLTA BUSINESS SOLUTIONS		1012 - Bank of America Gen'l Ckg	
Bill	08/23/2010	215463702		Minolta - copier charge	6043.2 - Ricoh Maintenance Fee	0.15
Bill	08/23/2010	215463703		Minolta - copier charge	6043.2 - Ricoh Maintenance Fee	11.36
Bill	08/23/2010	215463704		Minolta - copier charge	6043.2 - Ricoh Maintenance Fee	0.90
<b>TOTAL</b>						12.41
Bill Pmt -Check	08/25/2010	14464	VISION SERVICE PLAN		1012 - Bank of America Gen'l Ckg	
Bill	08/23/2010	001017890001		00-101789-0001 Vision insurance premium - September 2010	60182.2 - Dental & Vision Ins	64.98
<b>TOTAL</b>						64.98
General Journal	08/30/2010	08/30/10	Wage Works Direct Debit 08/30/10	Wage Works Direct Debit 08/30/10	1012 - Bank of America Gen'l Ckg	
				Employee Flexible Spending Deduction	1012 - Bank of America Gen'l Ckg	1,039.24
<b>TOTAL</b>						1,039.24
General Journal	08/31/2010		BANK OF AMERICA	Service Charge	1012 - Bank of America Gen'l Ckg	
				Service Charge	6031.7 - Other Office Supplies	21.42
<b>TOTAL</b>						21.42
Bill Pmt -Check	08/31/2010	14465	INLAND EMPIRE UTILITIES AGENCY		1012 - Bank of America Gen'l Ckg	
<b>TOTAL</b>						21.42

CHINO BASIN WATERMASTER  
Cash Disbursements for the Month of  
August 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	07/31/2010	90006103		90006103	8456 · IEUA Readyness To Serve	400.98
<b>TOTAL</b>						<u>400.98</u>
Bill Pmt -Check	08/31/2010	14466	TELECOM SERVICES	5212	1012 · Bank of America Gen'l Ckg	981.60
Bill	06/19/2010	5212		purchase and installation of polcom sound station-conference phone for Board room.	6022 · Telephone	981.60
<b>TOTAL</b>						<u>981.60</u>
Bill Pmt -Check	08/31/2010	14467	INLAND EMPIRE UTILITIES AGENCY	90006121	1012 · Bank of America Gen'l Ckg	731.60
Bill	07/31/2010	90006121			5011 · Replenishment Water	731.60
<b>TOTAL</b>						<u>731.60</u>
<b>Total Disbursements:</b>						<u><u>303,596.88</u></u>



# CHINO BASIN WATERMASTER

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

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**KENNETH R. MANNING**  
Chief Executive Officer

## STAFF REPORT

**DATE:** October 7, 2010  
**TO:** Committee Members  
**SUBJECT:** VISA Check Detail Report – Financial Report B2

### SUMMARY

**Issue** – Record of VISA credit card payment disbursed for the month of August 2010.

**Recommendation** – Staff recommends the VISA Check Detail Report for August 2010 be received and filed as presented.

**Fiscal Impact** – Funds disbursed were included in the FY 2010-2011 Watermaster Budget.

### BACKGROUND

A monthly VISA Check Detail report is provided to keep all members apprised of Watermaster expenditures charged against the CEO and/or CFO's Bank of America VISA card.

### DISCUSSION

Total cash disbursement during the month of August 2010 was \$1,674.79. The monthly charges for August 2010 were for routine and customary expenditures and properly documented with receipts.

### Actions:

- October 7, 2010 Appropriative Pool –
- October 7, 2010 Non-Agricultural Pool –
- October 14, 2010 Agricultural Pool –
- October 21, 2010 Advisory Committee –
- October 28, 2010 Watermaster Board –

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CHINO BASIN WATERMASTER  
 VISA Check Detail Report  
 August 2010

Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	14459	08/23/2010	BANK OF AMERICA	4024-4200-0193-9341	1012 - Bank of America Gen'l Ckg	
Bill	4024420001939341	07/31/2010		savings club	6031.7 - Other Office Supplies	12.00
				purchase add'l licenses for anti virus software	6054 - Computer Software	250.00
				travel expenses for Ben Pak to attend the Sept. 12-16/10	6212 - Conferences - General	1,127.60
				lunch for 7/22/10 Watermaster Board Meeting	6212 - Meeting Expense	285.19
						<u>1,674.79</u>

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**KENNETH R. MANNING**  
Chief Executive Officer

## STAFF REPORT

**DATE:** October 7, 2010  
**TO:** Committee Members  
**SUBJECT:** Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2010 through August 31, 2010 - Financial Report B3

### SUMMARY

**Issue** – Record of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2010 through August 31, 2010.

**Recommendation** – Staff recommends the Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2010 through August 31, 2010 be received and filed as presented.

**Fiscal Impact** – Funds disbursed were included in the FY 2010-2011 Watermaster Budget.

### BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Working Capital for the period July 1, 2010 through August 31, 2010 is provided to keep all members apprised of the FY 2010/2011 cumulative Watermaster revenues, expenditures and changes in working capital for the period listed.

### DISCUSSION

The Combining Schedule of Revenue, Expenses and Changes in Working Capital has been created from various financial reports and statements created from QuickBooks Enterprise Solutions 9.0, the Watermaster accounting system. The Combining Schedule provided balances to the supporting documentation in the Watermaster accounting system as presented.

### Actions:

October 7, 2010 Appropriative Pool –  
October 7, 2010 Non-Agricultural Pool –  
October 14, 2010 Agricultural Pool –  
October 21, 2010 Advisory Committee –  
October 28, 2010 Watermaster Board –

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CHINO BASIN WATERMASTER  
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL  
 FOR THE PERIOD JULY 1, 2010 THROUGH AUGUST 31, 2010

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	GROUNDWATER OPERATIONS SB222 FUNDS	EDUCATION FUNDS	GRAND TOTALS	BUDGET 2010-2011
<b>Administrative Revenues:</b>										
Administrative Assessments	111,000								-	\$6,358,070
Interest Revenue									-	175,010
Mutual Agency Project Revenue									-	148,410
Grant Income									-	0
Miscellaneous Income	111,000								111,000	0
<b>Total Revenues</b>	<b>111,000</b>								<b>111,000</b>	<b>6,681,490</b>
<b>Administrative &amp; Project Expenditures:</b>										
Watermaster Administration	94,450								94,450	512,546
Watermaster Board-Advisory Committee	11,350								11,350	73,073
Pool Administration			7,132	24,728	19,251				51,111	261,523
Optimum Basin Mgmt Administration		383,351							383,351	1,350,390
OBMP Project Costs		543,835							543,835	3,772,619
Debt Service		637,198							637,198	700,964
Education Funds Use										375
Mutual Agency Project Costs										10,000
<b>Total Administrative/OBMP Expenses</b>	<b>105,800</b>	<b>1,564,383</b>	<b>7,132</b>	<b>24,728</b>	<b>19,251</b>				<b>1,721,294</b>	<b>6,681,490</b>
<b>Net Administrative/OBMP Expenses</b>	<b>5,200</b>	<b>(1,564,383)</b>	<b>(3,576)</b>	<b>(1,447)</b>	<b>(177)</b>					
<b>Allocate Net Admin Expenses To Pools</b>			637,580	257,959	31,646					
<b>Allocate Net OBMP Expenses To Pools</b>			637,198							
<b>Allocate Debt Service to App Pool</b>			281,241	(281,241)						
<b>Agricultural Expense Transfer*</b>			1,559,575		50,719				1,721,294	6,681,490
<b>Total Expenses</b>			<b>(1,559,575)</b>		<b>(50,719)</b>				<b>(1,610,294)</b>	
<b>Net Administrative Income</b>										
<b>Other Income/(Expense)</b>										
Replenishment Water Assessments										0
Interest Revenue										0
Water Purchases										0
Balance Adjustment										0
Other Water Purchases										0
Groundwater Replenishment						(732)			(732)	0
Net Other Income						(732)			(732)	0
<b>Net Transfers To/(From) Reserves</b>										
			(1,611,026)		(50,719)	(732)			(1,611,026)	
<b>Working Capital, July 1, 2010</b>			6,219,006	473,483	256,632	1,369,991	158,251	1,001	8,478,365	
<b>Working Capital, End Of Period</b>			4,659,431.23	473,483.08	205,913.11	1,369,259.68	158,251.00	1,000.86	6,867,338.96	6,867,339
<b>09/10 Assessable Production</b>			78,733,238	31,854,766	3,907,911				114,495,915	
<b>09/10 Production Percentages</b>			68.765%	27.822%	3.413%				100.000%	

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

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# CHINO BASIN WATERMASTER

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

KENNETH R. MANNING  
Chief Executive Officer

## STAFF REPORT

**DATE:** October 7, 2010  
**TO:** Committee Members  
**SUBJECT:** Treasurer's Report of Financial Affairs for the Period August 1, 2010 through August 31, 2010 - Financial Report B4

### SUMMARY

**Issue** – Record of increases or decreases in the cash position, assets and liabilities of Watermaster for the Period of August 1, 2010 through August 31, 2010.

**Recommendation** – Staff recommends the Treasurer's Report of Financial Affairs for the Period August 1, 2010 through August 31, 2010 be received and filed as presented.

**Fiscal Impact** – Funds disbursed were included in the FY 2010-2011 Watermaster Budget.

### BACKGROUND

A Treasurer's Report of Financial Affairs for the Period August 1, 2010 through August 31, 2010 is provided to keep all members apprised of the total cash in banks (Bank of America and LAIF) and on hand at the Watermaster office (petty cash) at the end of the period stated. The Treasurer's Report details the change (increase or decrease) in the overall cash position of Watermaster, as well as the changes (increase or decrease) to the assets and liabilities section of the balance sheet. The report also provides a detailed listing of all deposits and/or withdrawals in the California State Treasurer's Local Agency Investment Fund (LAIF), the most current effective yield as of the last quarter, and the ending balance in LAIF as of the reporting date.

### DISCUSSION

The Treasurer's Report of Financial Affairs has been created from various financial reports and statements created from QuickBooks Enterprise Solutions 9.0, the Watermaster accounting system. The Treasurer's Report provided, balances to the supporting documentation in the Watermaster accounting system, as well as the supporting bank statements.

### Actions:

October 7, 2010 Appropriative Pool –  
October 7, 2010 Non-Agricultural Pool –  
October 14, 2010 Agricultural Pool –  
October 21, 2010 Advisory Committee –  
October 28, 2010 Watermaster Board –

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

<b>DEPOSITORIES:</b>			
Cash on Hand - Petty Cash	\$	500	
Bank of America			
Governmental Checking-Demand Deposits	\$	154,113	
Zero Balance Account - Payroll	\$	-	
Local Agency Investment Fund - Sacramento			
<b>TOTAL CASH IN BANKS AND ON HAND</b>			8/31/2010
<b>TOTAL CASH IN BANKS AND ON HAND</b>			7/31/2010
<b>PERIOD INCREASE (DECREASE)</b>			
	\$	<u>(192,864)</u>	

**CHANGE IN CASH POSITION DUE TO:**

Decrease/(Increase) in Assets:		
Accounts Receivable	\$	111,000
Assessments Receivable		508
Prepaid Expenses, Deposits & Other Current Assets		-
(Decrease)/Increase in Liabilities		
Accounts Payable		372,319
Accrued Payroll, Payroll Taxes & Other Current Liabilities		46,694
Transfer to/(from) Reserves		(723,386)
<b>PERIOD INCREASE (DECREASE)</b>	\$	<u>(192,864)</u>

**SUMMARY OF FINANCIAL TRANSACTIONS:**

	Petty Cash	Gov'tl Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 7/31/2010	\$ 500	\$ 346,978	\$ -	\$ 7,344,588	\$ 7,692,065
Deposits	-	117,806	-	-	117,806
Transfers	-	(66,169)	66,169	-	-
Withdrawals/Checks	-	(244,502)	(66,169)	-	(310,670)
Balances as of 8/31/2010	\$ 500	\$ 154,113	\$ -	\$ 7,344,588	\$ 7,499,201
<b>PERIOD INCREASE OR (DECREASE)</b>	\$ -	\$ (192,864)	\$ -	\$ -	\$ (192,864)

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

**INVESTMENT TRANSACTIONS**

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
----------------	-------------	------------	----------	----------	------------------	------------------	----------------

**TOTAL INVESTMENT TRANSACTIONS**      \$      -

\* The earnings rate for L.A.I.F. is a daily variable rate; 0.56% was the effective yield rate at the Quarter ended June 30, 2010.

**INVESTMENT STATUS  
August 31, 2010**

Financial Institution	Principal Amount	Number of Days	Interest Rate	Maturity Date
Local Agency Investment Fund	\$ 7,344,588			
<b>TOTAL INVESTMENTS</b>	<b>\$ 7,344,588</b>			

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

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

Respectfully submitted,

Joseph S. Joswiak  
Chief Financial Officer  
Chino Basin Watermaster



# CHINO BASIN WATERMASTER

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KENNETH R. MANNING  
Chief Executive Officer

## STAFF REPORT

**DATE:** October 7, 2010  
**TO:** Committee Members  
**SUBJECT:** Budget vs. Actual Report for the Period July 1, 2010 through August 31, 2010 - Financial Report B5

### SUMMARY

**Issue** – Record of revenues and expenses of Watermaster for the Period of July 1, 2010 through August 31, 2010.

**Recommendation** – Staff recommends the Budget vs. Actual Report for the Period July 1, 2010 through August 31, 2010 be received and filed as presented.

**Fiscal Impact** – Funds disbursed were included in the FY 2010-2011 Watermaster Budget.

### BACKGROUND

A Budget vs. Actual Report for the period July 1, 2010 through August 31, 2010 is provided to keep all members apprised of the total revenues and expenses for the current fiscal year. The expense section is categorized into four distinct sections. Those sections are: General and Administrative Expenses; Optimal Basin Management Program Expenses; Project Expenses; and Other Income/Expenses.

### DISCUSSION

The Budget vs. Actual report has been created from QuickBooks Enterprise Solutions 9.0, the Watermaster accounting system. The Budget vs. Actual report provided, balances to the supporting documentation in the Watermaster accounting system, as well as the supporting bank statements.

Year-To-Date (YTD) for the two month period ending August 31, 2010 of the fiscal year, all categories were at or below the projected budget with the exception of category 6900 (Optimum Basin Mgmt Plan). Within the 6900 category is the regional board fine in the amount of \$62,675 which was posted to account 6909 (OBMP Other Expenses). If you recall, this item was not included as part of the fiscal year 2010/2011 budget. Also recorded within this category are the Watermaster's legal expenses. Currently, the legal expenses are above the Y-T-D

udget as a direct result of the ongoing Desalter Negotiations of \$62,916, the Chino Airport Plume of \$45,268 and the Paragraph 31 Motion activity of \$29,774. The budgeted amount for legal expenses for the year of \$450,000 was allocated at \$37,500 per month. This allocated monthly amount of \$37,500 may need to be adjusted to account for the added expenses in the early part of the fiscal year and reduced in the later months. At the quarterly review next month, an in-depth analysis of the legal expenses will be provided, along with a projection of ongoing anticipated costs.

**Actions:**

- October 7, 2010 Appropriative Pool –
- October 7, 2010 Non-Agricultural Pool –
- October 14, 2010 Agricultural Pool –
- October 21, 2010 Advisory Committee –
- October 28, 2010 Watermaster Board –



CHINO BASIN WATERMASTER  
Budget vs. Actual  
July 1, 2010 through August 31, 2010

	<u>Jul - Aug</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4010 · Local Agency Subsidies	111,000	148,410	-37,410	75%
<b>Total Income</b>	<b>111,000</b>	<b>148,410</b>	<b>-37,410</b>	<b>75%</b>
<b>Gross Profit</b>	<b>111,000</b>	<b>148,410</b>	<b>-37,410</b>	<b>75%</b>
<b>Expense</b>				
6010 · Salary Costs	77,114	77,574	-460	99%
6020 · Office Building Expense	14,838	17,199	-2,361	86%
6030 · Office Supplies & Equip.	2,932	6,250	-3,318	47%
6040 · Postage & Printing Costs	11,014	12,200	-1,186	90%
6050 · Information Services	21,766	26,783	-5,017	81%
6060 · Contract Services		16,000	-16,000	
6080 · Insurance	15,607	17,575	-1,968	89%
6110 · Dues and Subscriptions	20,132	20,250	-118	99%
6140 · WM Admin Expenses		500	-500	
6150 · Field Supplies		200	-200	
6170 · Travel & Transportation	4,135	5,560	-1,425	74%
6190 · Conferences & Seminars	4,342	5,250	-908	83%
6200 · Advisory Comm - WM Board	3,075	3,745	-670	82%
6300 · Watermaster Board Expenses	8,274	8,434	-160	98%
8300 · Appr PI-WM & Pool Admin	7,132	10,210	-3,078	70%
8400 · Agri Pool-WM & Pool Admin	3,909	4,691	-782	83%
8467 · Ag Legal & Technical Services	20,819	19,667	1,152	106%
8470 · Ag Meeting Attend -Special		2,000	-2,000	
8500 · Non-Ag PI-WM & Pool Admin	19,251	26,944	-7,693	71%
6500 · Education Funds Use Expens		375	-375	
9500 · Allocated G&A Expenditures	-77,429	-81,355	3,926	95%
6900 · Optimum Basin Mgmt Plan	361,719	172,826	188,893	209%
9501 · G&A Expenses Allocated-OBMP	21,631	23,776	-2,145	91%
7101 · Production Monitoring	21,707	22,175	-468	98%
7102 · In-line Meter Installation	2,196	11,113	-8,917	20%
7103 · Grdwtr Quality Monitoring	22,174	33,833	-11,659	66%
7104 · Gdwtr Level Monitoring	27,959	58,207	-30,248	48%
7105 · Sur Wtr Qual Monitoring		755	-755	
7107 · Ground Level Monitoring	108,233	120,103	-11,870	90%
7108 · Hydraulic Control Monitoring	40,339	82,283	-41,944	49%
7109 · Recharge & Well Monitoring Prog	5,198	8,440	-3,242	62%
7200 · PE2- Comp Recharge Pgm	196,992	229,920	-32,928	86%
7300 · PE3&5-Water Supply/Desalte	41,428	39,925	1,503	104%
7400 · PE4- Mgmt Plan	1,590	15,416	-13,826	10%
7500 · PE6&7-CoopEfforts/SaltMgmt	15,694	25,697	-10,003	61%
7600 · PE8&9-StorageMgmt/Conj Use	4,528	11,404	-6,876	40%

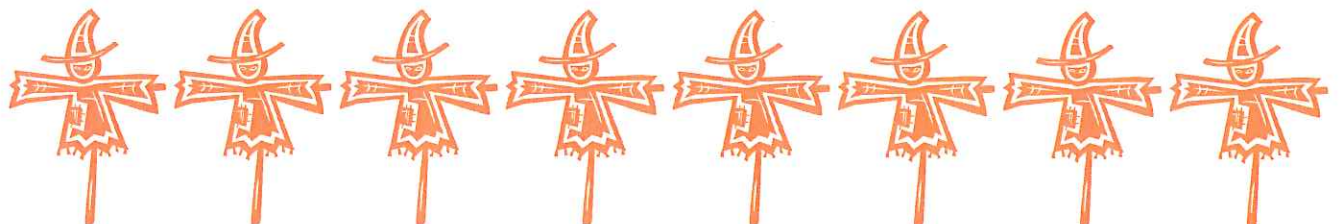
	<u>Jul - Aug</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
7690 · Recharge Improvement Debt Pymt	637,198	700,964	-63,766	91%
7700 · Inactive Well Protection Prgm		353	-353	
9502 · G&A Expenses Allocated-Projects	55,798	57,579	-1,781	97%
<b>Total Expense</b>	<u>1,721,295</u>	<u>1,814,821</u>	<u>-93,526</u>	<u>95%</u>
<b>Net Ordinary Income</b>	-1,610,295	-1,666,411	56,116	97%
<b>Other Income/Expense</b>				
<b>Other Expense</b>				
5010 · Groundwater Replenishment	732			
9999 · To/(From) Reserves	-1,611,026			
<b>Total Other Expense</b>	<u>-1,610,294</u>			
<b>Net Other Income</b>	<u>1,610,294</u>			
<b>Net Income</b>		<u><u>-1,666,411</u></u>	<u><u>1,666,411</u></u>	



# CHINO BASIN WATERMASTER

## I. BUSINESS ITEM

### C. WATERMASTER RESOLUTION NO. 10-04 FOR PHASE III DESALTER EXPANSION





# CHINO BASIN WATERMASTER

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

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KENNETH R. MANNING  
Chief Executive Officer

## STAFF REPORT

**DATE:** October 7, 2010

**TO:** Pool Committees

**SUBJECT:** Progress Report on Phase III Desalter Expansion

### SUMMARY

This is in addition to the Staff Report provided on August regarding the Watermaster's review and potential approval of conditions pertaining to future desalters. This revised Staff Report describes feedback and modifications to the Proposed Resolution 2010-04, following a Watermaster workshop, receipt of Pool comments, and further stakeholder meetings.

**Issue** – Review and potential approval of Proposed Watermaster Resolution 2010-04 regarding future desalters. If approved by Watermaster, the Proposed Resolution will be transmitted to the Court, coupled with a request for further approval and direction.

**Recommendation** – Approve the Proposed Resolution 2010-04 as amended to incorporate stakeholder comments.

**Financial Impact** – Potential increases in groundwater monitoring costs for the purposes of monitoring and avoiding land subsidence [\$100-200,000 annually].

### Background

In 2000, the Court ordered Watermaster to proceed in accordance with the terms of the Peace Agreement and the Optimum Basin Management Plan (OBMP) Implementation Plan. Watermaster committed to expanded desalting capacity for a variety of beneficial purposes, including but not limited to yield preservation, yield enhancement, salt management and water supply. Desalter commitments with regard to the Chino I Expansion and the Chino II Desalter were contained within the Peace Agreement and potential obligations related to the construction and operation of Future Desalters were reserved for further agreement.

As planned, various Parties to the Judgment proceeded to construct and acquire desalter facilities in a manner consistent with the OBMP Implementation Plan. The Chino Basin Desalter Authority (CDA) was formed by Parties to the Judgment that were to purchase product water from the Desalters and the Court approved the proposed plan as being in conformity with its earlier orders.

Subsequently, a new basin management strategy was unveiled by Watermaster which coupled the previously identified benefits associated with the OBMP with a more refined water quality strategy known as Hydraulic Control. This strategy relied upon Basin Re-Operation to dewater a portion of the Basin and limit outflow to the Santa Ana River. One additional significant benefit, among others, was the expanded use of recycled water.

Watermaster proposed that Hydraulic Control could be achieved in a manner consistent with the objective of expanding Desalter capacity and addressing the need to construct Future Desalters. The Court approved the Peace II Measures in December of 2007 and incorporated the performance milestones for implementing the Supplement to the OBMP, inclusive of securing Hydraulic Control through Basin Re-Operation. The Court conditionally authorized Watermaster to allow 400,000 acre-feet of water to be produced by the Desalters (existing and proposed) without incurring any Replenishment obligation.

The Watermaster and Court-approved strategy called for the Western Municipal Water District (WMWD) independently, or in its complete discretion with the City of Ontario (Ontario) and the Jurupa Community Services District (Jurupa), to construct an additional 9 MGD of Desalters. (Peace II Agreement)

The well-field identified to effectuate Hydraulic Control is commonly referred to as the Chino Creek Well-Field. WMWD has exercised its discretion to work with the City of Ontario and Jurupa to carry out the Phase III Desalter Expansion. Through a series of agreements, most notably the Water Purchase and Sale Agreement, the Phase III Desalter Expansion (Expansion) will become a Chino Basin Desalter Authority (CDA) project.

Pressed by concerns arising from compliance with Regional Board permits and the prior orders of the Court, in May of 2010 the Watermaster Board requested General Counsel and Staff to support efforts among the various stakeholders to facilitate the timely completion of documentation that would allow the Expansion to proceed. Initially a set of principles were agreed upon by the stakeholders as a framework for further agreement (See Exhibit "A"). The Water Purchase and Sale Agreements include key provisions that are consistent with the approved principles and will remove the previously identified barriers to project acceptance and construction. Specifically, WMWD's obligations for buying into the project are resolved through the terms of the Water Purchase and Sale Agreements.

A representative final draft of the Water Purchase and Sale Agreements are attached to this Staff Report as Exhibit "B."

### **Workshop and Stakeholder Comments**

The draft resolution and accompanying exhibits were presented at a Watermaster workshop on September 14, 2010. Staff presented testimony in support of the proposed findings. An outline of these comments is attached hereto.

Watermaster requested the stakeholders to provide written comments, if any. Following the workshop further introductory meetings were held with each of the Pools and the Advisory Committee. In addition, meetings were held with a representative group of members of the Appropriative Pool that were not involved in the CDA or the Expansion Project. These meetings lead to the generation of further input and comments that focused on the draft resolution and requested modifications to address the following: (1) a more complete inclusion of the parties' collective Replenishment obligations for the Desalters and to include an express reference to the potential re-opener if there is a material reduction in the net cost of product water; (2) clarification that no amendment to the Judgment, the Peace Agreement and Peace II

Measures was intended; (3) the assumption of responsibility for project completion by each of the members of CDA rather than WMWD alone; and (4) a requirement that WMWD pay a sum to the Watermaster for purposes of off-setting historical contributions to the OBMP. (See Peace Agreement Section 5.5(e).)

Items 1 and 2 were easily effectuated in the amended Resolution. Items 3 and 4 were addressed as follows below.

### **Individual Undertaking**

The draft resolution has been amended (See Resolution paragraph 5) to account for an anticipated undertaking by each of the members of the CDA (but not CDA) to make a commitment commensurate with WMWD. That is, each of the members of CDA would agree to exercise good faith and reasonable best efforts towards completing the Expansion Project as it is approved by CDA. This would not be tantamount to a guarantee of project completion – it would only make each of the members of CDA accountable on equal footing with WMWD.

### **Make Whole for Historical Investments in the OBMP**

Based upon the total investment and risk profile assumed by WMWD (See WMWD financial profile) it will expend tens of millions of dollars in furtherance of an important OBMP function; Hydraulic Control through Basin Re-Operation. WMWD assumed the primary responsibility for implementation of the proposed Expansion Project under Article V of the Peace II Agreement and it has made substantial progress towards completion. Given the amount of expenditures made to date, the anticipated further expenditures and the risks associated with capital construction and third party grants, it is reasonable to conclude that WMWD need make no further contributions pursuant to Section 5.5(e) of the Peace II Agreement.

However, the prospect that WMWD might intervene into the Appropriative Pool, concurrent with the approval of the Expansion Project lead some parties to conclude that the total number of benefits received by WMWD would exceed those required for the Expansion Project to proceed. While WMWD did not agree or disagree with the estimations of potential value, it could not be fairly asked to complete that assessment and close on these terms now. Accordingly, the proposed resolution offers WMWD a 24 month window to elect to either negotiate terms under which it will intervene into the Appropriative Pool or assign its Production attributable to the Desalters to an Appropriator member of the CDA. The assignment is for accounting purposes only and it would have no impact on rights, obligation of any party.

### **Watermaster Findings and Determinations**

In addition to Watermaster's strong interest in a timely completion of the Expansion, it also has a keen interest in making findings and determinations regarding the consistency of the proposed Expansion with prior agreements, court orders and Regional Board permits. Moreover, on behalf of the Parties to the Judgment and in its own capacity, Watermaster desires verification that the proposed suite of actions will satisfy the outstanding obligations of the parties for Future Desalters. (Peace Agreement, Peace II Agreement). The Parties to the Judgment will all want the security of the release presumed by Peace Agreement Section 10.2.

Watermaster has specific interests in the location of the Chino Creek Well-Field so as to effectuate the purpose of Hydraulic Control (inclusive of well depth and pumping), the avoidance of land subsidence; and the avoidance of Material Physical Injury.

Initially, it was thought that WMWD might seek to intervene into the Appropriative Pool. Under the proposed Resolution 2010-04, as amended, this decision has been decoupled from Watermaster's approval of the Project. There is a general desire for a restatement of the Desalter Replenishment

obligations for the avoidance of doubt, and this has been carried forward in the revised Proposed Resolution in a more complete fashion, as noted above.

For all these reasons, the Parties to the Judgment desires an evidentiary record be developed to provide substantial evidence of the proposed findings and determinations that can be presented to the Court. Following a hearing before the Court, Watermaster's request would be for any concerned parties to present objections and that the Court would direct Watermaster to proceed. This would provide the clarification and certainty desired to establish a foundation to invest tens of millions in proposed improvements.

### CDA

Staff and Counsel are recommending that Watermaster approve the proposed Draft Resolution in its final form prior to action by CDA. To stay within the commitments to the Court and the Regional Board, Watermaster has a reasonable belief that a November/December action by CDA is achievable. There are, however, potential impediments to closing in this time frame. They include timely completion of environmental review, a Metropolitan Water District decision as to whether to authorize a Local Resources Program stipend or subsidy, and water quality negotiations with the County of San Bernardino over the clean up of the Chino Airport contamination.

It is possible that the failure to timely resolve one or more of these matters may cause the WMWD to exercise an option under the Peace II Agreement to decline proceeding with the Expansion because the identified costs exceed the established "cost cap." While WMWD has expressed its desire to proceed with the Expansion, it has also stated there are financial limitations on its ability to do so.

In addition, the failure to resolve these issues may impact CDA's ability to act as planned. However, in the opinion of Staff and Counsel, Watermaster can revisit the matter if good cause is presented.

### Staff Recommendation

Staff recommends approval of the Resolution.

### **Actions:**

October 7, 2010 Appropriative Pool –  
October 7, 2010 Non-Agricultural Pool –  
October 14, 2010 Agricultural Pool –  
October 21, 2010 Advisory Committee –  
October 28, 2010 Watermaster Board –

**CONCEPTUAL  
WATERMASTER RESOLUTION  
NO. 2010-04**

**RESOLUTION OF THE CHINO BASIN WATERMASTER  
REGARDING IMPLEMENTATION OF THE PEACE II AGREEMENT AND THE  
PHASE III DESALTER EXPANSION IN ACCORDANCE WITH THE DECEMBER 21,  
2007 ORDER OF THE SAN BERNARDINO SUPERIOR COURT**

1. **WHEREAS**, the Judgment in the Chino Basin Adjudication, *Chino Basin Municipal Water District v. City of Chino, et al.*, San Bernardino Superior Court No. 51010, created the Watermaster and directed it to perform the duties as provided in the Judgment or ordered or authorized by the court in the exercise of the Court's continuing jurisdiction;
2. **WHEREAS**, Watermaster has the express powers and duties as provided in the Judgment or as "hereafter" ordered or authorized by the Court in the exercise of the Court's continuing jurisdiction" subject to the limitations stated elsewhere in the Judgment;
3. **WHEREAS**, Watermaster, with the advice of the Advisory and Pool Committees has discretionary powers to develop an Optimum Basin Management Program (OBMP) for Chino Basin, pursuant to Paragraph 41 of the Judgment;
4. **WHEREAS**, in June of 2000, the Parties to the Judgment executed the Peace Agreement providing for the implementation of the OBMP and Watermaster adopted Resolution 2000-05 whereby it agreed to act in accordance with the Peace Agreement;
5. **WHEREAS**, the Court ordered Watermaster to proceed in accordance with the Peace Agreement and the OBMP Implementation Plan, Exhibit "B" thereto on June 20, 2000;
6. **WHEREAS**, Watermaster adopted and the Court approved Chino Basin Watermaster Rules and Regulations in June of 2001;
7. **WHEREAS**, the Peace Agreement, the OBMP Implementation Plan and the Chino Basin Watermaster Rules and Regulations reserved Watermaster's discretionary powers in accordance with Paragraph 41 of the Judgment, with the advice from the Advisory and Pool Committees, and contemplated further implementing actions by Watermaster;



8. **WHEREAS**, the Judgment requires that Watermaster in implementing the Physical Solution, and the OBMP have flexibility to consider and where appropriate make adjustments after taking into consideration technological, economic, social and institutional factors in maximizing the efficient use of the waters of the Basin;

9. **WHEREAS**, the Peace Agreement and the OBMP Implementation Plan were subject to reconsideration and potential revision of various provisions and ongoing judicial supervision as well as the requirement that monitoring and reporting may lead to further modifications and refinements in management practices;

10. **WHEREAS**, to prudently respond to changing conditions and best management practices the Parties to the Judgment presented Watermaster with a proposed suite of management strategies, new agreements and proposed amendments to then existing agreements that were collectively referenced in Watermaster Resolution 2007-05, (amendments to the Watermaster Rules and Regulations, Purchase and Sale Agreement with the Overlying (Non-Agricultural) Pool, Judgment Amendments, Peace II Agreement, Supplement to the OBMP, Second Amendment to the Peace Agreement) and the subsequent Court filings as the "Peace II Measures";

11. **WHEREAS**, the OBMP Implementation Plan was supplemented to reflect Western Municipal Water District's (WMWD's) commitment to act independently or in its complete discretion with the City of Ontario (Ontario) and the Jurupa Community Services District (Jurupa) to plan, design and construct 9 million gallons per day of new desalting capacity "to obtain Hydraulic Control, to support Re-Operation and support the Future Desalters" (Peace Agreement II Section 5.2.);

12. **WHEREAS**, Watermaster fully and carefully evaluated the legal, technical, scientific, economic and physical consequences of the proposed Peace II Measures through internal and professional expert reports and opinions, including but not limited to reports issued by Dr. David Sunding and Mark Wildermuth and Watermaster lodged these reports with the Court;

13. **WHEREAS**, in some instances the Parties to the Judgment retained their own independent professionals to analyze the Watermaster reports and the consequences of the Peace II Measures and presented their findings to Watermaster;

14. **WHEREAS**, the Peace II Measures were subject to substantial stakeholder input from parties and they were modified to address the stated concerns;

15. **WHEREAS**, the Appropriative Pool, the Overlying (Agricultural) Pool, the Overlying (Non-Agricultural) Pool, the Advisory Committee and the Watermaster Board all unanimously approved Resolution No. 2007-05 thereby adopting the Peace II

Measures and forwarding them to the Court requesting an order to proceed in accordance with the stated terms;

17. **WHEREAS**, upon receipt of the submittal the Special Referee issued a report requesting clarification and further information of the Peace II Measures at an evidentiary hearing;

18. **WHEREAS**, the Assistant to the Special Referee, Joe Scalmanini of Luhdorff & Scalmanini Consulting Engineers, transmitted his technical review in March of 2007 ("Report"). In relevant part, the Report states:

"For planning level analysis, the existing model is a useful and applicable tool to simulate approximate basin response to management actions that involve the quantities and distribution of pumping and recharge in the basin. For example, for the most notable of its applications to date, which has been to conduct a planning level analysis of intended future hydraulic control, the model can be confidently utilized to examine whether groundwater conditions (levels) will form in such a way that hydraulic control will be achieved as result of basin re-operation and, if not, what other changes in basin operation are logically needed to achieve it."  
(Report at p. 37)

19. **WHEREAS**, Watermaster caused the completion of a preliminary engineering, hydrogeologic, and technical evaluation of the potential physical impacts to the Basin and to the Parties to the Judgment that might result from implementation of the Peace II Measures. The preliminary evaluation was conducted by Mark Wildermuth of Wildermuth Environmental and was lodged with the Court;

20. **WHEREAS**, Watermaster caused the preparation of a specific project description set forth in the then proposed Supplement to the OBMP Implementation Plan for the purpose of conducting a more refined engineering, hydrogeologic and technical evaluation of the physical impacts to the Basin and to the Parties to the Judgment that may result from implementation of the Peace II measures and it was lodged with the Court;

21. **WHEREAS**, the design, financing, construction and operation of the planned expansion to desalting within the Chino Basin would cause the Parties to the Judgment to incur substantial, irrevocable commitments;

22. **WHEREAS**, Watermaster caused the completion of a macro socioeconomic analysis by Dr. David Sunding, a PhD in economics and professor at the University of California Berkeley referenced in Watermaster Resolution 2007-05 and lodged with the Court. The macro analysis provided a comprehensive evaluation of the macro costs

and benefits to the parties as a whole that may be attributable to the Peace II measures and it was lodged with the Court;

**23. WHEREAS,** Watermaster caused an update of the previously completed socioeconomic analysis conducted pursuant to the Judgment. The analysis was completed by Dr. Sunding, and it considered the positive and negative impacts of implementing the OBMP, the Peace Agreement, and the Peace II measures, including Watermaster assessments. The analysis also addressed the potential distribution of costs and benefits among the parties that were initiated with the approval of the Peace Agreement. The study was referenced in Watermaster Resolution 2007-05 and lodged with the Court in support of Watermaster's request to approve the Peace II Measures;

**24. WHEREAS,** a hearing was held before the Court at which Watermaster presented substantial evidence in support of the adoption of the Peace II Measures, through documentation, briefs, expert reports and opinions, argument and testimony in support of its request for an order to proceed in accordance with the Peace II Measures;

**25. WHEREAS,** Watermaster prepared a summary of the cumulative total of groundwater production and desalting from all authorized Desalters and other activities authorized by the 2007 Supplement to the OBMP Implementation Plan as amended as provided in the Peace Agreement in a schedule that: (i) identifies the total quantity of groundwater that will be produced through the proposed Basin Re-Operation to obtain Hydraulic Control, and (ii) characterizes and accounts for all water that is projected to be produced by the Desalters for the initial Term of the Peace Agreement (by 2030) as dedicated water, New Yield, controlled overdraft pursuant to the Physical Solution or subject to Replenishment;

**26. WHEREAS,** the post hearing briefs and supplemental evidence were filed by Watermaster and the Special Referee issued a report recommending an order be issued to proceed in accordance with the Peace II Measures;

**27. WHEREAS,** on December 21, 2007 the Court issued an order instructing Watermaster to proceed with the Peace II Measures;

**28. WHEREAS,** on April 1, 2010 the Regional Water Quality Control Board (Regional Board) issued an Administrative Civil Liability complaint against Watermaster and IEUA in response to an alleged failure of the Co-Permittees to obtain Hydraulic Control;

**29. WHEREAS,** in reliance upon the collective commitments of the parties to the Judgment and with the concurrence of CDA, Watermaster and IEUA entered into a settlement agreement with the Regional Water Quality Control Board (Regional Board) in May of 2010 that established a revised schedule for the construction of new facilities and the completion of the Phase III Desalter Expansion (Expansion Project);

30. **WHEREAS**, a substantial fine has been paid to the Regional Board;
31. **WHEREAS**, Administrative Expenses arising under the Physical Solution must be categorized as either a General Administrative Expense or a Special Project Expense as set forth in Paragraph 54 of the Judgment;
32. **WHEREAS**, Administrative Expenses must be allocated and assessed against the respective pools and then uniformly among the members of the Appropriative Pool in accordance with their respective percentage of the year's total production. (Judgment Exhibit H, Section 6.);
33. **WHEREAS**, the Peace II Measures and specifically the Peace II Agreement obligates WMWD "acting independently or in its complete discretion with Ontario, Jurupa or both will exercise good faith and reasonable best efforts to arrange for the design, planning and construction of Future Desalters in accordance with the 2007 Supplement to the OBMP Implementation Plan, to account for Hydraulic Control, Re-Operation and Future Desalters" (Peace II Agreement Section 5.3);
34. **WHEREAS**, WMWD has exercised its discretion to join with Ontario and Jurupa to design, plan and construct the Future Desalters in accordance with the 2007 Supplement to the OBMP Implementation Plan;
35. **WHEREAS**, the intended purposes of the Future Desalters are to provide safe yield preservation, water supply for participating entities, salt management, and expanded use of recycled water and hydraulic control;
36. **WHEREAS**, the act of securing Hydraulic Control was a known and intended objective attributable to the Future Desalters that was to be achieved by causing a change in water levels within the Basin and the corresponding economic consequences related to those expected changes were fully evaluated at the time of adoption of the Peace II Measures;
37. **WHEREAS**, there are two sources of groundwater elevation changes that are projected to occur with the implementation of the Peace II Agreement: (1) groundwater elevation changes from Re-operation and (2) groundwater elevation changes from the expansion of the Chino Desalter Program, which includes the installation and operation of the new Chino Creek Well Field (CCWF) and changes in groundwater production at other wells that provide raw groundwater to the Desalters;
38. **WHEREAS**, the Court conditioned its approval of the Peace II Measures, upon the prompt development and implementation of a Recharge Master Plan that will provide long-term hydrologic balance within the Basin and within each of the

Management Zones;

**39. WHEREAS**, the broad regional impacts attributable to Re-operation were intended to be measured and monitored by Watermaster and the full cost differential associated with a change in water levels, such as increased pump lifts, well deepening, and well and pump improvements were reserved to each party producing water in consideration for the substantial individual and broader benefits received pursuant to the Peace II Measures;

**40. WHEREAS**, based on groundwater-level monitoring data available to Watermaster, groundwater levels in the 1970s, prior to the implementation of the Physical Solution set forth in the Judgment, were lower than the groundwater levels when the Re-Operation commenced;

**41. WHEREAS**, prudently constructed and properly maintained groundwater wells will not become inoperable due to groundwater level declines from Re-Operation;

**42. WHEREAS**, the more localized impacts of the CCWF and from changes in the production at other wells that provide water to the Desalters have been identified by Watermaster. These local impacts are characterized by groundwater-level declines greater than twenty (20) feet more than would occur if the Peace II Measures and Basin Re-operation had not been pursued (approximately thirty-five (35) feet lower than present groundwater elevations), as shown in Exhibit "A." This area is hereafter referred to as the Zone of Influence;

**43. WHEREAS**, exclusive of the existing and proposed Desalter wells, the Zone of Influence contains active agricultural wells and no municipal and industrial wells<sup>1</sup>;

**44. WHEREAS**, water level declines of less than twenty (20) feet should not cause a prudent well owner to suffer a loss of water supply;

**45. WHEREAS**, the SEIR X-X-X provides that if an owner of one of the agricultural wells is adversely impacted by a decline in the water table greater than twenty (20) feet as measured against the non-project scenario, they may present a request to CDA for mitigation of the alleged impact, and CDA will evaluate the claim and take whatever action is appropriate under the circumstances.

**46. WHEREAS**, Section 5.8(a) of the Peace II Agreement, the Supplement to the OBMP and the Court Order required that the new wells for the Future Desalters be constructed in the shallow aquifer system among Desalter I wells No. 1 through 4 and

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<sup>1</sup> Watermaster Staff and the Stakeholders are still investigating the conditions that pertain to the proposed Zone of Influence, the status of the wells provisionally identified in this paragraph and the suitability of potential mitigation related thereto.

west of Desalter I as designated and this is where the CCWF will be located;

**47. WHEREAS**, the best available information, inclusive of the developed models have been considered so as to locate and perforate these wells in a manner contemplated by the Peace Agreement, the Peace II Measures and reasonably calculated by Watermaster to secure the objective of Hydraulic Control and minimize the risk of differential land subsidence;

**48. WHEREAS**, provided that the production of groundwater from the Future Desalters is as provided in the Supplement to the OBMP, WMWD, Ontario and Jurupa shall be entitled to first priority for the allocation of the 400,000 acre-feet of controlled overdraft authorized by the Judgment Amendments to Exhibit I and as expressly set forth in the schedule filed with and approved by the Court as a component of Condition Subsequent Number Seven attached hereto as Exhibit "B";

**49. WHEREAS**, WMWD exercised its right to proceed with the proposed construction of Future Desalters with Ontario and Jurupa (Expansion Parties) as provided in the Peace II Agreement and to initially apportion their relative shares of the project costs and benefits in a manner consistent with the Peace II Measures;

**50. WHEREAS**, subject to final review of costs and compliance with stated conditions, the Expansion Parties elected to fully and completely integrate with and carry-out their actions by and through the Chino Basin Desalter Authority (CDA) in a manner that will cause construction and operation of the designated new wells for the Future Desalters consistent with the Supplement to the OBMP, the Peace II Agreement and as approved herein by Watermaster;

**51. WHEREAS**, except for WMWD, CDA is comprised of members of the Appropriative Pool;

**52. WHEREAS**, in Article V of the Peace II Agreement, WMWD contractually agreed to exercise good faith and reasonable best efforts to cause the completion of the Expansion Project;

**53. WHEREAS**, WMWD will make a determination pursuant to Section 5.7 of the Peace II Agreement as to whether the cost-cap has been exceeded or whether it intends to proceed with the Expansion Project notwithstanding that the cost-cap has been exceeded (inclusive of an approval or reasonable assurance by MWD that it will award a \$139 per acre-foot subsidy) upon the earlier of: (1) the date that CDA approves the Expansion Project or (2) December 31, 2010;

**54. WHEREAS**, there has been no prior express undertaking pursuant to the Peace II Measures to complete the Expansion Project by any member of CDA other than

WMWD and the members of the Appropriative Pool that are not members of CDA request that there be one by each member of CDA (but not CDA);

**55. WHEREAS**, Wildermuth Env. Inc., has prepared a summary evaluation attached hereto as Exhibit "C" that concludes that the expected location of the new wells for the Future Desalters and production of groundwater from the shallow zones will: (a) result in Watermaster securing Hydraulic Control and (b) not cause inelastic land subsidence and damage or otherwise cause unmitigated Material Physical Injury;

**56. WHEREAS**, Watermaster and its engineer Wildermuth Env. Inc. will work closely with CDA in establishing final groundwater pumping protocols for each of the wells that will be constructed and operated in connection with the Future Desalters.

**57. WHEREAS**, the Inland Empire Utilities Agency (IEUA) has caused a Supplemental Environmental Impact Report (SEIR) to be prepared to evaluate potential impacts and developed a proposed mitigation plan generally assigning responsibility for regional impacts to those entities with regional scope (IEUA and Watermaster), and localized impacts, to the CDA;

**58. WHEREAS**, Jurupa has expressed concerns regarding the impact of local groundwater production when combined with the production from the Desalters within Management Zone 3;

**59. WHEREAS**, the Peace Agreement requires Watermaster to exert Best Efforts to, among other things, "direct Recharge relative to Production in each area and sub-area of the Basin to achieve long-term balance and to promote the goal of equal access to groundwater within all areas and sub-areas of the Chino Basin" (Peace Agreement Section 5.1(e)(iii).) as well as to "maintain long-term hydrologic balance between total Recharge and discharge within all areas and subareas" (Peace Agreement Section 5.1(e)(viii));

**60. WHEREAS**, Watermaster has prepared and filed its proposed Recharge Master Plan with the Court which seeks to create hydrologic balance within the Basin and within Management Zones in accordance with Peace Agreement Article VIII.

**61. WHEREAS**, the unfunded costs of capital improvements for the Recharge Master Plan are allocated equally between the IEUA and Watermaster, with Watermaster's share being apportioned in accordance with each party's percentage of Operating Safe Yield (Peace II Agreement Section 8.1(b));

**62. WHEREAS**, to the extent grant funds, loans or other third party money are unavailable to fund operations and maintenance costs of the Recharge Master Plan, they will be funded as provided in Peace Agreement II Section 8.1(a) with IEUA's

relative share being based upon its percentage use for recycled water as compared to total recharge from all sources. Watermaster's respective share being allocated among its stakeholders in accordance with their total Production from the Basin, other than Desalter Production (Peace Agreement II Section 8.1(a));

**63. WHEREAS**, CDA desires clarification as to its respective obligations regarding potential mitigation of localized as compared with regional impacts attributable to changes in groundwater levels resulting from Hydraulic Control and from the specific draw-down affecting the \_\_\_ wells identified in Exhibit "A.";

**64. WHEREAS**, the Peace Agreement provides among other things that "[t]he specific location of wells to supply the Chino II Desalter and Future Desalters shall be determined with Watermaster approval and shall be in a location, which is consistent with and shall carry out the purpose of the OBMP. The design and construction of the Chino II Desalter, Chino I Expansion, and Future Desalters shall be in accordance with the OBMP and subject to Watermaster approval. Watermaster's approval shall not be unreasonably withheld and shall insure that the operation of the Desalters will implement the OBMP and not result in Material Physical Injury to any party to the Judgment or the Basin."

**65. WHEREAS**, CDA and the Parties to the Judgment desire a summation of their respective obligations for Desalter Replenishment and Future Desalters arising under the Peace Agreement and its progeny, and Watermaster has prepared such a summary restatement attached hereto as Exhibit "D";

**66. WHEREAS**, groundwater contamination has resulted at the Chino Airport and this contamination may result in the Desalters incurring additional costs associated with removing and treating the contamination;

**67. WHEREAS**, certain Parties to the Judgment that are members of the CDA requested Watermaster to lead efforts to obtain compensation from the primary responsible party, San Bernardino County, and Watermaster accepted the request;

**68. WHEREAS**, Watermaster expects and intends to recover all of the incremental capital and operations and maintenance expenditures from San Bernardino County and to remit such proceeds to the Parties to the Judgment comprising CDA as they may direct;

**69. WHEREAS**, all conditions precedent to the construction and operation of the Future Desalters as set forth in the Peace Agreement and the Peace II Agreement have been satisfied upon the action by CDA to approve the Expansion Project and there are no conditions subsequent that will require a suspension in operations;



**70. WHEREAS,** WMWD is the only member of the CDA with a right to receive delivery of groundwater that will be produced by the Desalters that is not also a member of the Appropriative Pool<sup>2</sup>;

**71. WHEREAS,** all production from the Basin must be accounted for by Watermaster and the production attributed to WMWD under Exhibit I to the Judgment should be accounted for by being assigned to a party within a respective Pool;

**72. WHEREAS,** WMWD has no share of Operating Safe Yield as defined by the Judgment but would be entitled to produce groundwater with a "first priority right" to a credit against replenishment under Exhibit I to the Judgment and the Peace II Agreement, up to the maximum quantities stated in Condition Subsequent Number Seven for the duration of the Peace Agreement (2030);

**73. WHEREAS,** WMWD's may desire to intervene into the Appropriative Pool if it can freely negotiate reasonable terms prior to the operation of the Expansion Project; and.

**NOW, THEREFORE,** on the basis of the staff reports, expert opinions and substantial evidence presented at this hearing, Watermaster finds that:

1. WMWD has elected to proceed to construct the Future Desalters jointly with Jurupa and Ontario (Expansion Parties) by and through CDA as provided in agreements between and among CDA and its members.
2. All members of CDA are parties to the Judgment and have now agreed to exert good faith and reasonable best efforts towards the timely completion of the Expansion Project as it is described in the approved PDR.
3. The cost-cap set forth in Peace II Agreement Section 5.7 has not been exceeded and WMWD shall proceed, jointly with Jurupa and Ontario through CDA to cause the completion of the Future Desalters.<sup>3</sup>
4. For the avoidance of doubt, the allocation of the cost of Replenishment Water for the Desalters under the Peace Agreement and its progeny is set forth in Exhibit "D" with acknowledgement that the provisions of Peace Agreement II Section 6.2(b)(ii) which excludes Desalter production in the calculation of an Appropriator's proportionate responsibility for Desalter Replenishment as subject to being revisited if the net cost of Desalter Water is materially reduced.
5. The Expansion Parties have proposed Future Desalter facilities that are reasonably calculated to achieve the stated objectives of Future Desalters: (a) yield preservation; (b) water supply; (c) salt management; (d) expanded use of recycled water; and (e) hydraulic control.

<sup>2</sup> WMWD has not necessarily agreed to request intervention.

<sup>3</sup> Subject to a determination by WMWD and evaluation of such determination by the Parties to the Judgment, Watermaster and the Court.

6. The Future Desalters have been designed and will be constructed and operated to produce water with high total dissolved solids (TDS).
7. Peace Agreement and Peace II Measures' obligations regarding the requirement of providing hydrologic balance in each Management Zone, including Management Zone Number 3 remains in full force and effect.
8. The CCWF will be located in an area that is consistent with the designations in the Supplement to the OBMP and the purposes of the OBMP Implementation Plan. (Peace Agreement 7.3(e).)
9. The location and the proposed operation of the Future Desalter wells are highly unlikely to result in inelastic subsidence that causes any physical damage to the aquifer, roads or structures.
10. Watermaster has proposed and will establish measurement and monitoring protocols that if followed, will minimize the long-term risk of inelastic subsidence that might cause physical damage to de minimus levels.
11. Prudent well operators will design, construct and operate groundwater production facilities that withstand seasonal fluctuations in water levels.
12. Water levels that fluctuate more than 35 feet from present levels and that are 20 feet lower than the groundwater level conditions that would occur in absence of the Phase II Desalter Expansion can be addressed through the proposed SEIR mitigation plan.
13. Watermaster has timely filed its Recharge Master Plan and intends to implement the Plan in a manner that creates hydrologic balance with Management Zone 3 and minimizes adverse impacts of pumping within the Management Zone as required by the Peace Agreement.
14. Within 24 months from the adoption of the Resolution, WMWD can reasonably negotiate terms for intervention into the Appropriative Pool or request Watermaster to designate a member of CDA that is also a member of the Appropriative Pool for purposes of accounting for the desalter production;
15. The designation by Watermaster must not increase the assignee Appropriator's obligations or benefits to Watermaster or under the Judgment, Peace Agreement and the Peace II Measures.
16. The requirements set forth in Section 5.5(e) of the Peace II Agreement have been satisfied by WMWD assumption of project risk, out of pocket costs and capital and operations and maintenance costs in excess of expectations.
17. The MWD is expected to approve the award of \$139 per acre-foot to Western for the benefit of the Expansion Project in November of 2010;
18. CDA is expected to take all required actions to allow the Expansion Project to proceed in November or December of 2010.

**NOW, THEREFORE,** on the basis of substantial evidence presented and the above findings, be it further resolved and determined that:

1. The above referenced actions in whole and in part are consistent with the Judgment, the Peace Agreement, the Peace II Measures and the December 21, 2007 Order of the Court (Collectively "Prior Directives") and in the event of any inconsistencies between this Resolution and the language of these Prior Directives, the Prior Directives shall control.
2. As approved and conditioned as set forth above, including but not limited to the location and screening of the proposed wells, the SEIR mitigation plans applicable for subsidence, water level fluctuations and the improvements identified in the Recharge Master Plan, the above referenced actions present no threat of Material Physical Injury (Peace Agreement Section 7.3(d).
3. Unless authorized in advance by Watermaster for good cause arising from the need for testing, monitoring, or mitigation, the Parties to the Judgment comprising CDA will not produce groundwater from the deep aquifer system among Desalter wells No 1 through 4 as set forth in Peace Agreement II Section 5.8(a)(i)(ii). Watermaster reserves all rights and remedies to redress a violation of this condition, including but not limited to the right to make application to the Court to revisit the allocation of some or all of the 400,000 acre-feet of controlled overdraft, taking into account the specific causes associated with the failure. However, such an application will not require a discontinuance of Desalter operations. (See Judgment Exhibit I; Peace Agreement II, Section 5.8(a)(i)(ii).)
4. Watermaster will not otherwise suspend availability of any portion of the 400,000 acre-feet of controlled overdraft unless there is a failure to comply with the requirements to complete and implement a Recharge Master Plan as provided in Peace Agreement Section 7.3.
5. All parties to the Judgment that are members of CDA will exert good faith and reasonable best efforts towards the completion of the Expansion Project in the form of the PDR approved by CDA and conditioned by this Resolution and will file quarterly reports with Watermaster.
6. Watermaster shall assume the complete financial and management responsibility for monitoring baseline water level and groundwater extraction conditions so as to avoid inelastic, land subsidence that may cause physical damage as provided in Exhibit "E," attached hereto.
7. No economic mitigation will be required of CDA to address the physical impact of lowered water levels in the Basin, other than the agricultural wells designated in Exhibit "F," attached hereto.
8. A specific mitigation plan has been developed in the SEIR to address the agricultural wells (there are no municipal or industrial wells) which will be implemented by the Parties to the Judgment comprising CDA or in their discretion through CDA. The specific criteria for evaluating the impacts are set forth in Exhibit "F," attached hereto.

9. Watermaster will update and inform the Court of the status of implementing the OBMP and request a further order of the Court directing Watermaster to proceed as provided herein.
10. Upon the completion of the Future Desalters (the Phase III Expansion) as reflected in the approved revised Chino Desalter Phase 3 Comprehensive Pre-Design Report (CDA PDR) attached hereto as Exhibit "G," the Parties to the Judgment will be deemed to have satisfied all individual and collective obligations arising from the Peace Agreement and the OBMP Implementation Plan, Peace II Measures and all prior orders of the Court related to the requirement to construct Desalters in accordance with Peace Agreement II Section 10.2.
11. WMWD and IEUA are relieved of the funding requirements as set forth in Peace Agreement Section 10.4.
12. Localized impacts on the wells will be mitigated as provided in the mitigation plan set forth in Exhibit "H".
13. Regional impacts attributable to the lowering of the water table across the Basin have been fully analyzed in connection with the Court approval of the Peace II Measures, and fully mitigated by the suite of corresponding off-setting benefits arising under the Peace II Measures. Consequently, CDA and the members of CDA will have no obligation to off-set or mitigate any increased costs that may be incurred by Parties to the Judgment that own wells outside of the designated wells.
14. At its own expense, Watermaster will monitor water conditions to measure the effectiveness of hydraulic control and subsidence.
15. As provided in Section 6.2(b)(ii) the allocation of Replenishment is reserved and committed to off-set the Replenishment attributable to the Future Desalter expansion.
16. Agreements among the Parties, whatever they may be, for Replenishment, operations, conditions and corresponding consideration without limitations, are unaffected by this determination. However, for the avoidance of doubt, Exhibit "D" accurately summarizes and restates these obligations.
17. Watermaster will negotiate with the County of San Bernardino as the party primarily responsible for contamination and all sums obtained will be paid to CDA to off-set all of the incremental capital and operations and maintenance expenses incurred by the Parties to the Judgment comprising CDA or in their discretion through CDA.
18. Watermaster will continue to require that to the extent any of the Peace II Implementing Measures constitute "projects" within the meaning of the California Environmental Quality Act ("CEQA"), compliance with CEQA will be required as a pre-condition of Watermaster's issuance of any final, binding approvals.

19. The actions articulated above and contemplated herein to optimize the beneficial use of the groundwater and the Basin benefit the Basin and the Parties to the Judgment.
20. The members of CDA may make application for future relief and assistance from Watermaster to redress potential inequities in redressing water quality concerns only after having first obtained a recommendation for such relief from the Appropriative Pool. The Watermaster retains complete discretion in responding to any such request.
21. Within 24 months of the date of this Resolution, WMWD will make an election to either: (a) intervene into the Appropriative Pool on terms it may freely negotiate or (b) consensually assign the production for the desalted water attributable to the Expansion Project on behalf of WMWD to an Appropriative Pool member of the CDA.
22. This Resolution is subject to the express condition subsequent of CDA approving the Water Purchase Agreements and the PDR as amended following WMWD's determination that it intends to proceed with the Expansion Project pursuant to Section 5.7 of the Peace II Agreement.

**LIST OF EXHIBITS**

Exhibit "A" Map: Mitigation Area for Groundwater-Level Decline Caused by Expansion of the Chino Desalter Program, Figure x-x

Exhibit "B" Judgment Amendments to Exhibit I, "Engineering Appendix, "components of Wildermuth Response to Condition Subsequent Number Seven, including Schedule and Tables

Exhibit "C" Wildermuth Env. Inc. Staff Letter, May 27, 2010 re Material Physical Injury Analysis – Wells I-16, I-18, I-MW16, I-MW18 of the Chino Creek Well Field

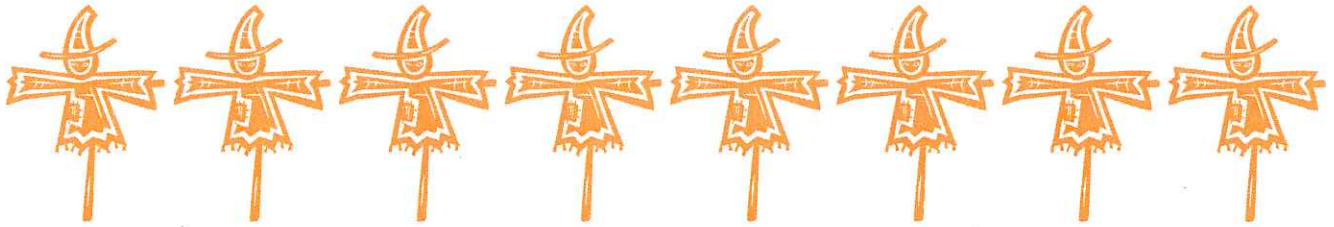
Exhibit "D" Watermaster Summary of Obligations for Desalter Replenishment and Future Desalters Post-Peace Agreement II

Exhibit "E" Map: Chino Basin Watermaster's Current and Proposed Subsidence Monitoring Program, Figure x-x

Exhibit "F" Groundwater-Levels Mitigation Measures Peace II SEIR 4.3.10

Exhibit "G" Revised Chino Desalter Phase 3 Comprehensive Pre-Design Report CDA PDR

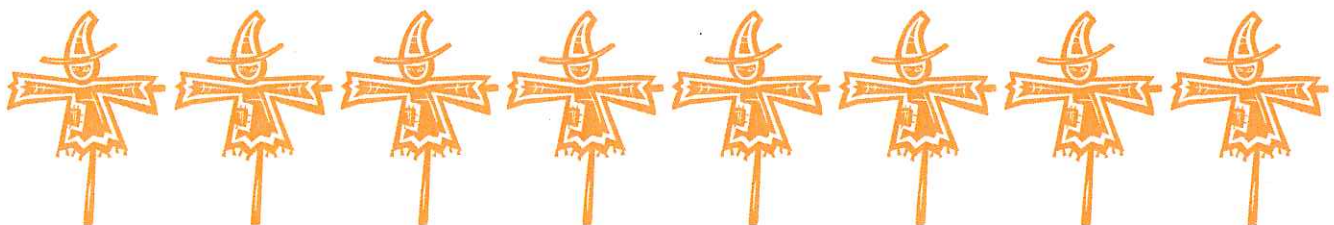
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# CHINO BASIN WATERMASTER

## I. BUSINESS ITEM

### D. CHINO BASIN WATERMASTER 2010-2011 ASSESSMENT PACKAGE







# CHINO BASIN WATERMASTER

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**KENNETH R. MANNING**  
Chief Executive Officer

## STAFF REPORT

**DATE:** October 7, 2009  
**TO:** Committee Members  
**SUBJECT:** Fiscal Year 2010-2011 Assessment Package

### SUMMARY

*Recommendation* – Staff recommends approval of the Fiscal Year 2010-2011 Assessment Package as presented.

### BACKGROUND

The members of the Overlying Non-Agricultural Pool and the Appropriative Pool were each sent a copy of their Water Activity Report that summarized their water activity for the previous year – including production, Dry Year Yield (DYY), land use conversions, transfers and assignments – and each party was asked to verify the data gathered and summarized by Watermaster. Most of the Water Activity Reports were received back, and none required corrections with the exception of DYY re-certifications.

Watermaster held an Assessment Package Workshop on September 30, 2010. The purpose of the workshop was to review the prior year production, transfers, DYY, etc., and to review the current year cash requirements pursuant to the adopted budget and the resulting impact on assessments. Discussion at the workshop covered the breakdown of how assessments are calculated. During the workshop, it was noted that some changes have been made to the Assessment Package, including changes to Supplemental Storage, the MWD Storage and Recovery Account, Desalter Replenishment, and the Cumulative Unmet Replenishment Obligation (CURO) pages.

Budgeted costs decreased this year, and the Assessment Package identifies total assessable production for all Pools as 114,496 acre-feet (a decrease by 6,757 acre-feet), resulting in assessments of \$7.40/acre-foot for Admin and \$42.01/acre-foot for OBMP, excluding recharge debt service and assessments for replenishment water. For production year 2009-2010, there is a replenishment obligation of 4,521 acre-feet, in addition to the CURO of 4,368 acre-feet. The new replenishment rate is \$541, which is MWD's \$527 Tier 1 rate plus IEUA's \$12 surcharge plus OCWD's \$2 connection fee.

**Actions:**

- October 7, 2010 Appropriative Pool –
- October 7, 2010 Non-Agricultural Pool –
- October 14, 2010 Agricultural Pool –
- October 21, 2010 Advisory Committee –
- October 28, 2010 Watermaster Board –



**CHINO BASIN WATERMASTER**

**DRAFT 2010/2011 ASSESSMENT PACKAGE**

**OCTOBER 1, 2010**

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## Assessment Package References and Definitions

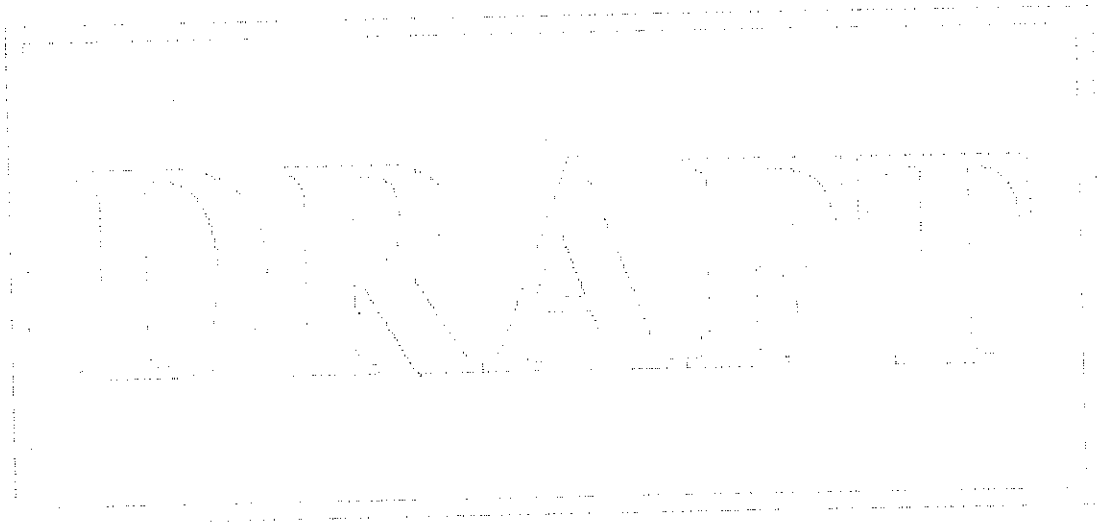
REPORT REFERENCE	NAME	DESCRIPTION
1A	AF Production	Total production and exchanges, excluding Desalter production. Copied from [2L].
1B	Appropriative Pool—AF/Admin	Production [1A] <times> per acre foot Admin fee.
1C	Appropriative Pool—AF/OBMP	Production [1A] <times> per acre foot OBMP fee.
1D	Ag Pool SY Reallocation—AF Total Reallocation	Reallocation of Ag Pool Safe Yield. Copied from [2F] and [6F].
1E	Ag Pool SY Reallocation—AF/Admin	Party Ag Pool reallocation [1D] <divided by> Total Ag Pool Reallocation [1D Total] <times> total dollar amount needed for Ag Pool administration.
1F	Ag Pool SY Reallocation—AF/OBMP	Party Ag Pool reallocation [1D] <divided by> Total Ag Pool Reallocation [1D Total] <times> total dollar amount needed for Ag Pool OBMP.
1G	Replenishment Assessments—AF/15%	For parties participating in the 85/15 Rule: Percentage of total 85/15 participant production <times> required credit amount.
1H	Replenishment Assessments—AF/85%	For parties participating in the 85/15 Rule: Total overproduced [2M] <times> 85% of the replenishment rate.
1I	Replenishment Assessments—AF/100%	For parties not participating in the 85/15 Rule: Total overproduced [2M] <times> 100% of the replenishment rate.
1J	85/15 Water Transaction Activity—15% Producer Credits	For parties participating in the 85/15 Rule: Credit amount equals 15% of the cost of the water purchased.
1K	85/15 Water Transaction Activity—15% Pro-rated Debits	For parties participating in the 85/15 Rule: Percentage of total 85/15 participant production <times> required credit amount.
1L	CURO Adjustment	Monetary amount needed for each Party's Cumulative Unmet Replenishment Obligation (CURO). Calculated on Page 9A.
1M	Other Adjustments	Used as necessary for any other monetary adjustments needed to the Assessment Package.
1N	ASSESSMENTS DUE—Total Production Based	Total fees assessed based on party production. [1B] + [1C] + [1E] + [1F] + [1G] + [1H] + [1I] + [1J] + [1K] + [1L] + [1M].
1O	ASSESSMENTS DUE—Recharge Debt Payment	Total recharge debt payment <times> percent share of operating safe yield [2A].
1P	ASSESSMENTS DUE—Total Due	Total production based assessments [1N] + Recharge Debt Payment [1O].

## Assessment Package References and Definitions

REPORT REFERENCE	NAME	DESCRIPTION
2A	Percent of Operating Safe Yield	The Party's yearly percentage of operating safe yield as delineated in the judgment.
2B	Assigned Share of Operating Safe Yield	The Party's yearly volume of operating safe yield as delineated in the Judgment.
2C	Carryover Beginning Balance	The beginning balance in each Annual Account. This number carries forward from the ending balance in the previous period Assessment Package.
2D	Prior Year Adjustments	This number reflects the adjusted production rights from a previous Assessment Package, in the event that corrections are needed.
2E	2% Storage Loss	Carryover beginning balance [2C] $\times$ 0.02.
2F	Net Ag Pool Reallocation	Reallocation of Ag Pool Safe Yield. Copied from [6F]. The calculations that lead to this are made on Page 6.
2G	Water Transaction Activity	Water transactions. Copied from [5E]. The calculations that lead to this are made on Page 5.
2H	New Yield	New yield $\times$ percent share of operating safe yield [2A].
2I	Annual Production Right	Current Year Production Right. [2B] + [2C] + [2D] + [2E] + [2F] + [2G] + [2H].
2J	Actual Fiscal Year Production	Actual production from CBWM's production system (as verified by each party on their Water Activity Report).
2K	Storage and Recovery Program(s)	Total exchanges for the period (July 1- June 30) including MZ1 forbearance and DYY deliveries (as reported to CBWM by IEUA and TVMWD and as verified by each party on their Water Activity Report).
2L	Total Production and Exchanges	Actual production [2J] $+$ Storage and Recovery exchanges [2K]. Includes a sub note subtracting Desalter production.
2M	Net Over-Production—85/15%	For 85/15 rule participants: Production rights [2I] $-$ total production and exchanges [2L], equaling less than zero.
2N	Net Over-Production—100%	For non-85/15 rule participants: Production rights [2I] $-$ total production and exchanges [2L], equaling less than zero.
2O	Under Production Balances—Total Under-Produced	Production rights [2I] $-$ total production and exchanges [2L], equaling more than zero.
2P	Under Production Balances—Carryover: Next Year Begin Bal	Either total under-produced [2O] or share of operating safe yield [2B], whichever is less.
2Q	Under Production Balances—To Excess Carryover Account	Total under produced [2O] $-$ carryover to next year [2P].

## Assessment Package References and Definitions

REPORT REFERENCE	NAME	DESCRIPTION
3A	Excess Carry Over Account (ECO)—Beginning Balance	The beginning balance in each ECO account. This carries forward from the ending balance in the previous period Assessment Package.
3B	Excess Carry Over Account (ECO)—2% Storage Loss	Beginning balance [3A] $\times$ 0.02.
3C	Excess Carry Over Account (ECO)—Transfers To / (From)	Total of water transferred to and from the Annual Account.
3D	Excess Carry Over Account (ECO)—From Supplemental Storage	Total of water transfers from Local Supplemental Storage.
3E	Excess Carry Over Account (ECO)—From Under-Production	Total of water transferred from the Annual Account due to under production.
3F	Excess Carry Over Account (ECO)—Ending Balance	The current balance in each ECO account. $[3A] + [3B] + [3C] + [3D] + [3E]$ .



## Assessment Package References and Definitions

REPORT REFERENCE	NAME	DESCRIPTION
4A	Reference—Production + Exchanges (RW Agencies Only)	For reference only. The amount of Production & Exchanges Party that receives credit for recharged recycled water through IEUA. Copied from [2L].
4B	Recharged Recycled Account—Beginning Balance	The beginning balance in each Recharged Recycled Account. This number carries forward from the ending balance in the previous period Assessment Package.
4C	Recharged Recycled Account—2% Storage Loss	Beginning balance [4B] $\times$ 0.02.
4D	Recharged Recycled Account—Current Recharged Recycled	Total recharged recycled water credited to each Party for the year, as provided by IEUA.
4E	Recharged Recycled Account—Transfer to ECO Account	Total of water transferred to the ECO Account.
4F	Recharged Recycled Account—Ending Balance	The current balance in each Recharged Recycled account. [4B] + [4C] + [4D] + [4E].
4G	Quantified (Pre 7/1/2000 Account)—Beginning Balance	The beginning balance in each Quantified Supplemental Account. This number carries forward from the ending balance in the previous period Assessment Package.
4H	Quantified (Pre 7/1/2000 Account)—2% Storage Loss	Beginning balance [4G] $\times$ 0.02.
4I	Quantified (Pre 7/1/2000 Account)—Transfers To / (From)	Total of water transferred to and from the Annual Account.
4J	Quantified (Pre 7/1/2000 Account)—Transfer to ECO Account	Total of water transferred to the ECO Account.
4K	Quantified (Pre 7/1/2000 Account)—Ending Balance	The current balance in each Quantified Supplemental account. [4G] + [4H] + [4I] + [4J].
4L	New (Post 7/1/2000 Account)—Beginning Balance	The beginning balance in each New Supplemental Account. This number carries forward from the ending balance in the previous period Assessment Package.
4M	New (Post 7/1/2000 Account)—2% Storage Loss	Beginning balance [4L] $\times$ 0.02.
4N	New (Post 7/1/2000 Account)—Transfers To / (From)	Total of water transferred to and from the Annual Account.
4O	New (Post 7/1/2000 Account)—Transfer to ECO Account	Total of water transferred to the ECO Account.
4P	New (Post 7/1/2000 Account)—Ending Balance	The current balance in each New Supplemental account. [4L] + [4M] + [4N] + [4O].
4Q	Combined—Combined Storage Account Balance	The combined amount in all supplemental storage accounts [4F] + [4K] + [4P].



## Assessment Package References and Definitions

REPORT REFERENCE	NAME	DESCRIPTION
5A	Desalter Authority—Beginning Balance	The beginning balance in the Desalter Authority Replenishment account. This number carries forward from the ending balance in the previous period Assessment Package.
5B	Desalter Authority—Storage Loss	Beginning balance [5A] <times> 0.02.
5C	Desalter Authority—Transfers To	Total of water transferred to the Desalter Authority Replenishment account.
5D	Desalter Authority—Transfers From	Total of water transferred from the Desalter Authority Replenishment account.
5E	Desalter Authority—Ending Balance	The current balance in the Desalter Authority Replenishment account. [5A] + [5B] + [5C] + [5D].
5F	Storage and Recovery—Beginning Balance	The beginning balance in the S&R account. This number carries forward from the ending balance in the previous period Assessment Package.
5G	Storage and Recovery—Storage Loss	Beginning balance [5F] <times> 0.02.
5H	Storage and Recovery—Transfers To	Total of water transferred to the S&R account "puts".
5I	Storage and Recovery—Transfers From	Total of water transferred from the S&R account "takes".
5J	Storage and Recovery—Ending Balance	The current balance in the S&R account. [5F] + [5G] + [5H] + [5I].
5K	Chino Basin Watermaster—June 30, 2007 Storage Balance	To be used for Peace II Non-Ag Pool storage purchase. The June 30, 2007 Non-Ag Pool Storage Account balance.
5L	Chino Basin Watermaster—June 30, 2008 Storage Loss	To be used for Peace II Non-Ag Pool storage purchase. The Non-Ag Pool Storage Account losses at June 30, 2008.
5M	Chino Basin Watermaster—June 30, 2009 Storage Loss	To be used for Peace II Non-Ag Pool storage purchase. The Non-Ag Pool Storage Account losses at June 30, 2009.
5N	Chino Basin Watermaster—June 30, 2010 Storage Loss	To be used for Peace II Non-Ag Pool storage purchase. The Non-Ag Pool Storage Account losses at June 30, 2010.
5O	Chino Basin Watermaster—Ending Balance	To be used for Peace II Non-Ag Pool storage purchase. The current balance in the Watermaster Holding account. [5K] + [5L] + [5M] + [5N].

REPORT REFERENCE	NAME	DESCRIPTION
6A	Water Transactions—Assigned Rights	Total of assignment transactions for this period.
6B	Water Transactions—General Transfer	Total of water transfers between parties for this period. Transfers in this column include the annual transfer of 10-percent of the Non-Ag OSY to the seven Appropriator parties, as stated in Peace II.
6C	Water Transactions—Transfers To / (From) ECO	Total of water transferred between the Annual Account and ECO Account.
6D	Water Transactions—Total Water Transactions	Total water transactions. [6A]+ [6B] + [6C].

## Assessment Package References and Definitions

REPORT REFERENCE	NAME	DESCRIPTION
11A	% Share of Operating Safe Yield	The Party's yearly percentage of operating safe yield as delineated in the judgment. Copied from [2A].
11B	Reallocation of Agricultural Pool Safe Yield—32,800 AF Early Transfer	The Party's percent share of operating safe yield [11A] multiplied by 32,800.
11C	Reallocation of Agricultural Pool Safe Yield—Land Use Conversions	Total land use conversions claimed on Page 10 (as verified by each party on their Water Activity Report).
11D	Reallocation of Agricultural Pool Safe Yield—Potential for Reallocation (AF)	The Agricultural Pool allocation amount potentially available to each Appropriator. [11B] + [11C].
11E	Reallocation of Agricultural Pool Safe Yield—Difference: Potential vs. Net	The total over or under Agricultural Pool allocation (from Page 10) distributed to each party. Calculated as each Party's percent of potential for reallocation [11D] from the total of [11D].
11F	Reallocation of Agricultural Pool Safe Yield—Net Ag Pool Reallocation	Net Agricultural Pool reallocation to each party. [11D] + [11E].

REPORT REFERENCE	NAME	DESCRIPTION
12A	AF Production	Actual production by each Party. Copied from [13G].
12B	Non-Agricultural Pool—AF/Admin	Production [12A] <times> per acre foot Admin fee.
12C	Non-Agricultural Pool—AF/OBMP	Production [12A] <times> per acre foot OBMP fee.
12D	Replenishment Assessments—AF Exceeding Safe Yield	Over-production for each Party beyond their water right. Copied from [13H].
12E	Replenishment Assessments—Per AF	Amount overproduced [12D] <times> the current replenishment rate.
12F	CURO Adjustment	Monetary amount needed for each Party's Cumulative Unmet Replenishment Obligation (CURO). Calculated on Page 9B.
12G	Other Adjustments	Used as necessary for any other monetary adjustments needed to the Assessment Package.
12H	Total Assessments Due	Total fees assessed based on party production. [12B] + [12C] + [12E] + [12F] + [12G].

## Assessment Package References and Definitions

REPORT REFERENCE	NAME	DESCRIPTION
13A	Carryover Beginning Balance	The beginning balance in each Annual Account. This number carries forward from the ending balance in the previous period Assessment Package.
13B	Prior Year Adjustments	This number reflects the adjusted production rights from a previous Assessment Package, in the event that corrections are needed.
13C	2% Storage Loss	Carryover beginning balance [13A] $\times$ 0.02.
13D	Assigned Share of Operating Safe Yield (AF)	The Party's yearly volume of operating safe yield as delineated in the Judgment.
13E	Water Transaction Activity	Total of one-time water transfers between parties for this period. Transfers in this column include the annual transfer of 10-percent of the Non-Ag OSY to the seven Appropriator parties, as stated in Peace II.
13F	Annual Production Right	Current Year Production Right. [13A] + [13B] + [13C] + [13D] + [13E].
13G	Actual Fiscal Year Production	Actual production from CBWM's production system (as verified by each party on their Water Activity Report).
13H	Net Over Production	Over-production, if any, for each Party beyond their water right. [13G] - [13F], equaling more than zero.
13I	Under Production Balances— Total Under-Produced	Production rights [13F] $\times$ production [13G], equaling more than zero.
13J	Under Production Balances— Carryover: Next Year Begin Bal	Either total under-produced [13I] or share of operating safe yield [13D], whichever is less.
13K	Under Production Balances—To Local Storage Account	Total under produced [13I] $\times$ carryover to next year [13J], equaling more than zero.

REPORT REFERENCE	NAME	DESCRIPTION
14A	Local Storage Account— Carryover Beginning Balance	The beginning balance in each Local Storage account. This number carries forward from the ending balance in the previous period Assessment Package.
14B	Local Storage Account—2% Storage Loss	Beginning balance [14A] $\times$ 0.02.
14C	Local Storage Account— Transfers To / (From)	Total of water transferred to and from the Annual Account.
14D	Local Storage Account—Ending Balance	The current balance in each Local Storage account. [14A] + [14B] + [14C].

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

FISCAL YEAR 2010-2011 BUDGET	PRODUCTION BASIS	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)	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 (Actuals)	114,495,915	78,733,238	68.765%	31,854,766	27.822%	3,907,911	3.413%
	<b>BUDGET</b>							
	Administration, Advisory Committee & Watermaster Board (1)	\$847,518	\$582,797		\$235,794		\$28,927	175,197
	OBMP & Implementation Projects(1)	5,133,009	3,529,719		1,428,093		28,927	175,197
	<b>General Admin &amp; OBMP Assessments</b>	<b>5,980,527</b>	<b>582,797</b>		<b>235,794</b>		<b>28,927</b>	<b>175,197</b>
	<b>TOTAL BUDGET</b>	<b>5,980,527</b>	<b>582,797</b>		<b>235,794</b>		<b>28,927</b>	<b>175,197</b>
	Less Budgeted Interest Income	(175,010)			(120,346)		(48,691)	(5,973)
	Contributions from Outside Agencies	(148,409)			(102,054)		(41,290)	(5,065)
	<b>CASH DEMAND</b>	<b>5,657,108</b>	<b>582,797</b>		<b>235,794</b>		<b>28,927</b>	<b>164,159</b>
	<b>OPERATING RESERVE</b>							
	Administrative	\$0	\$0		\$0		\$0	0
	OBMP	0	0		0		0	0
	<b>Less: Funds On Hand Utilized for Assessments</b>							
	<b>FUNDS REQUIRED TO BE ASSESSED</b>	<b>\$5,657,108</b>	<b>\$582,797</b>		<b>\$3,307,319</b>		<b>\$1,338,112</b>	<b>\$164,159</b>
	<b>Assessments</b>							
	General Administration Assessments		\$7.40	\$42.01	\$7.40	\$42.01	\$7.40	\$42.01
	Minimum Assessments		\$5.00				\$5.00	
	Prior Year Assessments (Actuals)		\$7.19	\$44.02	\$7.19	\$44.02	\$7.19	\$44.02
	<b>A - B</b>		\$0.21	(\$2.01)		(\$1.80)		

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

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Assessment Year 2010-2011 (Production Year 2009-2010)

**Pool 3 Excess Carry Over Storage Account**

	Excess Carry Over Account (ECO)					
	Beginning Balance	2% Storage Loss	Transfers To / (From)	From Supplemental Storage	From Under-Production	Ending Balance
Arrowhead Mtn Spring Water Co	0.000	0.000	0.000	0.000	0.000	0.000
Chino Hills, City Of	3,611.239	(72.224)	0.000	0.000	3,152.415	6,691.430
Chino, City Of	15,761.955	(315.239)	0.000	0.000	7,406.232	22,852.948
Cucamonga Valley Water District <b>A</b>	38,228.278	(764.565)	(2,560.011)	0.000	7,955.889	42,859.591
Desalter Authority <b>B</b>	314,359.706	0.000	(314,359.706)	0.000	0.000	0.000
Fontana Union Water Company	0.000	0.000	0.000	0.000	0.000	0.000
Fontana Water Company	0.000	0.000	0.000	0.000	0.000	0.000
Fontana, City Of	0.000	0.000	0.000	0.000	0.000	0.000
Golden State Water Company	802.225	(16.044)	0.000	0.000	98.642	884.823
Jurupa Community Services District	4,393.191	(87.863)	0.000	0.000	93.990	4,399.318
Marygold Mutual Water Company	(244.030)	0.000	0.000	244.030	670.293	670.293
Metropolitan Water District	0.000	0.000	0.000	0.000	0.000	0.000
Monte Vista Irrigation Company	1,952.826	(39.056)	(290.102)	0.000	0.000	1,623.668
Monte Vista Water District	1,199.079	(23.981)	0.000	0.000	0.000	1,175.098
Niagara Water Company	0.000	0.000	0.000	0.000	0.000	0.000
Nicholson Trust	0.000	0.000	0.000	0.000	0.000	0.000
Norco, City Of	1,667.559	(33.351)	0.000	0.000	307.830	1,942.038
Ontario, City Of	8,673.819	(173.476)	0.000	0.000	2,033.630	10,533.973
Pomona, City Of	2,886.970	(57.739)	0.000	0.000	5,481.331	8,310.562
San Antonio Water Company	7,887.440	(157.748)	0.000	0.000	544.860	8,274.552
San Bernardino County Shtg Prk	0.000	0.000	0.000	0.000	0.000	0.000
Santa Ana River Water Company	218.371	(4.367)	0.000	0.000	0.000	214.004
Upland, City Of	6,200.694	(124.013)	0.000	0.000	0.000	6,076.681
West End Consolidated Water Comp	5,598.524	(111.970)	(4,105.524)	0.000	0.000	1,381.030
West Valley Water District	3,069.398	(61.387)	(1,000.000)	0.000	998.660	3,006.671
	416,267.244	(2,043.023)	(322,315.343)	244.030	28,743.772	120,896.680

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Assessment Year 2010-2011 (Production Year 2009-2010)

## 2010-2011 Pool 3 Other Storage Accounts Summary

### Desalter Authority:

	Beginning Balance	Storage Loss	Transfers To	Transfers From	Ending Balance
Re-Operation Offset	314,359.706	0.000	0.000	(28,516.731)	285,842.975
Non-Ag Dedication	0.000	0.000	0.000	0.000	0.000
	5A	5B	5C	5D	5E

### Storage and Recovery:

	Beginning Balance	Storage Loss	Transfers To	Transfers From	Ending Balance
MWD DYY / CUP	34,493.564	(689.871)	(25,260.600)	0.000	8,543.093
	5F	5G	5H	5I	5J

### Chino Basin Watermaster:

	June 30, 2007 Storage Balance	June 30, 2008 Storage Loss	June 30, 2009 Storage Loss	June 30, 2010 Storage Loss	Ending Balance
Holding Account	0.000	0.000	0.000	0.000	0.000
	5K	5L	5M	5N	5O



Assessment Year 2010-2011 (Production Year 2009-2010)

## Pool 3 Water Transaction Summary

### Water Transactions

	Assigned Rights	General Transfer	Transfers To / (From) ECO	Total Water Transactions
Arrowhead Mtn Spring Water Co	0.000	0.000	0.000	0.000
Chino Hills, City Of	0.000	0.000	0.000	0.000
Chino, City Of	(5,085.000)	0.000	0.000	(5,085.000)
Cucamonga Valley Water District	7,886.145	0.000	2,000.000	9,886.145
Desalter Authority	0.000	0.000	0.000	0.000
Fontana Union Water Company	(9,886.145)	0.000	0.000	(9,886.145)
Fontana Water Company	10,006.082	0.000	0.000	10,006.082
Fontana, City Of	0.000	0.000	0.000	0.000
Golden State Water Company	0.000	0.000	0.000	0.000
Jurupa Community Services District	1,200.000	0.000	0.000	1,200.000
Marygold Mutual Water Company	0.000	16.000	0.000	16.000
Monte Vista Irrigation Company	(2,000.000)	0.000	290.102	(1,709.898)
Monte Vista Water District	3,024.433	212.678	0.000	3,237.111
Niagara Water Company	0.000	0.000	0.000	0.000
Nicholson Trust	(6.082)	0.000	0.000	(6.082)
Norco, City Of	0.000	0.000	0.000	0.000
Ontario, City Of	765.000	80.000	0.000	845.000
Pomona, City Of	(2,500.000)	219.678	0.000	(2,280.322)
San Antonio Water Company	(789.433)	0.000	0.000	(789.433)
San Bernardino County Shtg Prk	0.000	0.000	0.000	0.000
Santa Ana River Water Company	(2,200.000)	31.000	0.000	(2,169.000)
Upland, City Of	(4,500.000)	160.678	0.000	(4,339.322)
West End Consolidated Water Company	(6,500.000)	0.000	4,105.524	(2,394.476)
West Valley Water District	(1,000.000)	15.000	1,000.000	15.000
	(11,585.000)	735.034	7,395.626	(3,454.340)
	6A	6B	6C	6D



# Chino Basin Watermaster Assessment Breakdown 2010-2011 Water Transaction Detail

Assessment Year 2010-2011 (Production Year 2009-2010)

From:	Date of Submittal	Quantity	\$ / Acre Feet	Total \$	85%	15%	WM Pays
Chino Basin Watermaster	9/18/2009	21,216	321.76	\$6,826.14			
Aqua Capital Management Annual Account							
<i>To offset Non-Ag Parties replenishment obligation/CURO for FY 08-09 (previous Assessment Package).</i>							
Chino, City Of Annual Account	3/18/2010	5,085,000	366.00	\$1,861,110.00			
<i>To offset FWC's replenishment obligation/CURO.</i>							
Cucamonga Valley Water District Storage Account	3/18/2010	5,000,000	400.00	\$2,000,000.00			
<i>To offset FWC's replenishment obligation/CURO.</i>							
Santa Ana River Water Company Annual Account	3/3/2010	1,000,000	366.00	\$366,000.00			
<i>To offset general replenishment obligation/CURO.</i>							
West Valley Water District Storage Account	6/30/2010	500,000	366.00	\$183,000.00			
<i>To offset general replenishment obligation/CURO.</i>							
Cucamonga Valley Water District	3/3/2010	2,500,000	366.00	\$915,000.00			
<i>Pomona, City Of Annual Account</i>							
<i>The transfer does not qualify for 85/15 consideration because CVWD had water placed in storage.</i>							
West Valley Water District Storage Account	5/10/2010	500,000	311.11	\$155,555.00			
<i>The transfer does not qualify for 85/15 consideration because CVWD had water placed in storage.</i>							
Fontana Water Company	6/23/2010	6,082	400.00	\$2,432.80	\$2,067.88	\$364.92	Fontana Water Company
Upland, City Of Annual Account	6/29/2010	10,000,000	400.00	\$4,000,000.00	\$3,400,000.00	\$600,000.00	Fontana Water Company
Lurupa Community Services District	3/25/2010	1,200,000	304.00	\$364,800.00			
<i>Santa Ana River Water Company Annual Account</i>							

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# Chino Basin Watermaster Assessment Breakdown 2010-2011 Water Transaction Detail

Assessment Year 2010-2011 (Production Year 2009-2010)

From:	Date of Submittal	Quantity	\$ / Acre Foot	Total \$	85%	15%	WM Pays
Monte Vista Water District	4/5/2010	2,000.000	390.00	\$780,000.00	\$663,000.00	\$117,000.00	Monte Vista Irrigation Company
San Antonio Water Company Annual Account	4/5/2010	19,245	182.85	\$3,520.87			
<i>85/15 Rules does not apply--method of utilizing SAWCO shares.</i>							
San Antonio Water Company Annual Account	10/14/2009	5,188	184.00	\$954.59			
<i>85/15 Rules does not apply--method of utilizing SAWCO shares.</i>							
Upland, City Of Annual Account	6/15/2010	1,000.000	390.00	\$390,000.00	\$331,500.00	\$58,500.00	Upland, City Of
<hr/>							
City Of Upland	6/16/2010	765.000	183.00	\$139,995.00			
<i>85/15 Rules does not apply--method of utilizing SAWCO shares.</i>							
West End Consolidated Water Company Annual Account	11/9/2009	6,500.000	49.00	\$318,500.00			
<hr/>							
		36,101.730		\$11,487,694.40	\$4,396,567.88	\$775,864.92	
				Total Credits		\$775,864.92	



# Chino Basin Watermaster Assessment Breakdown 2010-2011 Water Transaction Detail

Assessment Year 2010-2011 (Production Year 2009-2010)

## Applied Recurring Transactions:

From:	To:	Quantity	\$ / Acre Feet	Description
Ontana Union Water Company Annual Account - 32,800 AF Early Transfer	Cucamonga Valley Water District Annual Account - Lease / Assigned Rights	All	0.00	Transfer FUWC Ag Pool Reallocation Early Transfer to CVWD.
Ontana Union Water Company Annual Account - Difference - Potential vs. Net	Cucamonga Valley Water District Annual Account - Lease / Assigned Rights	All	0.00	Transfer FUWC Ag Pool Reallocation Difference (Potential vs. Net) to CVWD.
Ontana Union Water Company Annual Account - New Yield	Cucamonga Valley Water District Annual Account - Lease / Assigned Rights	All	0.00	Transfer FUWC New Yield to CVWD.
Ontana Union Water Company Annual Account - Assigned Share of Safe Yield	Cucamonga Valley Water District Annual Account - Lease / Assigned Rights	All	0.00	Transfer FUWC Share of Safe Yield to CVWD.



Assessment Year 2010-2011 (Production Year 2009-2010)

# Watermaster Replenishment Calculation

**Cost of Replenishment Water per acre foot:**

MWD Replenishment Rate	\$527.00
Pre-purchased Credit	\$0.00
Projected Spreading - IEUA Surcharge	\$12.00
Projected Spreading - OCWD Connection Fee	\$2.00
<b>Total Replenishment Cost per acre foot</b>	<b>\$541.00</b>

Replenishment Obligation:	AF @ \$541.00	15%	85%	Total
Appropriative - 100	1,672.017			\$904,561.20
Appropriative - 15/85	2,804.065	\$227,549.87	\$1,289,449.29	\$1,516,999.17
Non-Agricultural - 100	45.319			\$24,517.58
	<b>4,521.401</b>			<b>\$2,446,077.94</b>

Company	AF Production and Exchanges	85/15 Producers	Percent	15% Replenishment Assessments	15% Water Transaction Debits
Arrowhead Mtn Spring Water Co	373.665				
Chino Hills, City Of	973.554	973.554	1.445%	\$3,289.09	\$11,214.62
Chino, City Of	(424.265)	(424.265)	-0.630%	(\$1,433.35)	(\$4,887.22)
Cucamonga Valley Water District	8,002.959	8,002.959	11.882%	\$27,037.45	\$92,188.16
Desalter Authority	28,516.731				
Fontana Union Water Company	0.000	0.000	0.000%	\$0.00	\$0.00
Fontana Water Company	13,557.470	13,557.470	20.129%	\$45,802.99	\$156,172.00
Fontana, City Of	0.000	0.000	0.000%	\$0.00	\$0.00
Golden State Water Company	359.382	359.382	0.534%	\$1,214.15	\$4,139.81
Jurupa Community Services District	13,728.325	13,728.325	20.382%	\$46,380.21	\$158,140.12
Marygold Mutual Water Company	346.141				
Monte Vista Irrigation Company	0.000	0.000	0.000%	\$0.00	\$0.00
Monte Vista Water District	11,653.266	11,653.266	17.302%	\$39,369.76	\$134,236.98
Niagara Water Company	1,298.352				
Nicholson Trust	0.000	0.000	0.000%	\$0.00	\$0.00
Norco, City Of	0.000	0.000	0.000%	\$0.00	\$0.00
Ontario, City Of	17,478.191	17,478.191	25.950%	\$59,048.88	\$201,335.79
Pomona, City Of	9,361.359				
San Antonio Water Company	966.222	966.222	1.435%	\$3,264.32	\$11,130.16
San Bernardino County Shtg Prk	16.494	16.494	0.024%	\$55.72	\$190.00
Santa Ana River Water Company	0.000	0.000	0.000%	\$0.00	\$0.00
Upland, City Of	1,042.123	1,042.123	1.547%	\$3,520.74	\$12,004.50
West End Consolidated Water Co	0.000	0.000	0.000%	\$0.00	\$0.00
West Valley Water District	0.000	0.000	0.000%	\$0.00	\$0.00

\*\* Fee assessment total is 15% of Appropriate 15/85 replenishment

<b>107,249.969</b>	<b>67,353.721</b>	<b>**</b>	<b>\$227,549.96</b>	<b>\$775,864.92</b>
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Assessment Year 2010-2011 (Production Year 2009-2010)

# Watermaster Cumulative Unmet Replenishment Obligation

Remaining Replenishment Obligation:	AF	Replenishment Rate
Appropriative - 100	1,076,342	\$541.00
Appropriative - 15/85	3,280,818	\$380.00
Non-Agricultural - 100	10,524	
	<b>4,367,684</b>	

Company	Outstanding Obligation (AF)	Fund Balance (\$)	Outstanding Obligation (\$)	AF Production and Exchanges	85/15 Producers	Percent	15%	85%	100%	Total
Arrowhead Mtn Spring Water Co	248,385	\$62,907.27	\$71,469.02	373,065					\$71,469.02	\$71,469.02
Chino Hills, City Of	0.000	\$0.00	\$0.00	973,554	973,554	1.445%	\$1,871.54	\$0.00	\$0.00	\$1,871.54
Chino, City Of	0.000	\$0.00	\$0.00	-424,265	-424,265	-0.630%	(\$815.60)	\$0.00	\$0.00	(\$815.60)
Duacamonga Valley Water District	0.000	\$0.00	\$0.00	8,002,959	8,002,959	11.882%	\$15,384.72	\$0.00	\$0.00	\$15,384.72
Desalter Authority	0.000	\$0.00	\$0.00	28,516,731						\$0.00
Fontana Union Water Company	0.000	\$0.00	\$0.00	0.000	0.000	0.000%	\$0.00	\$0.00	\$0.00	\$0.00
Fontana Water Company	2,570,808	\$731,909.08	\$656,898.05	13,557,470	13,557,470	20.129%	\$26,062.59	\$560,063.34		\$586,125.94
Fontana, City Of	0.000	\$0.00	\$0.00	0.000	0.000	0.000%	\$0.00	\$0.00	\$0.00	\$0.00
Golden State Water Company	0.000	\$0.00	\$0.00	359,382	359,382	0.534%	\$690.87	\$0.00	\$0.00	\$690.87
Jurupa Community Services District	696,147	\$176,306.66	\$200,308.87	13,728,325	13,728,325	20.382%	\$26,391.04	\$170,262.54		\$196,653.58
Marygold Mutual Water Company	0.000	\$0.00	\$0.00	346,141					\$0.00	\$0.00
Monte Vista Irrigation Company	0.000	\$0.00	\$0.00	0.000	0.000	0.000%	\$0.00	\$0.00	\$0.00	\$0.00
Monte Vista Water District	0.000	\$0.00	\$0.00	11,653,266	11,653,266	17.302%	\$22,401.99	\$0.00		\$22,401.99
Niagara Water Company	827,957	\$209,692.13	\$238,232.61	1,298,352					\$238,232.61	\$238,232.61
Nicholson Trust	0.000	\$0.00	\$0.00	0.000	0.000	0.000%	\$0.00	\$0.00	\$0.00	\$0.00
Norco, City Of	0.000	\$0.00	\$0.00	0.000	0.000	0.000%	\$0.00	\$0.00	\$0.00	\$0.00
Ontario, City Of	0.000	\$0.00	\$0.00	17,478,191	17,478,191	25.950%	\$33,599.71	\$0.00		\$33,599.71
Pomona, City Of	0.000	\$0.00	\$0.00	9,361,359					\$0.00	\$0.00
San Antonio Water Company	0.000	\$0.00	\$0.00	966,222	966,222	1.435%	\$1,857.44	\$0.00		\$1,857.44
San Bernardino County Shtg Prk	13,863	\$3,510.94	\$3,988.94	16,494	16,494	0.024%	\$31.71	\$3,390.60		\$3,422.31
Santa Ana River Water Company	0.000	\$0.00	\$0.00	0.000	0.000	0.000%	\$0.00	\$0.00	\$0.00	\$0.00
Upland, City Of	0.000	\$0.00	\$0.00	1,042,123	1,042,123	1.547%	\$2,003.36	\$0.00		\$2,003.36
West End Consolidated Water Company	0.000	\$0.00	\$0.00	0.000	0.000	0.000%	\$0.00	\$0.00	\$0.00	\$0.00
West Valley Water District	0.000	\$0.00	\$0.00	0.000	0.000	0.000%	\$0.00	\$0.00	\$0.00	\$0.00
<b>Pool 3 Appropriative Total</b>	<b>4,357,160</b>	<b>\$1,184,326.08</b>	<b>\$1,172,897.48</b>	<b>107,249,969</b>	<b>67,353,721</b>		<b>\$129,479.38</b>	<b>\$733,716.48</b>	<b>\$309,701.62</b>	<b>\$1,172,897.48</b>



Assessment Year 2010-2011 (Production Year 2009-2010)

# Watermaster Cumulative Unmet Replenishment Obligation

Remaining Replenishment Obligation:	AF		Replenishment Rate	
	2010 Rate	2009 Rate	2010 Rate	2009 Rate
Appropriative - 100	1,076,342		\$541.00	
Appropriative - 15/85	3,280,818		\$380.00	
Non-Agricultural - 100	10,524			
	<b>4,367,684</b>			

Company	Outstanding Obligation (AF)	Fund Balance (\$)	Outstanding Obligation (\$)
Ameron Inc	0.000	\$0.00	\$0.00
Angelica Textile Service	5.949	\$1,506.59	\$1,711.82
Aqua Capital Management	0.000	\$0.00	\$0.00
Auto Club Speedway	0.000	\$0.00	\$0.00
California Steel Industries Inc	0.000	\$0.00	\$0.00
Cog Ontario, Llc	0.000	\$0.00	\$0.00
Gene Electric Company	4.354	\$1,102.74	\$1,252.77
Kaiser Ventures Inc	0.000	\$0.00	\$0.00
KCO, LLC / The Koll Company	0.000	\$0.00	\$0.00
Loving Savior Of The Hills	0.000	\$0.00	\$0.00
Ontario City Non-Ag	0.000	\$0.00	\$0.00
Praxair Inc	0.000	\$0.00	\$0.00
PRRI Energy West, Inc.	0.000	\$0.00	\$0.00
San Antonio Winery	0.221	\$55.88	\$63.68
San Bernardino Cty (Chino Airport)	0.000	\$0.00	\$0.00
Southern California Edison Company	0.000	\$0.00	\$0.00
Space Center Mira Loma Inc.	0.000	\$0.00	\$0.00
Sunkist Growers Inc	0.000	\$0.00	\$0.00
Swan Lake Mobile Home Park	0.000	\$0.00	\$0.00
Vulcan Materials Company	0.000	\$0.00	\$0.00
West Venture Development	0.000	\$0.00	\$0.00
<b>Pool 2 Non-Agricultural Total</b>	<b>10.524</b>	<b>\$2,665.21</b>	<b>\$3,028.27</b>





# Chino Basin Watermaster Assessment Breakdown 2010-2011 Land Use Conversion Summary

Assessment Year 2010-2011 (Production Year 2009-2010)

## AGRICULTURAL POOL SUMMARY IN ACRE FEET

Agricultural Pool Safe Yield	82,800.000
Agricultural Total Pool Production	(31,854.766)
Early Transfer	(32,800.000)
Total Land Use Conversions	(22,943.024)
Under(Over) Production:	(4,797.790)

	Acres Converted @ 1.3 af/ac		Acres Converted @ 2.0 af/ac		Total Land Use Conversions Acre-Feet
	Prior Converted	Acres	Acres	Acres	
Chino Hills, City Of	0.000	670.266	871.346	58.000	987.346
Chino City Of	196.235	1,454.750	1,891.175	2,188.701	6,464.812
Cucamonga Valley Water District	0.000	460.280	598.364	0.000	598.364
Montana Water Company	0.000	0.000	0.000	417.000	834.000
Lurupa Community Services District	0.000	2,756.920	3,583.996	4,497.040	12,578.076
Monte Vista Water District	0.000	28.150	36.595	9.240	55.075
Ontario, City Of	209.400	527.044	685.157	265.397	1,425.351
<b>TOTAL</b>	<b>405.635</b>	<b>5,897.410</b>	<b>7,666.633</b>	<b>7,435.378</b>	<b>22,943.024</b>

Total Prior to Peace Agrmt Converted AF

Acres Converted @ 2.0 af/ac

Acres Converted @ 1.3 af/ac



Assessment Year 2010-2011 (Production Year 2009-2010)

# Pool 3 Agricultural Pool Reallocation Summary

	Reallocation of Agricultural Pool Safe Yield					
	% Share of Operating Safe Yield	32,800 AF Early Transfer	Land Use Conversions	Potential for Reallocation (AF)	Difference: Potential vs. Net	Net Ag Pool Reallocation
Arrowhead Mtn Spring Water Co	0.000%	0.000	0.000	0.000	0.000	0.000
Chino Hills, City Of	3.851%	1,263.128	987.346	2,250.473	(193.698)	2,056.775
Chino, City Of	7.357%	2,413.096	6,464.812	8,877.908	(764.120)	8,113.788
Cucamonga Valley Water District	6.601%	2,165.128	598.364	2,763.492	(237.853)	2,525.639
Desalter Authority	0.000%	0.000	0.000	0.000	0.000	0.000
Fontana Union Water Company	11.657%	3,823.496	0.000	3,823.496	(329.087)	3,494.409
Fontana Water Company	0.002%	0.656	834.000	834.656	(71.839)	762.817
Fontana, City Of	0.000%	0.000	0.000	0.000	0.000	0.000
Golden State Water Company	0.750%	246.000	0.000	246.000	(21.173)	224.827
Jurupa Community Services District	3.759%	1,232.952	12,578.076	13,811.028	(1,188.712)	12,622.316
Marygold Mutual Water Company	1.195%	391.960	0.000	391.960	(33.736)	358.224
Monte Vista Irrigation Company	1.234%	404.752	0.000	404.752	(34.837)	369.915
Monte Vista Water District	8.797%	2,885.416	55.075	2,940.491	(253.087)	2,687.404
Niagara Water Company	0.000%	0.000	0.000	0.000	0.000	0.000
Nicholson Trust	0.007%	2.296	0.000	2.296	(0.198)	2.098
Norco, City Of	0.368%	120.704	0.000	120.704	(10.389)	110.315
Ontario, City Of	20.742%	6,803.376	1,425.351	8,228.727	(708.245)	7,520.482
Pomona, City Of	20.454%	6,708.912	0.000	6,708.912	(577.435)	6,131.477
San Antonio Water Company	2.748%	901.344	0.000	901.344	(77.578)	823.766
San Bernardino County Shtg Prk	0.000%	0.000	0.000	0.000	0.000	0.000
Santa Ana River Water Company	2.373%	778.344	0.000	778.344	(66.992)	711.352
Upland, City Of	5.202%	1,706.256	0.000	1,706.256	(146.857)	1,559.399
West End Consolidated Water Company	1.728%	566.784	0.000	566.784	(48.783)	518.001
West Valley Water District	1.175%	385.400	0.000	385.400	(33.171)	352.229
	<b>100.000%</b>	<b>32,800.000</b>	<b>22,943.024</b>	<b>55,743.023</b>	<b>(4,797.790)</b>	<b>50,945.233</b>
	<b>11A</b>	<b>11B</b>	<b>11C</b>	<b>11D</b>	<b>11E</b>	<b>11F</b>



Assessment Year 2010-2011 (Production Year 2009-2010)

**Pool 2 Assessment Fee Summary**

	Non-Agricultural Pool			Replenishment Assessments		CURO Adjustment	Other Adjustments	Total Assessments Due
	AF Production	AF/Admin	\$42.01 AF/OBMP	AF Exceeding Safe Yield	\$541.00 Per AF			
Amerson Inc	4.548	33.66	191.06	0.000	0.00	0.00	0.00	224.72
Angelica Textile Service	40.897	302.64	1,718.08	23,987	12,976.97	1,711.82	0.00	16,733.49
Aqua Capital Management	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
Auto Club Speedway	495.942	3,669.97	20,834.52	0.000	0.00	0.00	0.00	24,504.49
California Steel Industries Inc	1,059.223	7,938.25	44,497.96	0.000	0.00	0.00	0.00	52,336.21
CCG Ontario, Llc	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
General Electric Company	8.615	63.75	361.92	8,615	4,660.72	1,252.77	0.00	6,347.77
Kaiser Ventures Inc	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
KCCO / The Koll Company	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
Loving Savior Of The Hills	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
Ontario City Non-Ag	1,682.150	12,447.91	70,667.12	0.000	0.00	0.00	0.00	83,115.03
Praxair Inc	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
PRRI Energy West, Inc.	(17.428)	(128.97)	(732.15)	0.000	0.00	0.00	0.00	(861.12)
San Antonio Winery	12.717	94.11	534.24	12,717	6,879.90	63.68	0.00	7,584.64
San Bernardino Cty (Chino Airport)	146.522	1,084.26	6,155.39	0.000	0.00	0.00	0.00	7,239.65
Southern California Edison Company	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
Space Center Mira Loma Inc.	93.707	693.43	3,936.63	0.000	0.00	0.00	0.00	4,630.06
Sunikist Growers Inc	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
Swan Lake Mobile Home Park	380.711	2,817.26	15,993.67	0.000	0.00	0.00	0.00	18,810.93
Mulcan Materials Company	0.307	2.27	12.90	0.000	0.00	0.00	0.00	15.17
West Venture Development	0.000	0.00	0.00	0.000	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>3,907.911</b>	<b>28,918.54</b>	<b>164,171.34</b>	<b>45.319</b>	<b>24,517.58</b>	<b>3,028.27</b>	<b>0.00</b>	<b>220,681.05</b>

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# Assessment Year 2010-2011 (Production Year 2009-2010) Pool 2 Water Production Summary

Entity	Carryover Beginning Balance	Prior Year Adjustments	2% Storage Loss	Assigned Share of Operating Safe Yield (AF)	Water Transaction Activity	Annual Production Right	Actual Fiscal Year Production	Net Over Production	Under Production Balances		
									Total Under-Produced	Carryover: Next Year Begin Bal	To Local Storage Account
Amerson Inc	97,858	0.000	(1.957)	97,858	(9,786)	183,973	4,548	0.000	179,425	97,858	81,567
Angelica Textile Service	0.000	0.000	0.000	16,789	(1,879)	16,910	40,897	23,987	0.000	0.000	0.000
Aqua Capital Management	948,118	0.000	(18.962)	948,118	(94,814)	1,782,463	0.000	0.000	1,782,463	948,118	834,345
Auto Club Speedway	1,000,000	0.000	(20.000)	1,000,000	(100,000)	1,880,000	495,942	0.000	1,384,058	1,000,000	384,058
California Steel Industries Inc	1,000,234	0.000	(20.004)	1,300,000	(130,000)	2,150,230	1,059,223	0.000	1,091,007	1,091,007	0.000
CCG Ontario, Llc	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
General Electric Company	0.000	0.000	0.000	0.000	0.000	0.000	8,615	8,615	0.000	0.000	0.000
Kaiser Ventures Inc	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
KCO, LLC / The Koil Company	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Loving Savior Of The Hills	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Ontario City Non-Ag	2,101,659	0.000	(42.033)	2,299,848	(229,985)	4,129,488	1,682,150	0.000	2,447,338	2,299,848	147,490
Praxair Inc	0.000	0.000	0.000	1,000	(0.100)	0.900	0.000	0.000	0.900	0.900	0.000
PRRI Energy West, Inc.	954,540	0.000	(19.090)	954,540	(95,454)	1,794,536	(17,428)	0.000	1,811,964	954,540	857,424
San Antonio Winery	0.000	0.000	0.000	0.000	0.000	0.000	12,717	12,717	0.000	0.000	0.000
San Bernardino Cty (Chino Airport)	77,397	0.000	(1.547)	133,870	(13,387)	196,333	146,522	0.000	49,811	49,811	0.000
Southern California Edison Company	27,959	0.000	(0.559)	27,959	(2,796)	52,563	0.000	0.000	52,563	27,959	24,604
Space Center Mira Loma Inc.	0.000	0.000	0.000	104,124	(10,412)	93,709	93,707	0.000	0.002	0.002	0.000
Sunkist Growers Inc	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Swan Lake Mobile Home Park	464,240	0.000	(9.284)	464,240	(46,424)	872,772	380,711	0.000	492,061	464,240	27,821
Vulcan Materials Company	0.000	0.000	0.000	0.000	0.307	0.307	0.307	0.000	0.000	0.000	0.000
West Venture Development	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>TOTAL</b>	<b>6,672,005</b>	<b>0.000</b>	<b>(133.436)</b>	<b>7,350,343</b>	<b>(734,727)</b>	<b>13,154,164</b>	<b>3,907,911</b>	<b>45,319</b>	<b>9,291,592</b>	<b>6,934,283</b>	<b>2,357,309</b>

13A 13B 13C 13D 13E 13F 13G 13H 13I 13J 13K



Assessment Year 2010-2011 (Production Year 2009-2010)

**Pool 2 Storage Account Summary**

	Carryover Beginning Balance	2% Storage Loss	Transfers To / (From)	Ending Balance
Amerson Inc	2,053,411	(41,068)	81,567	2,093,910
Angelica Textile Service	0.000	0.000	0.000	0.000
Aqua Capital Management	10,076,934	(201,538)	834,345	10,709,741
Auto Club Speedway	2,002,621	(40,052)	384,058	2,346,627
California Steel Industries Inc	3,036,569	(60,731)	0.000	2,975,838
CCCG Ontario, Lic	0.000	0.000	0.000	0.000
General Electric Company	0.000	0.000	0.000	0.000
Kaiser Ventures Inc	0.000	0.000	0.000	0.000
KCO, LLC / The Koll Company	0.000	0.000	0.000	0.000
Loving Savior Of The Hills	0.000	0.000	0.000	0.000
Ontario City Non-Ag	14,756,219	(295,124)	147,490	14,608,585
Praxair Inc	4,554,345	(91,086)	0.000	4,463,259
RRJ Energy West, Inc.	6,128,256	(122,565)	857,424	6,863,115
San Antonio Winery	0.000	0.000	0.000	0.000
San Bernardino Cty (Chino Airport)	176,728	(3,534)	0.000	173,194
Southern California Edison Company	252,867	(5,057)	24,604	272,414
Space Center Mira Loma Inc.	0.000	0.000	0.000	0.000
Sunkist Growers Inc	0.000	0.000	0.000	0.000
Swan Lake Mobile Home Park	3,256,675	(65,133)	27,821	3,219,363
Vulcan Materials Company	305,004	(6,100)	(293,296)	5,608
West Venture Development	0.000	0.000	0.000	0.000
	46,599,629	(931,988)	2,064,013	47,731,654
	<b>14A</b>	<b>14B</b>	<b>14C</b>	<b>14D</b>

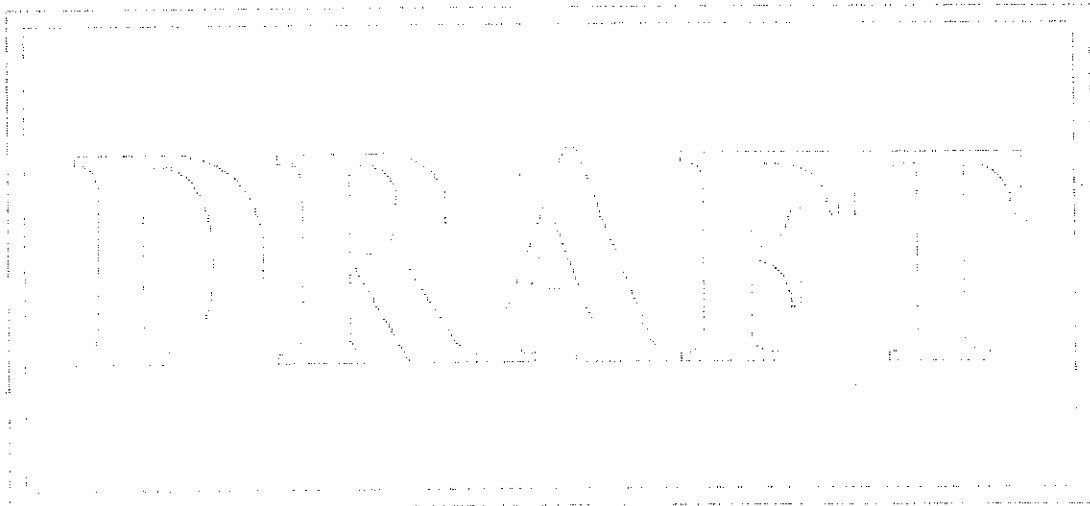
C: The Peace Il Vulcan over-transfer has been corrected by removing 292.989 AF from Vulcan's Storage account & 560.011 AF from CVWD's ECO account.

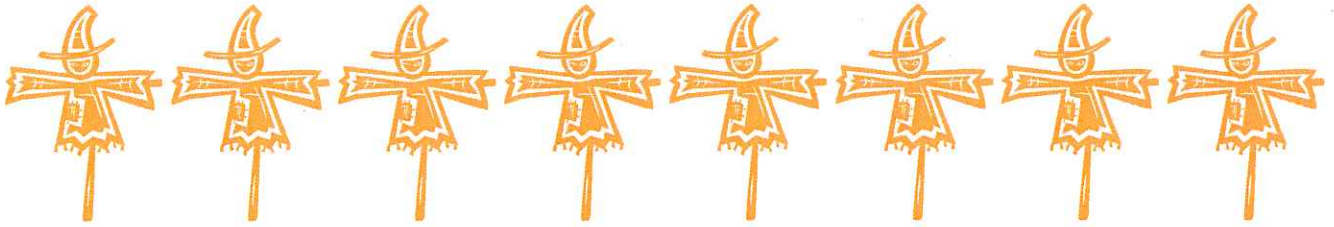


Assessment Year 2010-2011 (Production Year 2009-2010)

## Assessment Package Notes

	Company	Account	Note
A	Cucamonga Valley Water District	Local Storage	The Peace II Vulcan over-transfer has been corrected by removing 292.989 AF from Vulcan's Storage account & 560.011 AF from CVWD's ECO account.
B	Desalter Authority	Local Storage	There is no loss assessed on the native basin water allocated to offset desalter production as a result of basin reoperation as approved in Peace II.
C	Vulcan Materials Company	Local Storage	The Peace II Vulcan over-transfer has been corrected by removing 292.989 AF from Vulcan's Storage account & 560.011 AF from CVWD's ECO account.

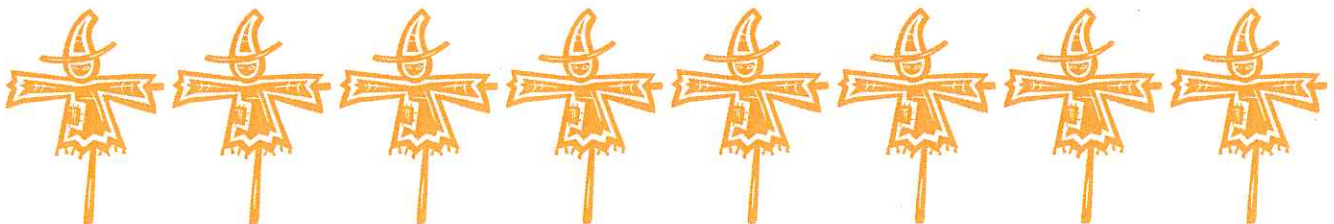




# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM

### E. SAN SEVAINE CHANNEL REPAIR AGREEMENT





## CHINO BASIN WATERMASTER

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

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KENNETH R. MANNING  
Chief Executive Officer

### STAFF REPORT

**DATE:** October 7, 2010  
**TO:** Committee Members  
**SUBJECT:** Agreement with San Bernardino County Flood Control District and Inland Empire Utilities Agency regarding repairs to San Sevaine Channel

#### SUMMARY

**Issue** - Consider approval of cost sharing agreement with San Bernardino County Flood Control District and Inland Empire Utilities Agency regarding repairs to San Sevaine channel.

**Recommendation** – Staff recommends approval of the agreement.

**Financial Impact** - Watermaster's share of the contract cost is not to exceed \$245,750. Any additional costs would require additional approval by Watermaster:

#### Background and Description of the Agreement

On Christmas Day 2003 a severe storm caused damage to the San Sevaine channel. The damage resulted from a combination of events involving construction on the channel that was underway but that was unattended at the time of the storm because of the holiday.

The cost of repair has been estimated at approximately one million dollars. Liability for the damage has been a subject of dispute between San Bernardino County Flood Control District (SBCFCD) on the one hand and Watermaster and Inland Empire Utilities Agency (IEUA) on the other.

The proposed agreement represents a compromise whereby SBCFCD will pay one half of the repair costs, and CBWM and IEUA will each pay 25% of the repair costs. The agreement contains provisions relating to the process to be followed in the event that project costs are anticipated to exceed estimates.

Watermaster does not have funds currently budgeted to account for payments under the agreement, but payments to SBCFCD under the agreement will be made on a reimbursement basis and it is not known at this time when work will commence.

#### Recommendation

Staff recommends approval of the agreement.



- Actions:**  
October 7, 2010 Appropriative Pool –  
October 7, 2010 Non-Agricultural Pool –  
October 14, 2010 Agricultural Pool –  
October 21, 2010 Advisory Committee –  
October 28, 2010 Watermaster Board –



**San Bernardino County  
FLOOD CONTROL DISTRICT**

**F A S**

**STANDARD CONTRACT**

FOR OFFICIAL USE ONLY

<input checked="" type="checkbox"/> New	Vendor Code	Dept.	Contract Number					
<input type="checkbox"/> Change	INSERT HERE <b>23</b>	<b>SC</b>	<b>A</b>					
<input type="checkbox"/> Cancel	<b>IF ENTITY HAS SEAL</b>							
<b>INSERT HERE</b>		Dept.	Orgn.	Contractor's License No.				
<b>Flood Control District</b>		097	097					
Contract Representative			Telephone	Total Contract Amount				
<b>Melissa Walker</b>			(909) 387-8120	<b>\$491,500</b>				
Contract Type								
<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Encumbered <input type="checkbox"/> Unencumbered <input type="checkbox"/> Other:								
If not encumbered or revenue contract type, provide reason:								
Commodity Code		Contract Start Date	Contract End Date	Original Amount	Amendment Amount			
				\$	\$			
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No	Amount		
RFA	091	091		8842	11F01806	\$491,500		
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No.	Amount		
						\$		
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No.	Amount		
						\$		
Project Name			Estimated Payment Total by Fiscal Year					
<b>San Sevaine</b>			FY	Amount	I/D	FY	Amount	I/D
<b>Channel Reconstruction</b>								

THIS AGREEMENT is entered into in the State of California by and between the San Bernardino County Flood Control District, hereinafter called the DISTRICT, and

Name Inland Empire Utility Agency hereinafter called IEUA

Address 6075 Kimball Avenue

Chino CA 91710

Telephone 909-993-1600 Federal ID No. or Social Security No. \_\_\_\_\_

Name Chino Basin Watermaster hereinafter called CBWM

Address 9641 San Bernardino Road

Rancho Cucamonga CA 91730

Telephone 909-984-3888 Federal ID No. or Social Security No. \_\_\_\_\_

**IT IS HEREBY AGREED AS FOLLOWS:**

(Use space below and additional bond sheets. Set forth service to be rendered, amount to be paid, manner of payment, time for performance or completion, determination of satisfactory performance and cause for termination, other terms and conditions, and attach plans, specifications, and addenda, if any.)

**WHEREAS**, the San Bernardino County Flood Control District (hereinafter referred to as **DISTRICT**), the Inland Empire Utility Agency (hereinafter referred to as **IEUA**) and the Chino Basin Watermaster (**CBWM**) are signatories to this **AGREEMENT**, and shall be collectively referred to as "the **PARTIES**"; and

**Auditor/Controller-Recorder Use Only**

<input type="checkbox"/> Contract Database	<input type="checkbox"/> FAS
Input Date	Keyed By

**WHEREAS**, in 2003 severe storms caused damage to the San Sevaine Channel; and

**WHEREAS**, in 2003, **IEUA** and **CBWM** hired a contractor to work on the San Sevaine Channel; and

**WHEREAS**, reconstruction of the channel is necessary to repair the damage; and

**WHEREAS**, the **PARTIES** desire to cooperate and participate in construction management and construction of the damaged portions of the San Sevaine Channel (hereinafter referred to as **PROJECT**); and

**WHEREAS**, the **PROJECT** consists of the reconstruction of approximately 1,500 feet of damaged concrete-lined channel from south of Victoria Street to north of the I-15 freeway; and

**WHEREAS**, construction of a drop inlet diversion structure, side drain outlet structures and other appurtenant work will be completed with the channel reconstruction but will not be considered part of the **PROJECT** under this **AGREEMENT**; and

**WHEREAS**, the portion of the work not to be considered as part of the **PROJECT** under this **AGREEMENT** is estimated at \$217,000 and will be funded in whole by the **DISTRICT**; and

**WHEREAS**, **DISTRICT** will act as the lead agency on the **PROJECT**; and

**WHEREAS**, the projected costs for the **PROJECT** is estimated at \$983,000, including construction management and construction; and

**WHEREAS**, the **PROJECT** will be of mutual benefit to all of the **PARTIES** and therefore the **PARTIES** agree that **IEUA** and **CBWM** will each fund up to twenty-five percent (25%) of the total **PROJECT** costs not to exceed \$245,750 each, and **DISTRICT** will fund the remaining total **PROJECT** cost (50%) estimated at \$491,500; and

**WHEREAS**, the **PARTIES** desire to set forth the responsibilities and obligations of each as they pertain to such participation and to the construction and funding of the **PROJECT**.

**NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:**

## **SECTION I**

1.0 **IEUA** agrees to:

- 1.1 Pay its proportionate share of the **PROJECT** costs, equal to twenty-five percent (25%) of total **PROJECT** costs, not to exceed \$245,750.
- 1.2 Review and comment on the plans, specifications, cost estimates and environmental documentation related to the **PROJECT**.
- 1.3 Reimburse the **DISTRICT** its proportionate share of **PROJECT** costs within thirty (30) days after receipt of an itemized statement, setting forth all actual **PROJECT** costs incurred by the **DISTRICT** to date and which have not already been paid by **IEUA**, together with adequate documentation of said expenditures.

## **SECTION II**

2.0 **CBWM** agrees to:

- 2.1 Pay its proportionate share of the **PROJECT** costs, equal to twenty-five percent (25%) of total **PROJECT** costs, not to exceed \$245,750.

- 2.2 Review and comment on the plans, specifications, cost estimates and environmental documentation related to the **PROJECT**.
- 2.3 Reimburse the **DISTRICT** its proportionate share of **PROJECT** costs within thirty (30) days after receipt of an itemized statement, setting forth all actual **PROJECT** costs incurred by the **DISTRICT** to date and which have not already been paid by **CBWM**, together with adequate documentation of said expenditures.

### SECTION III

#### 3.0 **DISTRICT** agrees to:

- 3.1 Act as the Lead Agency to oversee and administer the construction engineering and construction of the **PROJECT**.
- 3.2 Enter into a construction contract with a contractor for the **PROJECT**.
- 3.3 Ensure the **PROJECT** is constructed in accordance with the plans and specifications approved by the **PARTIES**.
- 3.4 Advertise, award, administer, and fund construction of the **PROJECT** in accordance with the California Public Contract Code. Any construction contract awarded by **DISTRICT** to a contractor for the **PROJECT** will include language that substantially conforms to the following provision:

Contractor recognizes that this Project is funded by the San Bernardino County Flood Control District, the Inland Empire Utility Agency and the Chino Basin Watermaster. The Inland Empire Utility Agency and the Chino Basin Watermaster are not parties to this agreement. Contractor recognizes and agrees that only the San Bernardino County Flood Control District is responsible for payment to Contractor under this Agreement.

- 3.5 Arrange for relocation of any utilities which interfere with construction of the **PROJECT** within the **PROJECT** site.
- 3.6 Provide notification to **IEUA** and **CBWM** of any meetings related to the **PROJECT** and schedule meetings to ensure that all **PARTIES** have the opportunity to attend.
- 3.7 Provide **IEUA** and **CBWM**, upon request, with copies of all reports, and other technical documents related to the **PROJECT**.
- 3.8 Submit a request for reimbursement on no more frequently than a monthly basis, with itemized accounting of all actual costs funded by the **DISTRICT**, including all supporting data, to **IEUA** and **CBWM**, in accordance with Sections 1.3 and 2.3, commencing after **PARTIES** approval of the construction contract. In the event **IEUA** and **CBWM** request additional work that is beyond the scope of the original **PROJECT** pursuant to Section 4.10, the **DISTRICT** shall provide **IEUA** and **CBWM** with a Request for Payment, with documentation detailing the actual cost of such additional work, prior to **DISTRICT's** approval of the additional work.
- 3.9 Pay its proportionate share of the **PROJECT** costs, equal to fifty percent (50%) of total **PROJECT** costs, estimated to be \$491,500. **DISTRICT** acknowledges that, due to change orders and other increases in **PROJECT** costs during the construction of the **PROJECT**, **PROJECT** costs may be amended following completion of the **PROJECT** and the **DISTRICT's** proportionate share of the **PROJECT** costs may increase beyond the estimate of \$491,500.
- 3.10 Upon **PROJECT** completion and acceptance by all **PARTIES**, submit to **IEUA** and **CBWM**, a final itemized accounting of all actual **PROJECT** costs incurred by the **DISTRICT**, including all costs for

additional work requested by any **PARTY** pursuant to Section 4.10, whether or not any **PARTY** has already paid the **DISTRICT** for the costs of such additional work. **DISTRICT** shall not be responsible for the payment of any additional work requested by **IEUA** or **CBWM**.

- 3.11 Upon completion and acceptance of the **PROJECT**, the **DISTRICT** shall assume title to the improvements and shall be responsible for maintenance of the completed **PROJECT** in accordance with the **DISTRICT's** established policies and procedures.
- 3.12 Provide inspection of all items of work performed under the construction contract(s) with the **DISTRICT's** contractors and subcontractors for the **PROJECT** and maintain adequate records of inspection and materials testing for review by **IEUA** and **CBWM**. The **DISTRICT** shall provide copies of all records of inspection and materials testing to **IEUA** and **CBWM** within ten (10) days of the **DISTRICT's** receipt of written request from **IEUA** and/or **CBWM** for such records.
- 3.13 Provide status reports regarding the **PROJECT** to **IEUA** and **CBWM** upon request. Provide **IEUA** and **CBWM**, upon completion, one set of Mylar drawings.
- 3.14 Retain or cause to be retained for audit by the **PARTIES** or government auditors for a period of ten (10) years from the date of final payment, all records and accounts relating to the **PROJECT**.

#### **SECTION IV**

#### **4.0 IT IS FURTHER UNDERSTOOD AND AGREED:**

- 4.1 The Effective Date of this **AGREEMENT** shall be the first date on which all of the following has occurred: (1) the **IEUA** Board, **CBWM** Board and **DISTRICT** Board have approved the **AGREEMENT**; and (2) the authorized representative of each has signed the **AGREEMENT**; and (3) a fully executed copy of the **AGREEMENT** has been submitted to all **PARTIES**.
- 4.2 All of the **DISTRICT's** revenues as defined below, have been pledged to secure the payment of the principal and interest on certain bonds and refunding bonds ("Bonds") issued by the **DISTRICT** in May 2007. The pledge constitutes a first lien on the revenues for the payment of the Bonds. Any payments under this **AGREEMENT** are subject to the prior pledge of revenues described above. **DISTRICT** payments pursuant to this **AGREEMENT** will be made to the extent there are sufficient funds available after payment of the Bonds. For purposes of this paragraph, "revenues" shall mean all income and revenue received by the **DISTRICT** from the operation or ownership of the flood and storm water control and conservation facilities ("Flood Control System") of the **DISTRICT** (including but not limited to, all real and personal property, or any interest therein, and all additions, improvements, betterments and extensions thereto), determined in accordance with Generally Accepted Accounting Principles, including all ad valorem property taxes received by the **DISTRICT** pursuant to Article XIII A of the Constitution of the State of California and Section 95 et seq. of the California Revenue and Taxation Code, all rents, royalties and license and permit fees and charges received by the **DISTRICT**, investment income and all other money howsoever derived by the **DISTRICT** from the operation or ownership of the Flood Control System or arising from the Flood Control System, but excluding (a) ad valorem property taxes levied to pay any voter approved general obligation indebtedness of the **DISTRICT**, (b) assessments levied pursuant to Section 43-7 or Section 43-26.9 of the San Bernardino County Flood Control Act (Cal. Water Code App. Sect. 43-1 et seq.), and (c) grants, advances or contributions in aid of construction, except to the extent such grants are unrestricted and available for any expenditure of the **DISTRICT**.
- 4.3 American Recovery and Reinvestment Act Funding (ARRA). **DISTRICT** and its contractors shall comply with the following provisions in the event this Agreement is funded in whole or in part by ARRA.

Use of ARRA Funds and Requirements. This Agreement may be funded in whole or in part with funds provided by the American Recovery and Reinvestment Act of 2009 ("ARRA"), signed into law on

February 17, 2009. Section 1605 of ARRA prohibits the use of recovery funds for a project for the construction, alternation, maintenance or repair of a public building or public work (both as defined in 2 CFR 176.140) unless all of the iron, steel and manufactured goods (as defined in 2 CFR 176.140) used in the project are produced in the United States. A waiver is available under three circumstances: (i) Iron, steel or relevant manufactured goods are not produced in the United States in sufficient and reasonable quantities and of a satisfactory quality; (ii) Inclusion of iron, steel or manufactured goods produced in the United States will increase the cost of the overall project by more than 25 percent; or (iii) Applying the domestic preference would be inconsistent with the public interest. This is referred to as the "Buy American" requirement. Request for waiver must be made to the District for an appropriate determination.

Section 1606 of ARRA requires that laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to ARRA shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. 31). This is referred to as the "wage rate" requirement.

The above described provisions constitute notice under ARRA of the Buy American and wage requirements. The contractors must contact the District contact if they have any questions regarding the applicability or implementation of the ARRA Buy American and wage rate requirements. The contractors will also be required to provide detailed information regarding compliance with the Buy American requirements they have under ARRA. The information may be required as frequently as monthly or quarterly. The contractors agree to fully cooperate in providing information or documents as requested by the District pursuant to this provision. Failure to do so will be deemed a default and may result in the withholding of payments and termination of this Contract.

The contractors may also be required to register in the Central Contractor Registration (CCR) database at <http://www.ccr.gov> and may be required to have their subcontractors also register in the same database. The contractors must contact the District with any questions regarding registration requirements.

Schedule of Expenditure of Federal Awards. In addition to the requirements described in "Use of ARRA Funds and Requirements," proper accounting and reporting of ARRA expenditures in single audits is required. The contractors agree to separately identify the expenditures for each grant award funded under ARRA on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC) required by the Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Nonprofit Organizations." This identification on the SEFA and SF-SAC shall include the Federal award number, the Catalog of Federal Domestic Assistance (CFDA) number, and amount such that separate accountability and disclosure is provided for ARRA funds by Federal award number consistent with the recipient reports required by ARRA Section 1512 (c).

In addition, the contractors agree to separately identify to each subcontractor and document at the time of subcontract and at the time of disbursement of funds, the Federal award number, any special CFDA number assigned for ARRA purposes, and amount of ARRA funds.

The contractors may be required to provide detailed information regarding expenditures so that the District may fulfill any reporting requirements under ARRA described in this section. The information may be required as frequently as monthly or quarterly. The contractors agree to fully cooperate in providing information or documents as requested by the District pursuant to this provision. Failure to do so will be deemed a default and may result in the withholding of payments and termination of this Contract.

- 4.4 All payments shall be made via electronic funds transfer (EFT) directly deposited into the **PARTIES** designated checking or other bank account. The **PARTIES** shall promptly comply with directions and accurately complete forms provided and required to process EFT payments.

4.5 Indemnification and Insurance.

- a. **CBWM** agrees to indemnify and hold harmless the **DISTRICT**, its officers, employees, agents, and volunteers from any and all claims, actions, losses, damages and/or liability resulting from **CBWM's** negligent acts or omissions which arise from **CBWM's** performance of its obligations under this **AGREEMENT**.
- b. **CBWM** agrees to indemnify and hold harmless **IEUA**, its officers, employees, agents, and volunteers from any and all claims, actions, losses, damages and/or liability resulting from **CBWM's** negligent acts or omissions which arise from **CBWM's** performance of its obligations under this **AGREEMENT**.
- c. **IEUA** agrees to indemnify and hold harmless the **DISTRICT**, its officers, employees, agents, and volunteers from any and all claims, actions, losses, damages and/or liability resulting from **IEUA's** negligent acts or omissions which arise from **IEUA's** performance of its obligations under this **AGREEMENT**.
- d. **IEUA** agrees to indemnify and hold harmless **CBWM**, its officers, employees, agents, and volunteers from any and all claims, actions, losses, damages and/or liability resulting from **IEUA's** negligent acts or omissions which arise from **IEUA's** performance of its obligations under this **AGREEMENT**.
- e. **DISTRICT** agrees to indemnify and hold harmless **CBWM**, its officers, employees, agents, and volunteers from any and all claims, actions, losses, damages and/or liability resulting from **DISTRICT's** negligent acts or omissions which arise from **DISTRICT's** performance of its obligations under this **AGREEMENT**.
- f. **DISTRICT** agrees to indemnify and hold harmless **IEUA**, its officers, employees, agents, and volunteers from any and all claims, actions, losses, damages and/or liability resulting from **DISTRICT's** negligent acts or omissions which arise from **DISTRICT's** performance of its obligations under this **AGREEMENT**.
- g. In the event **DISTRICT** and/or **CBWM** and/or **IEUA** are found to be comparatively at fault for any claim, action, loss or damage which results from their respective obligations under the **AGREEMENT**, the **DISTRICT** and/or **CBWM** and/or **IEUA** shall indemnify the other **PARTY** to the extent of their comparative fault. Furthermore, if the **DISTRICT** and/or **CBWM** and/or **IEUA** attempt to seek recovery from the other for Workers' Compensation benefits paid to an employee, **DISTRICT** and/or **CBWM** and/or **IEUA** agree that any alleged negligence of the employee shall not be construed against the employer of that employee.
- h. Insurance. **PARTIES** have adequate insurance/self-insurance or resources to protect against liabilities arising out of the terms, conditions and obligations of this **AGREEMENT**.

4.6 Time is of the essence for each and every provision of this **AGREEMENT**.

4.7 **Reserved**.

- 4.8 If, upon opening of bids for the **PROJECT**, bids indicate the actual cost of the **PROJECT** will exceed 25% of the estimated cost of the **PROJECT**, **PARTIES** shall endeavor to agree upon an alternative course of action. If, after thirty (30) days, an alternative course of action is not mutually agreed upon in writing, this **AGREEMENT** shall be deemed to be terminated by mutual consent.

- 4.9 Additional work/costs arising from unforeseen site conditions (e.g. relocating a utility that the **PARTIES** were not aware of) will be paid by the **PARTIES** in proportion to the percentages identified in Sections 1.1, 2.1 and 3.9 of this **AGREEMENT**.
- 4.10 If a **PARTY** requests additional work that is beyond the scope of the original **PROJECT**, said work will be paid solely by the **PARTY** requesting the work. **DISTRICT**, in its sole discretion, may determine whether to include the requested additional work as part of the **PROJECT**.
- 4.11 In the event that change orders are required during the course of the **PROJECT**, said change orders must be in writing and approved or rejected by the **PARTIES** within two working days of submittal.
- 4.12 Since **PARTIES** or their agents have participated fully in the preparation of this **AGREEMENT**, the language of this **AGREEMENT** shall be construed simply, according to its fair meaning, and not strictly for or against any party. Any term referencing time, days or period for performance shall be deemed **DISTRICT** work days. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this **AGREEMENT**.
- 4.13 This **AGREEMENT** may be terminated, with or without cause, upon thirty (30) days written notice of any **PARTY**, provided however, that no **PARTY** may terminate this **AGREEMENT** after the **DISTRICT** awards a contract to construct the **PROJECT**. In the event of cancellation as provided herein, all **PROJECT** costs to be paid by the **PARTIES** prior to the effective date of cancellation shall be paid by the **PARTIES** in the proportion provided herein.
- 4.14 Except with respect to the **PARTIES'** operation, maintenance and indemnification obligations contained herein, this **AGREEMENT** shall terminate upon completion of the **PROJECT** and final payment by **IEUA** and **CBWM** to the **DISTRICT**.
- 4.15 This **AGREEMENT** contains the entire agreement of the **PARTIES** with respect to subject matter hereof, and supersedes all prior negotiations, understandings or agreements.
- 4.16 This **AGREEMENT** shall be governed by the laws of the State of California. If a court of competent jurisdiction declares any portion of this **AGREEMENT** invalid, illegal, or otherwise unenforceable, the remaining provisions shall continue in full force and effect, unless the purpose of this **AGREEMENT** is frustrated. Any dispute or action to enforce any obligation under this **AGREEMENT** shall be filed and resolved in the appropriate Superior Court in the County of San Bernardino, California. In the event of litigation arising from this **AGREEMENT**, each **PARTY** to the **AGREEMENT** shall bear its own costs, including attorneys' fees. This provision concerning costs shall not apply to costs or attorneys' fees relative to Section 4.5.
- 4.17 No supplement, assignment, modification, or amendment of this **AGREEMENT** shall be binding unless executed in writing and signed by all **PARTIES**.
- 4.18 All notices, approvals, consents or other documents required or permitted under this **AGREEMENT** shall be in writing and, except as otherwise provided therein, shall be effective upon personal delivery or three days after deposit in the United States mail, certified, with first class postage fully prepaid, addressed as follows:

Inland Empire Utility Agency  
6075 Kimball Avenue  
Chino CA 91710

San Bernardino County  
Flood Control District  
825 E. Third Street  
San Bernardino CA 92415-0835

Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga CA 91730

- 4.19 This **AGREEMENT** may be signed in counterparts, each of which shall constitute an original.



**SAN SEVAINE CHANNEL RECONSTRUCTION**

**IN WITNESS WHEREOF**, this **AGREEMENT** has been fully executed on behalf of the **DISTRICT** by its duly authorized officer and **IEUA** and **CBWM** have caused the same to be duly executed in their name and on their behalf by their duly authorized representatives.

This **AGREEMENT** shall inure to the benefit of and be binding upon the successors and assigns of all **PARTIES**.

**SAN BERNARDINO COUNTY  
FLOOD CONTROL DISTRICT**

▶ \_\_\_\_\_  
GARY C. OVITT, Board Chairman

Dated: \_\_\_\_\_

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD

Laura H. Welch, Secretary

By \_\_\_\_\_  
*Deputy*

Approved as to Legal Form	Reviewed by Contract Compliance	Presented to Board for Signature
▶ _____ Counsel	▶ _____	▶ _____

**SAN SEVAINE CHANNEL RECONSTRUCTION**

**IN WITNESS WHEREOF**, this **AGREEMENT**, has been fully executed on behalf of **IEUA** by its duly authorized officer and **DISTRICT** and **CBWM** have caused the same to be duly executed in their name and on their behalf by their duly authorized representatives.

This **AGREEMENT** shall inure to the benefit of and be binding upon the successors and assigns of all **PARTIES**

**INLAND EMPIRE UTILITY AGENCY**

INLAND EMPIRE UTILITY AGENCY  
*(Print or type name of corporation, company, contractor, etc.)*

\_\_\_\_\_  
*(Authorized signature - sign in blue ink)*

Name Richard Atwater  
*(Print or type name of person signing contract)*

Title General Manager  
*(Print or Type)*

Dated: \_\_\_\_\_

Address 6075 Kimball Avenue  
Chino CA 91710

Approved as to Legal Form	Attested by Notary Public
<p>▶ _____ Legal Counsel</p>	<p>▶ _____ Notary Public</p>

**SAN SEVAINE CHANNEL RECONSTRUCTION**

**IN WITNESS WHEREOF**, this **AGREEMENT**, has been fully executed on behalf of **CBWM** by its duly authorized officer and the **DISTRICT** and **IEUA** have caused the same to be duly executed in their name and on their behalf by their duly authorized representatives.

This **AGREEMENT** shall inure to the benefit of and be binding upon the successors and assigns of all **PARTIES**

**CHINO BASIN WATERMASTER**

CHINO BASIN WATERMASTER

*(Print or type name of corporation, company, contractor, etc.)*

\_\_\_\_\_  
*(Authorized signature - sign in blue ink)*

Name Kenneth Manning  
*(Print or type name of person signing contract)*

Title Chief Executive Officer  
*(Print or Type)*

Dated: \_\_\_\_\_

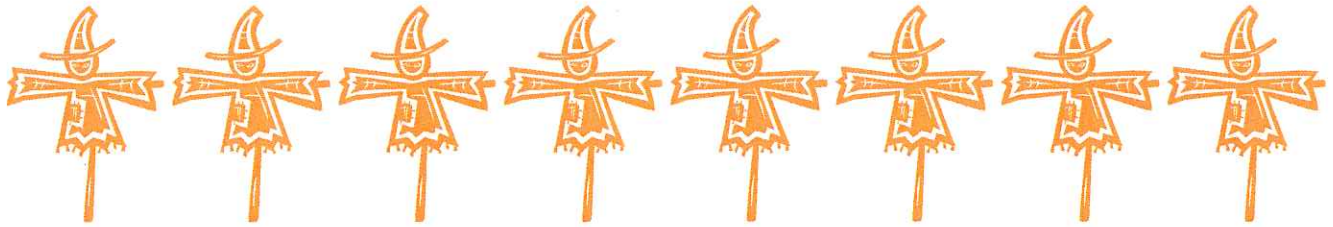
Address 9641 San Bernardino Road  
Rancho Cucamonga CA

Approved as to Legal Form

▶ \_\_\_\_\_  
Legal Counsel

Attested by Notary Public

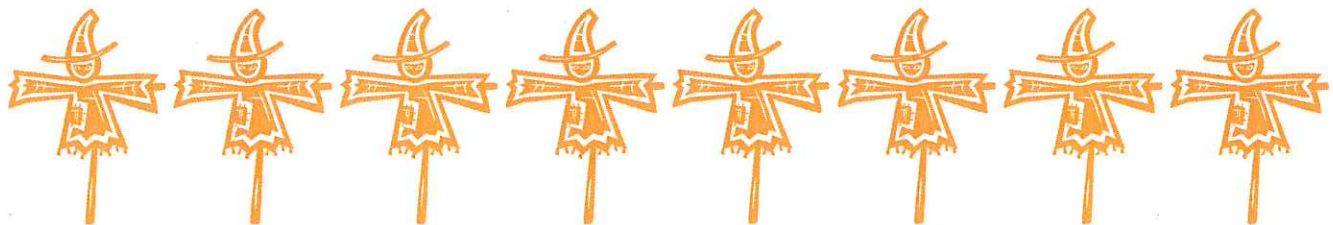
▶ \_\_\_\_\_  
Notary Public



# CHINO BASIN WATERMASTER

## I. BUSINESS ITEM

### F. BUDGET MODIFICATION





# 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:** October 7, 2010  
**TO:** Committee Members  
**SUBJECT:** Carryover of Appropriative Pool's Special Assessment of \$100,000 for Legal Services from Fiscal Year 2009/2010 Budget

### SUMMARY

**Issue** – Carryover of funds from the Fiscal Year 2009/2010 Budget for the Appropriative Pool's Special Assessment of \$100,000 for legal services.

**Recommendations** – Staff recommends the amount of \$63,333 be added to the Approved Fiscal Year 2010/2011 Budget as recommended by the Chino Basin Watermaster outside audit firm of Mayer Hoffman McCann.

**Fiscal Impact** – The Fiscal Year 2010/2011 "Approved Budget" is \$6,681,490. The carryover of unused funds from Fiscal Year 2009/2010 of \$63,333 would increase the Fiscal Year budget to \$6,744,823.

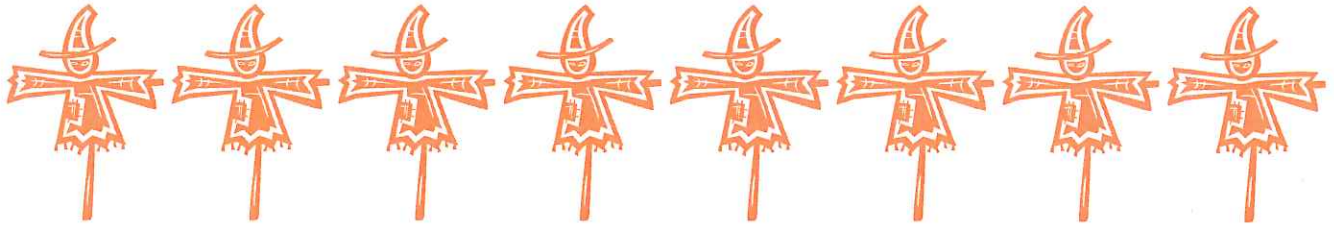
### DISCUSSION

During a Non-Agricultural Pool meeting of February 11, 2010, the Non-Agricultural Pool approved a special assessment of \$100,000 from their pool members for legal services. The invoicing for the Special Assessment of \$100,000 was issued on February 17, 2010 and coded to general ledger 4123. During the fiscal year 2009/2010, invoices from Hogan & Hartson/Hogan Lovells related to the Non-Agricultural Pool legal services were coded to general ledger 6067. At the end of fiscal year 2009/2010, the fund balance of \$100,000 had been depleted and no "Special Assessment" funds for the Non-Agricultural Pool were remaining.

During an Appropriative Pool meeting of February 25, 2010, the Appropriative Pool approved a special assessment of \$100,000 from their pool members for legal services. The invoicing for the Special Assessment of \$100,000 was issued on March 18, 2010 and coded to general ledger 4111.3. During the fiscal year 2009/2010, invoices from John J. Schatz related to the Appropriative Pool legal services were

coded to general ledger 8367. At the end of fiscal year 2009/2010, the fund balance of \$100,000 had been reduced by \$36,667, leaving a fund balance available of \$63,333.

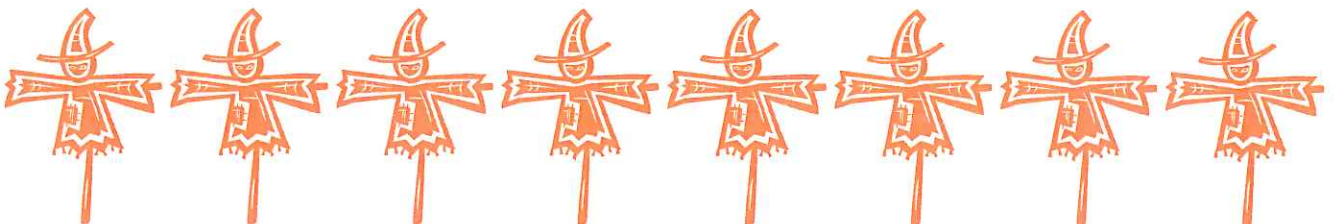
Joseph S. Joswiak, CFO of Chino Basin Watermaster, contacted Mayer Hoffman McCann (the outside audit firm for Chino Basin Watermaster) and requested instructions on the best practices and correct accounting method to record and account for the remaining Appropriative Pool fund balance of \$63,333. Mayer Hoffman McCann recommended that the remaining fund balance be recorded to the fiscal year 2010/2011 budget under the general ledger account 8367. As legal related expenses are recorded during the fiscal year to general ledger account 8367, the fund balance will continue to be reduced until either the fund balance is zero, or the remaining fund balance amount is transferred to the next fiscal year's budget. This budget transfer process continues each fiscal year until the fund balance is zero.



# CHINO BASIN WATERMASTER

## III. INFORMATION

1. Cash Disbursements for September 2010



CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 1, 2010 - September 30, 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/01/2010	14468	DIRECTV	019447404	1012 · Bank of America Gen'l Ckg	83.99
Bill	08/30/2010	019447404		8/19/10-9/18/10	6031.7 · Other Office Supplies	83.99
TOTAL						
Bill Pmt -Check	09/01/2010	14469	STANDARD INSURANCE CO.	Policy # 00-640888-0009	1012 · Bank of America Gen'l Ckg	509.05
Bill	08/30/2010	116408880009		Employee Life & Disability Insurance	60191 · Life & Disab.Ins Benefits	509.05
TOTAL						
Bill Pmt -Check	09/01/2010	14470	STATE COMPENSATION INSURANCE FUND	1615535-10	1012 · Bank of America Gen'l Ckg	1,123.49
Bill	08/30/2010	1615535-10		Workers Comp Insurance	60183 · Worker's Comp Insurance	1,123.49
TOTAL						
Bill Pmt -Check	09/01/2010	14471	W.C. DISCOUNT MOBILE AUTO DETAILING	Truck washing service	1012 · Bank of America Gen'l Ckg	100.00
Bill	08/30/2010			truck washing 4 trucks	6177 · Vehicle Repairs & Maintenance	100.00
TOTAL						
Bill Pmt -Check	09/01/2010	14472	APPLIED COMPUTER TECHNOLOGIES	1976	1012 · Bank of America Gen'l Ckg	3,947.25
Bill	08/30/2010	1976		Database Services	6052.2 · Applied Computer Technol	3,947.25
TOTAL						
Bill Pmt -Check	09/01/2010	14473	BOWCOCK, ROBERT	8/26/10 Board Meeting	1012 · Bank of America Gen'l Ckg	125.00
Bill	08/26/2010	8/26 Board Meeting			6311 · Board Member Compensation	125.00
TOTAL						
Bill Pmt -Check	09/01/2010	14474	CAMACHO, MICHAEL	8/05/10 Appropriative Pool Meeting	1012 · Bank of America Gen'l Ckg	125.00
Bill	08/05/2010	8/05 Appro Pool Mtg			6311 · Board Member Compensation	125.00
Bill	08/06/2010	8/06 CDA Ad Hoc Comm		8/06/10 CDA Ad Hoc Committee Meeting	6311 · Board Member Compensation	125.00
Bill	08/12/2010	8/12 Ag Pool Meeting		8/12/10 Ag Pool Meeting	6311 · Board Member Compensation	125.00
Bill	08/13/2010	8/13 CDA Ad Hoc Comm		8/13/10 CDA Ad Hoc Committee Meeting	6311 · Board Member Compensation	125.00
Bill	08/19/2010	8/19 Advisory Comm		8/19/10 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	08/20/2010	8/20 CDA Ad Hoc Comm		8/20/10 CDA Ad Hoc Committee Meeting	6311 · Board Member Compensation	125.00
Bill	08/25/2010	8/25 CDA Ad Hoc Comm		8/25/10 CDA Ad Hoc Committee Meeting	6311 · Board Member Compensation	125.00
Bill	08/26/2010	8/26 Board Meeting		8/26/10 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						1,000.00
Bill Pmt -Check	09/01/2010	14475	CITISTREET	Payroll and Taxes for 08/08/10-08/21/10	1012 · Bank of America Gen'l Ckg	1,829.87
General Journal	08/21/2010	08/08/10-08/21/10	CITISTREET	Staff's 457 Retirement - Employee Portion	2000 · Accounts Payable	1,829.87
TOTAL						
Bill Pmt -Check	09/01/2010	14476	CORO SOUTHERN CALIFORNIA	Sponsorship of Nov. 10, 2009 Luncheon	1012 · Bank of America Gen'l Ckg	



CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 1, 2010 - September 30, 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	09/01/2010			Sponsorship of Oct. 14, 2010 Luncheon	6191 - Conferences + General	1,500.00
TOTAL						1,500.00
Bill Pmt -Check	09/01/2010	14477	HAUGHEY, TOM	8/26/10 Board Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	08/26/2010	8/26 Board Meeting		8/26/10 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	09/01/2010	14478	JAMES JOHNSTON	208	1012 - Bank of America Gen'l Ckg	885.00
Bill	08/31/2010	208		August 2010 Website Services	6053 - Internet Expense	885.00
TOTAL						885.00
Bill Pmt -Check	09/01/2010	14479	KUHN, BOB	8/26/10 Board Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	08/26/2010	8/26 Board Meeting		8/26/10 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	09/01/2010	14480	MWH LABORATORIES	L0034726 - Laboratory Services	1012 - Bank of America Gen'l Ckg	2,065.00
Bill	07/31/2010	L0034726		L0034726 - Laboratory Services	7108.4 - Hydraulic Control-Lab Svcs	2,065.00
Bill	07/31/2010	L0034728		L0034728 - Laboratory Services	7108.4 - Hydraulic Control-Lab Svcs	615.00
Bill	07/31/2010	L0035403		L0035403 - Laboratory Services	7108.4 - Hydraulic Control-Lab Svcs	2,065.00
Bill	07/31/2010	L0034079		L0034079 - Laboratory Services	7108.4 - Hydraulic Control-Lab Svcs	1,532.00
Bill	07/31/2010	L0034214		L0034214 - Laboratory Services	7108.4 - Hydraulic Control-Lab Svcs	2,065.00
Bill	07/31/2010	L0033837		L0033837 - Laboratory Services	7108.4 - Hydraulic Control-Lab Svcs	615.00
Bill	07/31/2010	L0033836		L0033836 - Laboratory Services	7108.4 - Hydraulic Control-Lab Svcs	2,065.00
TOTAL						11,022.00
Bill Pmt -Check	09/01/2010	14481	PARK PLACE COMPUTER SOLUTIONS, INC.	442	1012 - Bank of America Gen'l Ckg	4,200.00
Bill	08/30/2010	442		IT Services for August 2010	6052.1 - Park Place Comp Solutn	4,200.00
TOTAL						4,200.00
Bill Pmt -Check	09/01/2010	14482	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	6,946.89
General Journal	08/21/2010	08/08/10-08/21/10	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS for 08/08/10-08/21/10	2000 - Accounts Payable	6,946.89
TOTAL						6,946.89
Bill Pmt -Check	09/01/2010	14483	VANDEN HEUVEL, GEOFFREY	6311	1012 - Bank of America Gen'l Ckg	125.00
Bill	08/06/2010	8/06 CDA A Hoc Comm		8/06/10 CDA Ad Hoc Committee Meeting	6311 - Board Member Compensation	125.00
Bill	08/13/2010	8/13 CDA Ad Hoc Comm		8/13/10 CDA Ad Hoc Committee Meeting	6311 - Board Member Compensation	125.00
Bill	08/20/2010	8/20 CDA Ad Hoc Comm		8/20/10 CDA Ad Hoc Committee Meeting	6311 - Board Member Compensation	125.00
Bill	08/25/2010	8/25 CDA Ad Hoc Comm		8/25/10 CDA Ad Hoc Committee Meeting	6311 - Board Member Compensation	125.00
Bill	08/26/2010	8/26 Board Meeting		8/26/10 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						625.00

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 1, 2010 - September 30, 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/01/2010	14484	WHITEHEAD, MICHAEL	8/29/10 Board Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	09/26/2010	8/26 Board Meeting		8/26/10 Board Meeting	6311 - Board Member Compensation	125.00
<b>TOTAL</b>						
Bill Pmt -Check	09/01/2010	14485	WILDERWUTH ENVIRONMENTAL INC		1012 - Bank of America Gen'l Ckg	4,468.75
Bill	07/31/2010	2010358		2010358 - OBMP Engineering Services	6906 - OBMP Engineering Services	14,812.25
Bill	07/31/2010	2010362		2010362 - OBMP Engineering Services	6906 - OBMP Engineering Services	300.00
Bill	07/31/2010	2010363		2010363 - OBMP Engineering Services	6906 - OBMP Engineering Services	5,422.50
Bill	07/31/2010	2010364		2010364 - OBMP Engineering Services	6906 - OBMP Engineering Services	1,717.25
Bill	07/31/2010	2010365		2010365 - OBMP Engineering Services	6906 - OBMP Engineering Services	675.00
Bill	07/31/2010	2010368		2010368 - Grdwtr Qual-Engineering	7103.3 - Grdwtr Qual-Engineering	375.00
Bill	07/31/2010	2010372		2010372 - Grdwtr Qual-Engineering	7103.3 - Grdwtr Qual-Engineering	450.00
Bill	07/31/2010	2010375		2010375 - Grdwtr Qual-Engineering	7104.3 - Grdwtr Level - Engineering	2,744.80
Bill	07/31/2010	2010377		2010377 - Grdwtr Qual-Engineering	7104.3 - Grdwtr Level - Engineering	1,156.25
Bill	07/31/2010	2010378		2010378 - Grdwtr Qual-Engineering	7104.3 - Grdwtr Level - Engineering	575.00
Bill	07/31/2010	2010379		2010379 - Grdwtr Qual-Engineering	7104.3 - Grdwtr Level - Engineering	17,474.27
Bill	07/31/2010	2010387		2010387 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	247.50
Bill	07/31/2010	2010390		2010390 - Grd Level-Engineering	7107.6 - Grd Level-Contract Svcs	25,645.70
Bill	07/31/2010	2010391		2010391 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	300.00
Bill	07/31/2010	2010393		2010393 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	625.00
Bill	07/31/2010	2010395		2010395 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	5,030.95
Bill	07/31/2010	2010396		2010396 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	968.75
Bill	07/31/2010	2010397		2010397 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	750.00
Bill	07/31/2010	2010398		2010398 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	656.25
Bill	07/31/2010	2010399		2010399 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	137.50
Bill	07/31/2010	2010401		2010401 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	1,046.55
Bill	07/31/2010	2010402		2010402 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	125.00
Bill	07/31/2010	2010403		2010403 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	62.50
Bill	07/31/2010	2010404		2010404 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	1,012.50
Bill	07/31/2010	2010408		2010408 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	4,192.50
Bill	07/31/2010	2010411		2010411 - Recharge & Well - Engineering	7109.3 - Recharge & Well - Engineering	11,789.75
Bill	07/31/2010	2010414		2010414 - PE3&5-Engineering	7303 - PE3&5-Engineering	3,440.00
Bill	07/31/2010	2010419		2010419 - PE6&7-Engineering	7502 - PE6&7-Engineering	1,758.75
Bill	07/31/2010	2010420		2010420 - PE6&7-Engineering	7502 - PE6&7-Engineering	2,391.00
Bill	07/31/2010	2010421		2010421 - PE6&7-Engineering	7502 - PE6&7-Engineering	110,351.27
<b>TOTAL</b>						
Bill Pmt -Check	09/01/2010	14486	WILLIS, KENNETH		1012 - Bank of America Gen'l Ckg	125.00
Bill	08/20/2010	8/20 CDA Ad Hoc Comm		8/20/10 CDA Ad Hoc Committee Meeting	6311 - Board Member Compensation	125.00
Bill	08/25/2010	8/25 CDA Ad Hoc Comm		8/25/10 CDA Ad Hoc Committee Meeting	6311 - Board Member Compensation	125.00
Bill	08/26/2010	8/26 Board Meeting		8/26/10 Board Meeting	6311 - Board Member Compensation	125.00

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						375.00
Bill Pmt -Check Bill	09/01/2010 09/01/2010	14487	CUCAMONGA VALLEY WATER DISTRICT	Registration Fee for Oct. 13-15, 2010 Conf. Registration Fee for Ken Manning	1012 - Bank of America Gen'l Ckg 6191 - Conferences - General	275.00 275.00
TOTAL						250.90
Bill Pmt -Check Bill	09/02/2010 08/31/2010	14488 2010062600	PAYCHEX	2010082600 August 2010 Payroll Services	1012 - Bank of America Gen'l Ckg 6012 - Payroll Services	250.90 250.90
TOTAL						411.17
Bill Pmt -Check Bill	09/02/2010 09/02/2010	14489	PETTY CASH	2277-2299 supplies for admin mtgs - booklet overview purchase flex tubing for cords mileage reimbursement to S. Molino purchase supplies for 7/15 & 8/19 Ad Meetings purchase lunch for 7/01 Intervention/Judgment purchase supplies for 8/26 Ad Hoc Litigation to purchase supplies for 7/27 GRCC Meeting purchase supplies for 7/07, 7/14, 7/21, 8/04, 8/12, 8/19 DYY Meetings purchase supplies for 7/15 and 8/19 DYY Meetings purchase supplies for 8/30 MZ1 Meeting purchase supplies for 7/01, 8/05 & 9/02 Approp. Pool Meeti purchase supplies for 8/05 & 9/02 Non Ag Pool Meeti	1012 - Bank of America Gen'l Ckg 6141.3 - Admitt Meetings 6031.7 - Other Office Supplies 6173 - Mileage Reimbursements 6212 - Meeting Expense 6909.1 - OBMP Meetings 6909.5 - Ad Hoc Litigation Committee 7204 - Comp Recharge-Supplies 7305 - PE3&5-Supplies 7604 - PE3&8-Supplies 7404 - PE4-Supplies 8312 - Meeting Expenses 8512 - Meeting Expense	45.33 2.99 31.79 32.51 54.46 20.79 23.51 107.37 32.50 20.48 26.95 12.49 411.17
TOTAL						7,680.94
General Journal	09/04/2010	09/04/10	Payroll and Taxes for 08/22/10-09/04/10	Payroll Taxes for:08/22/10-09/04/10 Direct Deposits for 08/22/10-09/04/10	1012 - Bank of America Gen'l Ckg 1012 - Bank of America Gen'l Ckg 1012 - Bank of America Gen'l Ckg	7,680.94 27,826.55 35,507.49
TOTAL						130.80
Bill Pmt -Check Bill	09/13/2010 09/09/2010	14490 00198	ACWA SERVICES CORPORATION	ID #0000000643 Account 00198 Prepayment - October 2010 July Premium	1012 - Bank of America Gen'l Ckg 1409 - Prepaid Life, BAD&D & LTD 60191 - Life & Disab.Ins Benefits	130.80 111.17 241.97
TOTAL						55.97
Bill Pmt -Check Bill	09/13/2010 09/31/2010	14491 0023230253	ARROWHEAD MOUNTAIN SPRING WATER	0023230253 Office Water Bottle - August 2010	1012 - Bank of America Gen'l Ckg 6031.7 - Other Office Supplies	55.97 55.97
TOTAL						593.37
Bill Pmt -Check Bill	09/13/2010 09/09/2010	14492 10032925	GREAT AMERICA LEASING CORP.	10032925 Invoice for Ricoh copiers	1012 - Bank of America Gen'l Ckg 6043.1 - Ricoh Lease Fee	593.37 593.37

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						593.37
Bill Pmt -Check	09/13/2010	14493	HSBC BUSINESS SOLUTIONS	7003-7309-1000-2744	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2010	7003730910002744		misc. office supplies - drinks, coffee, paper goods	6031.7 - Other Office Supplies	722.48
TOTAL						722.48
Bill Pmt -Check	09/13/2010	14494	MUJAC ALARM	287935	1012 - Bank of America Gen'l Ckg	
Bill	09/09/2010	287935		building monitoring 9/01/10-11/30/10	6026 - Security services	396.00
TOTAL						396.00
Bill Pmt -Check	09/13/2010	14495	PURCHASE POWER	8000909000168851	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2010	8000909000168851		4 FedEx shipments: Audit paperwork to auditors and	6042 - Postage + General	76.66
TOTAL						76.66
Bill Pmt -Check	09/13/2010	14496	REID & HELLYER	171414	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2010	171414		171414 - Ag Pool Legal Services	8467 - Ag Legal & Technical Services	10,658.50
				171414 - Ag Pool Legal Services	8467.1 - Frank B. & Associates	825.00
TOTAL						11,483.50
Bill Pmt -Check	09/13/2010	14497	SAFEGUARD DENTAL & VISION	3302618	1012 - Bank of America Gen'l Ckg	
Bill	09/09/2010	3302618		September 2010 Premium	60182.2 - Dental & Vision Ins	7.91
TOTAL						7.91
Bill Pmt -Check	09/13/2010	14498	STAPLES BUSINESS ADVANTAGE	8016353467	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2010	8016353467		miscellaneous office supplies - batteries, binder clips,	6031.7 - Other Office Supplies	456.39
TOTAL						456.39
Bill Pmt -Check	09/13/2010	14499	UNION 76	300-732-989	1012 - Bank of America Gen'l Ckg	
Bill	09/09/2010	300732989		Fuel for August 2010	6175 - Vehicle Fuel	94.63
TOTAL						94.63
Bill Pmt -Check	09/13/2010	14500	VERIZON		1012 - Bank of America Gen'l Ckg	
Bill	08/31/2010	012561121521714508		August 2010 services	7405 - PE4+Other Expense	155.99
Bill	09/09/2010	012519116950792103		August 2010 services	6022 - Telephone	424.89
TOTAL						580.88
Bill Pmt -Check	09/13/2010	14501	WESTERN DENTAL-SERVICES, INC.	002483	1012 - Bank of America Gen'l Ckg	
Bill	09/09/2010	002483		October 2010 Dental Premium	60182.2 - Dental & Vision Ins	28.06
TOTAL						28.06
Bill Pmt -Check	09/13/2010	14502	YUKON DISPOSAL SERVICE	08-K2 213849	1012 - Bank of America Gen'l Ckg	
TOTAL						

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CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 1, 2010 - September 30, 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	09/09/2010	08-k2 213849		Service for Sept 2010	6024 - Building Repair & Maintenance	142.88
<b>TOTAL</b>						
Bill Pmt -Check	09/15/2010	14503	BANC OF AMERICA LEASING	011624576	1012 - Bank of America Gen'l Ckg	
Bill	09/13/2010	011624576		Minolta lease - billing period 09/01/10-09/30/10	6043.1 - Rlcoth Lease Fee	3,215.74
<b>TOTAL</b>						
Bill Pmt -Check	09/15/2010	14504	BANK OF AMERICA	4024-4200-0193-9341	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2010	4024420001939341		foot controls for new digital system	8055 - Computer Hardware	76.79
				lunch for ACL Method of Assessment Meeting	6909.1 - OBMP Meetings	99.14
				lunch for 8/26 WM Board Meeting	6312 - Meeting Expenses	530.70
<b>TOTAL</b>						
Bill Pmt -Check	09/15/2010	14505	BROWNSTEIN HYATT FARBER SCHRECK		1012 - Bank of America Gen'l Ckg	
Bill	08/31/2010	436016		436016 - WM Legal Counsel	6907.3 - WM Legal Counsel	298.78
Bill	08/31/2010	436017		436017 - Santa Ana River	6907.34 - Santa Ana River	2,466.89
Bill	08/31/2010	436018		436018 - Ontario Airport Plume	6907.31 - Ontario Airport Plume	126.90
Bill	08/31/2010	436019		436019 - Chino Airport Plume	6907.32 - Chino Airport Plume	16,079.25
Bill	08/31/2010	436020		436020 - Desalter Negotiations	6907.33 - Desalter Negotiations	30,775.05
Bill	08/31/2010	436021		436021 - Purchase & Sale Agreement NOI	6907.35 - Purchase & Sale Agreement NOI	3,453.30
Bill	08/31/2010	436022		436022 - Santa Ana Sucker	6907.36 - Santa Ana Sucker	1,305.31
Bill	08/31/2010	436015		436015 - WM Legal Counsel	6907.3 - WM Legal Counsel	15,705.93
				436015 - Purchase & Sale Agreement NOI	6907.35 - Purchase & Sale Agreement NOI	4,294.50
				436015 - Santa Ana Sucker	6907.36 - Santa Ana Sucker	444.60
				436015 - Desalter Negotiations	6907.33 - Desalter Negotiations	1,710.20
				436015 - Reg. Water Quality Cntrl Board	6907.38 - Reg. Water Quality Cntrl Board	3,591.00
				436015 - Recharge Master Plan	6907.39 - Recharge Master Plan	2,462.40
				436015 - Peace II - CEQA	6907.30 - Peace II - CEQA	786.60
<b>TOTAL</b>						
Bill Pmt -Check	09/15/2010	14506	CALIFORNIA DEPARTMENT OF WATER RESOURCES		1012 - Bank of America Gen'l Ckg	
Bill	09/15/2010			well completion reports-Desalter III Chino Creek	7305 - PE3&5-Supplies	174.15
<b>TOTAL</b>						
Bill Pmt -Check	09/16/2010	14507	CUCAMONGA VALLEY WATER DISTRICT		1012 - Bank of America Gen'l Ckg	
Bill	09/15/2010			Lease Due Oct.1, 2010	6021 - Office lease	5,844.00
				Lease Due October 1, 2010 - adjustment made		5,844.00
<b>TOTAL</b>						
Bill Pmt -Check	09/15/2010	14508	CUCAMONGA VALLEY JAAP		1012 - Bank of America Gen'l Ckg	
Bill	09/14/2010			Sept. 22, 2010 Cucamonga Valley JAAP Chapter # 1012 - Bank of America Gen'l Ckg		77.00
				Fee for J. Wilson, S. Molino and A. Camp	6192 - Training & Seminars	77.00
<b>TOTAL</b>						

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CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 1, 2010 - September 30, 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/15/2010	14509	GUARANTEED JANITORIAL SERVICE, INC.	28134	1012 - Bank of America Gen'l Ckg	885.00
Bill	09/13/2010	28134		Service-September 2010	6024 - Building Repair & Maintenance	885.00
TOTAL						885.00
Bill Pmt -Check	09/15/2010	14510	JOHN J. SCHATZ	Appropriative Pool Legal Services	1012 - Bank of America Gen'l Ckg	4,098.32
Bill	08/31/2010				8367 - Legal Service	4,098.32
TOTAL						4,098.32
Bill Pmt -Check	09/15/2010	14511	LIATTI & ASSOCIATES	405	1012 - Bank of America Gen'l Ckg	256.00
Bill	09/15/2010	405		Position Bond Insurance	6086 - Position Bond Insurance	256.00
TOTAL						256.00
Bill Pmt -Check	09/15/2010	14512	MCI	VOID		
Bill Pmt -Check	09/15/2010	14513	PREMIERE GLOBAL SERVICES	03693719	1012 - Bank of America Gen'l Ckg	2,064.67
Bill	08/31/2010	03693719		CDA calls on 7/28, 7/30, 8/04, 8/06, 8/12, 8/13, 8/16, 7305 - PE3&5-Supplies		
				Peace II calls on 7/28, 8/03 and 8/16	6909.1 - OBMP Meetings	165.77
				Non AG Pool Mtg on 8/05	8512 - Meeting Expense	168.85
				calls on Appropriative Pool agenda on 7/28 and 8/25	8312 - Meeting Expenses	25.94
				calls on AG Pool Agenda on 7/28 and 8/25	8412 - Meeting Expenses	25.94
				calls on Non AG Pool Agenda on 7/28 and 8/25	8512 - Meeting Expense	25.94
				call on water level	7104.6 - Grdwtr Level - Supplies	30.80
				call on water purchase	6909.1 - OBMP Meetings	165.43
				call on subsidence mitigation	7405 - PE4-Other Expense	37.19
TOTAL						2,710.53
Bill Pmt -Check	09/15/2010	14514	STAPLES BUSINESS ADVANTAGE	8016426456	1012 - Bank of America Gen'l Ckg	496.44
Bill	09/13/2010	8016426456		miscellaneous office supplies - end table for conferen	6031.7 - Other Office Supplies	496.44
TOTAL						496.44
Bill Pmt -Check	09/15/2010	14515	STAULA, MARY L		1012 - Bank of America Gen'l Ckg	136.61
Bill	09/30/2010				60182.4 - Retiree Medical	136.61
TOTAL						136.61
Bill Pmt -Check	09/15/2010	14516	THE STANDARD INSURANCE COMPANY	160-513170-00006	1012 - Bank of America Gen'l Ckg	313.12
Bill	09/09/2010	16051317000006		October 2010 Premium	60182.2 - Dental & Vision Ins	313.12
TOTAL						313.12
Bill Pmt -Check	09/15/2010	14517	UNITED PARCEL SERVICE	2x81x0	1012 - Bank of America Gen'l Ckg	28.76
Bill	08/31/2010	2x81x0		booklets to Malthis, info. sent to City of Ontario	6042 - Postage - General	28.76

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 1, 2010 - September 30, 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						28.76
Bill Pmt -Check	09/15/2010	14518	VERIZON WIRELESS	0903039481 monthly service	1012 - Bank of America Gen'l Ckg 6022 - Telephone	570.89
Bill	09/13/2010	0903039481				570.89
TOTAL						75.00
Bill Pmt -Check	09/15/2010	14519	W.C. DISCOUNT MOBILE AUTO DETAILING	Truck washing service truck washing 3 trucks	1012 - Bank of America Gen'l Ckg 6177 - Vehicle Repairs & Maintenance	75.00
Bill	09/14/2010					75.00
TOTAL						1,255.75
Bill Pmt -Check	09/15/2010	14520	MCI	VOID		1,255.75
Bill Pmt -Check	09/15/2010	14521	MCI	74553444 74553444 - Monthly Website and Internet Service	1012 - Bank of America Gen'l Ckg 6053 - Internet Expense	1,255.75
Bill	09/15/2010	74553444				
TOTAL						7,756.86
General Journal	09/18/2010	09/18/10	Payroll and Taxes for 09/05/10-09/18/10	Payroll and Taxes for 09/05/10-09/18/10	1012 - Bank of America Gen'l Ckg	7,756.86
				Payroll Taxes for 09/05/10-09/18/10	1012 - Bank of America Gen'l Ckg	26,780.29
				Direct Deposits for 09/05/10-09/18/10	1012 - Bank of America Gen'l Ckg	34,537.15
TOTAL						1,845.34
Bill Pmt -Check	09/20/2010	14522	CITISTREET	Payroll and Taxes for 08/22/10-09/04/10	1012 - Bank of America Gen'l Ckg 2000 - Accounts Payable	1,845.34
General Journal	09/04/2010	08/22/10-09/04/10	CITISTREET	Staff's 457 Retirement for 08/22/10-09/04/10		
TOTAL						903.13
Bill Pmt -Check	09/20/2010	14523	PAK, BEN	Sept. 12-15, 2010 Water Reuse Symposium Reimt	1012 - Bank of America Gen'l Ckg 6191 - Conferences - General	903.13
Bill	09/16/2010			Sept. 12-15, 2010 Water Reuse Symposium		
TOTAL						6,946.89
Bill Pmt -Check	09/20/2010	14524	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg 2000 - Accounts Payable	6,946.89
General Journal	09/04/2010	08/22/10-09/04/10	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Staff's CALPERS for 08/22/10-09/04/10		
TOTAL						3,758.46
Bill Pmt -Check	09/22/2010	14525	CALPERS	1741 October 2010 Medical Premiums	1012 - Bank of America Gen'l Ckg 60182.1 - Medical Insurance	3,758.46
Bill	09/17/2010	1741				
TOTAL						179.13
Bill Pmt -Check	09/22/2010	14526	COMPUTER NETWORK	79427 to replace monitor in board room	1012 - Bank of America Gen'l Ckg 6055 - Computer Hardware	179.13
Bill	09/17/2010	79427				179.13
TOTAL						

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 1, 2010 - September 30, 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/22/2010	14527	HOGAN LOVELLS		1012 - Bank of America Gen'l Ckg	
Bill	08/31/2010	1918369		1918389 - Non-Ag Legal Services	8567 - Non-Ag Legal Service	8,319.34
Bill	08/31/2010	1910725		1910725 - Non-Ag Legal Services	8567 - Non-Ag Legal Service	7,914.25
TOTAL						16,233.59
Bill Pmt -Check	09/22/2010	14528	INLAND EMPIRE UTILITIES AGENCY		1012 - Bank of America Gen'l Ckg	
Bill	09/31/2010	90006265		90006265	8456 - IEUA Readyness To Serve	400.98
TOTAL						400.98
Bill Pmt -Check	09/22/2010	14529	PRE-PAID LEGAL SERVICES, INC.		1012 - Bank of America Gen'l Ckg	
Bill	09/21/2010	111802		111802 September 2010	60194 - Other Employee Insurance	77.70
TOTAL						77.70
Bill Pmt -Check	09/22/2010	14530	RAUCH COMMUNICATION CONSULTANTS, LLC		1012 - Bank of America Gen'l Ckg	
Bill	09/17/2010	Sep-091006		Downpayment for annual report	6061.3 - Rauch	2,767.50
TOTAL						2,767.50
Bill Pmt -Check	09/22/2010	14531	SANTA ANA WATERSHED PROJECT AUTHORITY		1012 - Bank of America Gen'l Ckg	
Bill	09/21/2010	8031		8031 - SARW Group	6903 - SARW Group	25,778.00
TOTAL						25,778.00
Bill Pmt -Check	09/22/2010	14532	STANDARD INSURANCE CO.		1012 - Bank of America Gen'l Ckg	
Bill	09/17/2010	640888-0009		Policy # 00-640888-0009 Policy # 00-640888-0009	60191 - Life & Disab.Ins Benefits	509.05
TOTAL						509.05
Bill Pmt -Check	09/22/2010	14533	W.C. DISCOUNT MOBILE AUTO DETAILING		1012 - Bank of America Gen'l Ckg	
Bill	09/22/2010			Truck washing service truck washing 4 trucks	6177 - Vehicle Repairs & Maintenance	100.00
TOTAL						100.00
Bill Pmt -Check	09/28/2010	14534	COMPUTER NETWORK		1012 - Bank of America Gen'l Ckg	
Bill	09/23/2010	78696		workstation repair for office specialist	6055 - Computer Hardware	141.31
Bill	09/23/2010	78902		cd burning software	6054 - Computer Software	277.31
Bill	09/23/2010	79034		replacement batteries	6055 - Computer Hardware	195.75
Bill	09/23/2010	78877		maintenance and parts for HP 9500 copier	6055 - Computer Hardware	125.00
Bill	09/23/2010	78656		laptop for Senior Engineer	6055 - Computer Hardware	886.00
TOTAL						1,625.37
Bill Pmt -Check	09/28/2010	14535	HOGAN LOVELLS		1012 - Bank of America Gen'l Ckg	
Bill	09/28/2010	1922830		1922830 1922830 - Non-Ag Legal Services	8567 - Non-Ag Legal Service	14,835.95
TOTAL						14,835.95



CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/29/2010	14536	ARROWHEAD MOUNTAIN SPRING WATER	0023230253	1012 - Bank of America Gen'l Ckg	17.48
Bill	09/27/2010	0023230253		Office Water Bottle -September 2010	6031.7 - Other Office Supplies	17.48
TOTAL						
Bill Pmt -Check	09/29/2010	14537	BLACK & VEATCH CORPORATION	1100130	1012 - Bank of America Gen'l Ckg	7,496.25
Bill	07/31/2010	1100130		1100130	7202 - Comp Recharge-Engineering	7,496.25
TOTAL						
Bill Pmt -Check	09/29/2010	14538	DIRECTV	019447404	1012 - Bank of America Gen'l Ckg	83.99
Bill	09/27/2010	019447404		Services for 9/19/10-10/18/10	6031.7 - Other Office Supplies	83.99
TOTAL						
Bill Pmt -Check	09/29/2010	14539	EQUIPCO	S43625	1012 - Bank of America Gen'l Ckg	3,826.81
Bill	09/16/2010	S43625		to purchase Flow Meter for gw quality	7103.6 - Grdwtr Qual - Supplies	3,826.81
TOTAL						
Bill Pmt -Check	09/29/2010	14540	FIVE STAR CATERING	balance due-caterer - Strategic Planning Conf	1012 - Bank of America Gen'l Ckg	2,744.03
Bill	09/29/2010				6193.1 - Strategic Planning Conference	2,744.03
TOTAL						
Bill Pmt -Check	09/29/2010	14541	GRAINGER	9353052054 - Grdwtr Qual - Supplies	1012 - Bank of America Gen'l Ckg	60.72
Bill	09/21/2010	9353052054			7103.6 - Grdwtr Qual - Supplies	60.72
Bill	09/23/2010	9355267809		9355267809 - Grdwtr Qual - Supplies	7103.6 - Grdwtr Qual - Supplies	150.98
Bill	09/23/2010	9355267817		9355267817 - Grdwtr Qual - Supplies	7103.6 - Grdwtr Qual - Supplies	3.21
Bill	09/23/2010	9355267833		9355267833 - Grdwtr Qual - Supplies	7103.6 - Grdwtr Qual - Supplies	10.85
Bill	09/23/2010	9355267825		9355267825 - Grdwtr Qual - Supplies	7103.6 - Grdwtr Qual - Supplies	27.15
Bill	09/23/2010	9354245962		9354245962 - Grdwtr Qual - Supplies	7103.6 - Grdwtr Qual - Supplies	6.52
Bill	09/23/2010	9354245954		9354245954 - Grdwtr Qual - Supplies	7103.6 - Grdwtr Qual - Supplies	20.24
Bill	09/23/2010	9354245970		9354245970 - Grdwtr Qual - Supplies	7103.6 - Grdwtr Qual - Supplies	77.42
TOTAL						357.09
Bill Pmt -Check	09/29/2010	14542	JAAP MULTI+CHAPTER SYMPOSIUM	October 2, 2010 JAAP Multi Chapter Symposium	1012 - Bank of America Gen'l Ckg	190.00
Bill	09/27/2010			fee for S. Molino and J. Wilson to attend	6191 - Conferences - General	190.00
TOTAL						190.00
Bill Pmt -Check	09/29/2010	14543	OFFICE DEPOT	534056999001	1012 - Bank of America Gen'l Ckg	46.99
Bill	09/16/2010	534056999001		copy paper	6031.1 - Copy Paper	46.99
				desk calendars 2011	6031.7 - Other Office Supplies	60.62
TOTAL						107.61
Bill Pmt -Check	09/29/2010	14544	STAPLES BUSINESS ADVANTAGE	8016533293	1012 - Bank of America Gen'l Ckg	

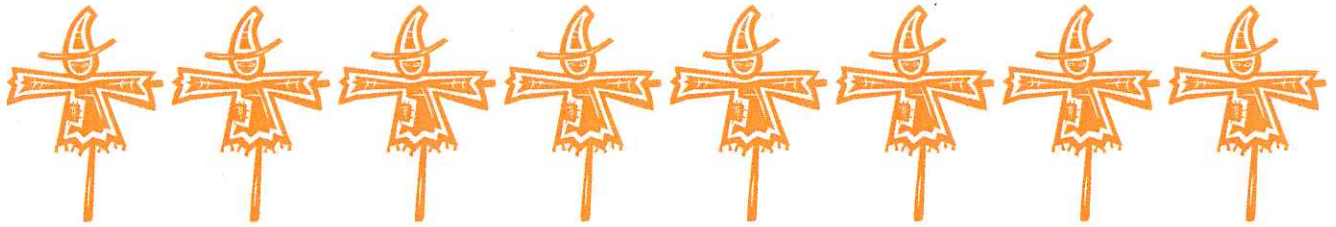
CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 1, 2010 - September 30, 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	09/18/2010	8016533293		misc. office supplies - index dividers for filings	6031.7 - Other Office Supplies	298.64
TOTAL						298.64
Bill Pmt -Check	09/29/2010	14545	STATE COMPENSATION INSURANCE FUND	1615535-10 Workers Comp Premium 1615535-10	1012 - Bank of America Gen'l Ckg 60183 - Worker's Comp Insurance	1,069.20
Bill	09/23/2010	1615535-10				1,069.20
TOTAL						1,069.20
Bill Pmt -Check	09/29/2010	14546	VERIZON	012561121521714508	1012 - Bank of America Gen'l Ckg	150.89
Bill	09/28/2010	012561121521714508		September 2010	7405 - PE4-Other Expense	150.89
TOTAL						150.89
Bill Pmt -Check	09/29/2010	14547	VISION SERVICE PLAN	00-101789-0001	1012 - Bank of America Gen'l Ckg	64.98
Bill	09/27/2010	001017890001		October 2010	60182.2 - Dental & Vision Ins	64.98
TOTAL						64.98
Bill Pmt -Check	09/29/2010	14548	WEST VALLEY WATER DISTRICT	payment for FY 09-10 replenishment water	1012 - Bank of America Gen'l Ckg	183,000.00
Bill	09/29/2010			\$366 x 500 AF	5011 - Replenishment Water	183,000.00
TOTAL						183,000.00
Bill Pmt -Check	09/29/2010	14549	WILDERMUTH ENVIRONMENTAL INC		1012 - Bank of America Gen'l Ckg	4,207.50
Bill	09/31/2010	2010516		2010516 m- OBMP Engineering Services	6906 - OBMP Engineering Services	4,207.50
Bill	09/31/2010	2010517		2010517 - OBMP Engineering Services	6906 - OBMP Engineering Services	1,300.00
Bill	09/31/2010	2010518		2010518 - OBMP Engineering Services	6906 - OBMP Engineering Services	5,502.50
Bill	09/31/2010	2010519		2010519 - OBMP Engineering Services	6906 - OBMP Engineering Services	28,068.75
Bill	09/31/2010	2010520		2010520 - OBMP Engineering Services	6906 - OBMP Engineering Services	3,946.25
Bill	09/31/2010	2010521		2010521 - OBMP Engineering Services	6906 - OBMP Engineering Services	1,075.00
Bill	09/31/2010	2010522		2010522 - Grdwtr Qual-Engineering	6906 - OBMP Engineering Services	10,429.55
Bill	09/31/2010	2010523		2010523 - Grdwtr Qual-Engineering	7103.3 - Grdwtr Qual-Engineering	406.25
Bill	09/31/2010	2010524		2010524 - Grdwtr Qual-Engineering	7103.3 - Grdwtr Qual-Engineering	3,137.50
Bill	09/31/2010	2010525		2010525 - Grdwtr Level - Engineering	7104.3 - Grdwtr Level - Engineering	287.50
Bill	09/31/2010	2010526		2010526 - Grdwtr Level - Engineering	7104.3 - Grdwtr Level - Engineering	787.50
Bill	09/31/2010	2010527		2010527 - Grdwtr Level - Engineering	7104.3 - Grdwtr Level - Engineering	5,371.90
Bill	09/31/2010	2010528		2010528 - Grdwtr Level - Engineering	7104.3 - Grdwtr Level - Engineering	468.75
Bill	09/31/2010	2010529		2010529 - Grdwtr Level - Contracted Serv	7104.8 - Grdwtr Level - Contracted Serv	2,075.00
Bill	09/31/2010	2010530		2010530 - Grd Level-SAR Imagery	7107.3 - Grd Level-SAR Imagery	12,400.00
Bill	09/31/2010	2010531		2010531 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	3,147.29
Bill	09/31/2010	2010532		2010532 - Grd Level-Cap Equip Exte	7107.8 - Grd Level-Cap Equip Exte	2,933.39
Bill	09/31/2010	2010533		2010533 - Grd Level-Contract Svcs	7107.6 - Grd Level-Contract Svcs	10,512.55
Bill	09/31/2010	2010534		2010534 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	12,455.20
Bill	09/31/2010	2010535		2010535 - Grd Level-Contract Svcs	7107.6 - Grd Level-Contract Svcs	10,512.55
Bill	09/31/2010	2010536		2010536 - Grd Level-Contract Svcs	7107.6 - Grd Level-Contract Svcs	9,000.00

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CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 1, 2010 - September 30, 2010

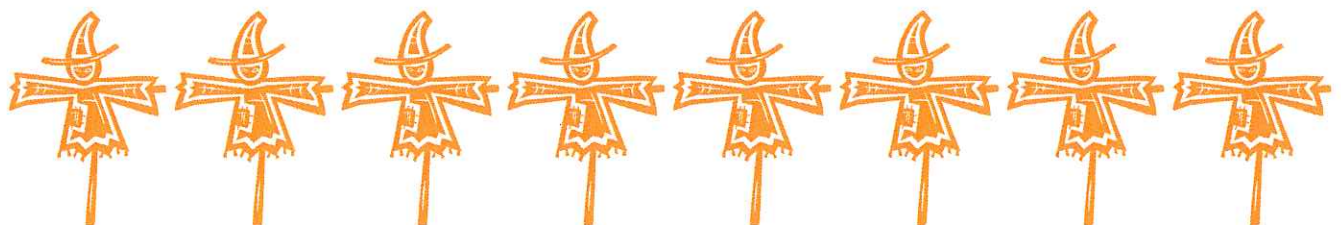
Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	08/31/2010	2010537		2010537 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	300.00
Bill	08/31/2010	2010538		2010538 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	5,093.60
Bill	08/31/2010	2010539		2010539 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	488.75
Bill	08/31/2010	2010540		2010540 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	93.75
Bill	08/31/2010	2010541		2010541 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	112.50
Bill	08/31/2010	2010542		2010542 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	962.70
Bill	08/31/2010	2010543		2010543 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	93.75
Bill	08/31/2010	2010544		2010544 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	31.25
Bill	08/31/2010	2010545		2010545 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	500.00
Bill	08/31/2010	2010546		2010546 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	15.88
Bill	08/31/2010	2010547		2010547 - Recharge & Well - Engineering	7109.3 - Recharge & Well - Engineering	1,005.00
Bill	08/31/2010	2010548		2010548 - PE3&5-Engineering	7303 - PE3&5-Engineering	17,537.50
Bill	08/31/2010	2010549		2010549 - PE6&7-Engineering	7502 - PE6&7-Engineering	1,825.00
Bill	08/31/2010	2010550		2010550 - PE6&7-Engineering	7502 - PE6&7-Engineering	1,561.25
Bill	08/31/2010	2010551		2010550 - PE6&7-Engineering	7502 - PE6&7-Engineering	4,718.05
<b>TOTAL</b>						<b>162,183.81</b>
<b>MWH LABORATORIES</b>						
Bill Pmt -Check	09/30/2010	14550			1012 - Bank of America Gen'l Ckg	
Bill	08/31/2010	L0036084		L0036084 - Hydraulic Control-Lab Svcs	7108.4 - Hydraulic Control-Lab Svcs	2,065.00
Bill	08/31/2010	L0036085		L0036085 - Hydraulic Control-Lab Svcs	7108.4 - Hydraulic Control-Lab Svcs	615.00
Bill	08/31/2010	L0036914		L0036914 - Hydraulic Control-Lab Svcs	7108.4 - Hydraulic Control-Lab Svcs	2,065.00
Bill	08/31/2010	L0036915		L0036915 - Hydraulic Control-Lab Svcs	7108.4 - Hydraulic Control-Lab Svcs	1,532.00
Bill	08/31/2010	L0037162		L0037162 - Hydraulic Control-Lab Svcs	7108.4 - Hydraulic Control-Lab Svcs	2,065.00
Bill	08/31/2010	L0036922		L0036922 - Hydraulic Control-Lab Svcs	7108.4 - Hydraulic Control-Lab Svcs	615.00
Bill	08/31/2010	L0038382		L0038382 - Hydraulic Control-Lab Svcs	7108.4 - Hydraulic Control-Lab Svcs	2,065.00
<b>TOTAL</b>						<b>11,022.00</b>
Bill Pmt -Check	09/30/2010	14551			1012 - Bank of America Gen'l Ckg	
General Journal	09/18/2010	09/05/10-09/18/10	CITISTREET	Payroll and Taxes for 09/05/10-09/18/10 Staffs 457 Retirement for 09/05/10-09/18/10	2000 - Accounts Payable	1,715.67
<b>TOTAL</b>						<b>1,715.67</b>
Bill Pmt -Check	09/30/2010	14552			1012 - Bank of America Gen'l Ckg	
General Journal	09/18/2010	09/05/10-09/18/10	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493 CalPERS for 09/05/10-09/18/10	2000 - Accounts Payable	6,946.89
<b>TOTAL</b>						<b>6,946.89</b>
<b>Total Disbursements:</b>						<b>792,422.30</b>



# CHINO BASIN WATERMASTER

## III. INFORMATION

### 2. Newspaper Articles



## Team studying source of Rialto-area water contamination gets funding

11:17 PM PDT on Sunday, September 12, 2010

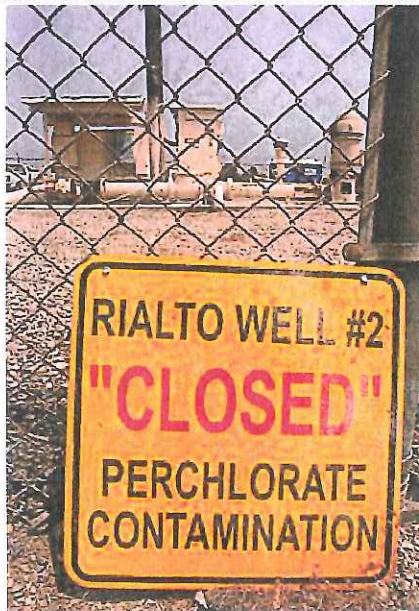
By JANET ZIMMERMAN  
The Press-Enterprise

Federal money will fund work by the U.S. Geological Survey to determine the source and movement of an underground plume of perchlorate in the Fontana-Rialto area that also threatens water wells serving the city of Riverside.

Officials with the Fontana Water Co. -- determined to find out who is fault for the contamination -- sought the \$262,000 from a research arm of the Department of Defense, water company spokesman Rick Ruiz said. The company wants the responsible party to pay for water treatment now funded by district ratepayers, he said.

Water company officials and community activists say Fontana residents are being unfairly burdened because the city is not included in a cleanup plan being developed by the U.S. **Environmental Protection Agency**. Last year, the EPA added a nearby 160-acre industrial area in Rialto, known as the Goodrich site, to its Superfund list for hazardous waste cleanup.

[Story continues below](#)



2005 / The Press-Enterprise  
Experts will use an isotope study on perchlorate molecules found in well water to find out if contamination is seeping from manmade sites, a U.S. Geological Survey official says.

The parcel is just east of Fontana, north of Highway 210, between Alder and Locust avenues. It was used by private companies and government agencies to store, test and manufacture munitions, rocket motors and pyrotechnics. Chemicals were dumped on the ground or burned in pits for decades and seeped into the water table, EPA investigators said.

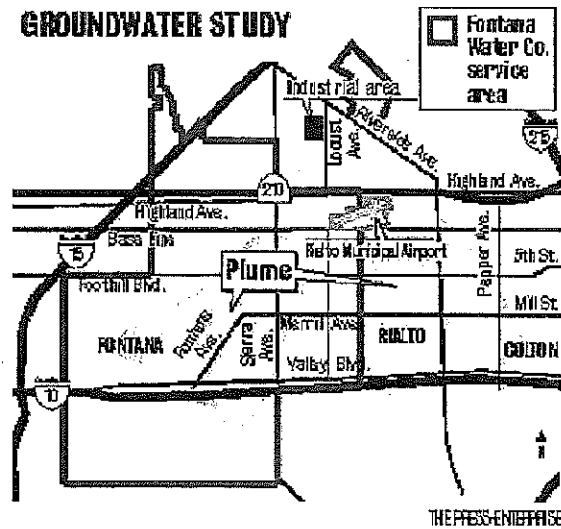
Perchlorate is a rocket fuel ingredient that can impair thyroid function. Some of the wells contaminated with perchlorate also have had elevated levels of the cleaning solvent trichloroethylene, or TCE, a likely carcinogen that may cause liver and kidney damage and impair fetal development.

## RIVERSIDE-BOUND

The plume extends seven miles to the southeast and appears to be headed toward three Riverside wells. Fontana Water Co., which serves 160,000 people, closed nine wells and spent millions of dollars on treatment systems, Ruiz said. Another 11 wells have been shut down in Rialto and Colton.

Experts will use an isotope study on perchlorate molecules found in the well water to determine whether the contamination is seeping from the manmade sources, such as the Goodrich site or adjacent Mid Valley Sanitary Landfill owned by San Bernardino County, or from Chilean fertilizer used in agricultural operations from the 1900s to the 1950s, said John Izbicki, a USGS research hydrologist.

Story continues below



He also will examine groundwater movement in relation to earthquake faults. The Goodrich site and the landfill are sandwiched in a triangular area between the Rialto-Colton and San Jacinto faults.

The consensus is that the water moves to the south-southeast, toward the Santa Ana River and Riverside's wells. But there is some movement across the fault lines, Izbicki said.

"There are people who have differing opinions about how the water is moving," he said.

Fontana Water Co. officials say the EPA is relying on old data developed by probable responsible parties at the expense of ratepayers.

"There is some evidence that there is water moving from the northeast to the southwest across that series of faults," Ruiz said. "If that's the case, then we'll have a good sense that the people should also be responsible for what's going on on the southwest side" of the Superfund site.

EPA project manager Wayne Praskins denied allegations that the data is insufficient, and said the government has spent several million dollars on its own well and soil testing. Those efforts, and the latest USGS studies, will complement each other, he said.

The EPA has proposed a \$29.3 million plan to install wells northeast of the Rialto airport that would pump and treat the water before it is delivered to homes and businesses. A decision is on how the agency will proceed is expected by next month.

Reach Janet Zimmerman at 951-369-9586 or [jjzimmerman@PE.com](mailto:jjzimmerman@PE.com)



## Recycled water project work to start in Upland in the fall

Sandra Emerson, Staff Writer

Posted: 09/11/2010 09:44:35 PM PDT

UPLAND - Water that goes down drains in houses and businesses will soon be used for public landscaping.

In partnership with the Chino-based Inland Empire Utilities Agency, Upland officials will begin work in the fall on a number of recycled water projects in the eastern portion of the city.

The \$20 million project will provide recycled water for landscape irrigation, industrial use and groundwater recharge. The water will be available for city parks and schools, the Euclid Avenue median, Upland Hills Country Club and San Antonio Community Hospital.

The locations "would be automatically switched over to recycled water use, which then, of course, in turn makes more potable water available to our residents," Public Works Director Anthony La said. "So this is a way of achieving water conservation."

The project will be funded by \$5 million in stimulus money from the U.S. Bureau of Reclamation and \$2 million from the city. The

utilities agency will provide the rest of the funding.

Materials and equipment need to be provided to the city before construction can begin, La said.

Construction is to be completed in phases over the next year.

The first phase will be on 16th Street from the eastern city limit to Campus Avenue, La said.

The project also stretches south to 14th Street, east to a mobile home park and south to Hospital Parkway. It then goes through several parking lots around San Antonio Community Hospital

to Arrow Highway and east to Grove Avenue.

The agency will oversee the construction of a regional pipeline and the city will be in charge of installing pipelines to customers.

The wastewater from city residences and businesses will be treated through a regional system and later used for nondrinking purposes.

The agency has recycled water projects in Chino, Chino Hills, Montclair, Ontario and Rancho Cucamonga. There are plans for a system in Fontana.

The cities benefit from the system because they do not have to import as much recycled water, said Tom Love, CEO and general manager of the

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agency.

Cost to import water is \$600 per acre-foot annually, he said. One acre foot is about 326,000 gallons.

"We maximize the use of our groundwater, and we certainly want to use the recycled water and minimize the dependence on imported supply," Love said.

The drought and environmental issues in the Sacramento Delta have led to less water that is more expensive, he said.

"Those imported supplies are not as reliable and so it's both cost-effective to save money and avoid the purchase of expensive imported water and also to improve local reliability," he said.

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**THE SACRAMENTO BEE** [sacbee.com](http://www.sacbee.com)

## **Viewpoints: State water issues won't wait for bond vote**

**Special to The Bee**

**Published Sunday, Sep. 12, 2010**

Now that California lawmakers have pulled an \$11 billion water bond measure off the November ballot, California is facing new questions about how to fix our long-standing water problems, including the long-term health of the Sacramento-San Joaquin Delta and the future reliability of our water supply.

A number of commentators have praised or pilloried the delay of the bond, but one thing we can all agree on is that California's water challenges have not gone away. The recent state Water Resources Control Board report that finds we must halve our water withdrawals from the rivers and streams that sustain the Delta is simply one more indication that we have over-tapped California's precious water resources and that we must find innovative ways to do more with less.

The Legislature has two years to fix some of the key flaws with the current water bond, including its size, unclear definitions and unbalanced approaches. A recent Pacific Institute analysis – "The 2010 California Water Bond: What Does it Say and Do?" – offers principles for amending the current water bond to make it more effective. But it would be a serious mistake to do nothing until 2012. The good news is that there is a lot that can be done now.

There is no silver-bullet solution to our water problems, as all rational observers acknowledge. Instead, we need a diverse portfolio of solutions. But the need to do many things does not mean we must, or can afford, to do everything. We must do the most effective things first.

More than \$3 billion of approved bond funding from previous voter initiatives has not yet been spent, according to the Legislative Analyst's Office. These existing funds should be made available for top priorities such as repairing the Delta levees and restoring threatened ecosystems. In addition, there is a clear need for better enforcement of water rights and critical water quality laws.

Legislation that would have done all of these things, sponsored by Sens. Lois Wolk, D-Davis; Fran Pavley, D-Agoura Hills; Darrell Steinberg, D-Sacramento, and Assemblyman Jared Huffman, D-San Rafael, did not pass in this legislative session. We cannot allow our lawmakers to turn away from our growing water challenges.

In addition, water conservation and efficiency must be a central component of a portfolio of solutions for California's water problems. Numerous reports and studies have shown that water conservation and efficiency are the cheapest, fastest and least destructive sources of water.

A new Pacific Institute report, "California's Next Million Acre-Feet: Saving Water, Energy and Money," details how California can save 1 million acre-feet of water at a fraction of the cost

of other new water supply options. Water savings can come from replacing old, inefficient devices with high-efficiency models in our homes and businesses, as well as replacing some lawn area with low-water-use plants.

In the agricultural sector, best water management practices include weather-based irrigation scheduling, regulated deficit irrigation and switching from flood irrigation to sprinkler or drip irrigation systems. There are already many examples of how cities and farms throughout California are cutting their water use and reusing water that was formerly considered waste, yet more must be done.

The efficiency improvements, identified in the "California's Next Million Acre-Feet" report, require an up-front investment of less than \$1.9 billion, a small fraction of the proposed water bond. These costs can be borne by a combination of water and wastewater agencies, irrigation districts, energy utilities, state and federal agencies, and the individual customer.


These efficiency improvements are far cheaper than most proposed new surface storage projects. Sites Reservoir, for example, is estimated to require a capital investment of \$3 billion while providing only 184,000 acre-feet of water per year. And unlike proposed new water storage projects, efficiency improvements often pay for themselves as a result of the many co-benefits that water conservation and efficiency provides, including lower water, wastewater and energy bills, and improvements in crop quality and yield. Reducing water demand also delays or eliminates the need to develop expensive water and wastewater treatment plants, and the energy infrastructure to power those plants, thereby producing additional long-term financial savings.

The conclusion is clear: There is still enormous untapped potential for better use of existing financial and water resources. While the water bond may be on hold, California's water problems are not – and citizens and lawmakers must continue to make meaningful reform a high priority.

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*Juliet Christian-Smith is senior research associate and Heather Cooley is co-director of the Water Program at the Pacific Institute in Oakland. They are two of the authors of the new report "California's Next Million Acre-Feet: Saving Water, Energy and Money."*

 The North County Times - Californian

## ENERGY: Hoover Dam could stop generating electricity as soon as 2013, officials fear

Dropping water levels imperil power flowing to Southern California

By ERIC WOLFF - ewolff@nctimes.com | Posted: Saturday, September 11, 2010 8:18 pm

After 75 years of steadily cranking out electricity for California, Arizona and Nevada, the mighty turbines of the Hoover Dam could cease turning as soon as 2013, if water levels in the lake that feeds the dam don't start to recover, say water and dam experts.

Under pressure from the region's growing population and years of drought, Lake Mead was down to 1,087 feet, a 54-year low, as of Wednesday.

If the lake loses 10 feet a year, as it has recently, it will soon reach 1,050 feet, the level below which the turbines can no longer run.

Those hydroelectric generators produce cheap electricity for the Metropolitan Water District of Southern California, which is responsible for pumping water across the Colorado River Aqueduct to hydrate much of Southern California.

Without that power, Metropolitan's costs to transport water will double or even triple, a district executive said.

That could result in a \$10 to \$20 a month increase in annual costs for residential customers, but could have greater impacts on business customers who use more water.

Federal and state water managers have been working to stave off that day, and two scientists from the Scripps Institution of Oceanography in La Jolla who study Lake Mead believe that managers will never allow levels to get below 1,050 feet.

But Pat Mulroy, who runs the Las Vegas Valley Water District and the Southern Nevada Water Authority, said she has to worry about the worst-case scenario.

One of two intake pipes that pump water to Las Vegas is at that same 1,050-foot level.

"We're teetering on the first shortage right now," Mulroy said. "How quickly Mead goes down depends on which hydrology you look at; the Bureau (of Reclamation, which runs the dam) bases it on probability. But the whole probability analysis, because of climate change, has been thrown out the window. We're experiencing anomaly after anomaly."

The decrease in water already experienced at Lake Mead has reduced output from the turbines from 130 megawatts of peak capacity to 100, according to Peter DiDonato, who runs the Hoover Dam's hydroelectric generators.

Each megawatt could power 650 homes.

### Megawatts per foot

For every foot of elevation lost in Lake Mead ---- about 100,000 acre feet of water, or enough for 200,000 households ---- the dam produces 5.7 megawatts less power.

That's because at lower water pressure, air bubbles flow through with the water, causing the turbines to lose efficiency.

"It was designed as a high-elevation dam," DiDonato said.

The bureau is preparing for reduced elevations by testing a different type of turbine starting in 2012, one that can handle levels down to 1,000 feet, he said.

DiDonato is concerned about falling levels, but not too concerned. The government's 24-month forecast shows lake levels returning to 1,100 feet next year.

"The drought can't last forever," DiDonato said. "Eventually, the lake is going to fill up again. You have to hope it does."

Actually, the drought may not be a short-term emergency so much as a feature of a new, drier American West.

"To blame this on a drought that's going to be over next year or something, that's not correct," said Tim Barnett, a marine physicist at the Scripps Institution of Oceanography in La Jolla. "This looks like the first harbingers of man's impact on the climate."

Barnett and his Scripps colleague, climate researcher David Pierce, wrote several papers on the hydrology of Lake Mead.

In a 2009 paper in the Proceedings of the National Academy of Sciences, the pair calculated a 50 percent chance that by 2025, users would not receive their full request of water from the Colorado River.

That would create water problems for Arizona, Nevada, California and Mexico (which is at the end of the river), in addition to the lost megawatts from lower efficiency in the hydroelectric turbines.

Pierce recalculated their figures to determine the effects of increased demand from development and of climate change.

He determined that with no change in water management policy, there was a 20 percent chance that the turbines would have to shut off in 2025.

### **Wet century past**

Also, natural cycles exacerbate the problem, Pierce and Barnett wrote.

The 20th century was the wettest in a millennium for the American West, based on research using tree rings.

If a reversion to historical water levels combines with climate change and continued increases in demand, there's a 20 percent chance that Lake Mead will fall below 1,050 feet next year, Pierce said in an interview.

But Pierce and Barnett don't think the government will allow that to happen.

Federal water managers can release more water from upriver Lake Powell, although no water was released this year.

And they can refuse to grant water requests in full, something that's never happened before, Pierce said.

Losing power from the Hoover Dam would raise expenses for Metropolitan and for Southern California Edison, both of which buy power for the dam at low rates. Edison has already begun preparations for lower power generation from the dam, which represents 0.3 percent of its portfolio, said Gil Alexander, a spokesman for the utility.

The dam supplies 60 percent of Metropolitan's power needs, said Brian Thomas, chief financial officer and assistant general manager of the agency.

Without power from the dam, Metropolitan would turn to the spot electricity market and pay double or triple the cost, depending on how much less power the dam is producing.

Government agencies aren't sitting around doing nothing.

When Lake Mead falls to 1,075 feet, an austerity plan kicks in that reduces water deliveries by 10 percent.

Metropolitan and the Southern Nevada Water Authority are storing excess water from other sources in Lake Mead, and the Mexican government is in negotiations to do the same thing.

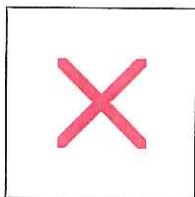
Metropolitan initiated a new energy policy last month that includes more efficiency and construction of 10 megawatts of solar panels, to offset loss of power from the dam.

Still, Barnett and Pierce are worried.

"It would be very foolish to think this is a short-term aberration due to a drought of three, four, five or even 10 years," Barnett said. "It's a resource that's fully utilized. You can't get any more out of it. And nobody's talking about curtailing development."

Call staff writer Eric Wolff at 760-740-5412.

# Pechanga chairman says tribe is close to water deal



 Download story podcast

10:00 PM PDT on Thursday, September 16, 2010

By BEN GOAD  
Washington Bureau

WASHINGTON - The Pechanga Band of Luiseño Mission Indians' decades-long crusade to formalize its share of the region's increasingly valuable water supply appears close to a conclusion, the Temecula-area tribe's leader told a congressional panel Thursday.

Pechanga chairman Mark Macarro pressed members of the House Subcommittee on Water and Power to move forward with legislation, penned by Inland Rep. Joe Baca, to ratify a proposed settlement with the U.S. government and area water districts.

The measure is meant to bring the tribe's legal allotment in line with a 1951 federal court decision, which determined that Pechanga and two other area tribes have water rights but didn't quantify the amounts.

"This settlement will provide wet water -- not merely paper water rights -- to the Pechanga people for generations to come," Macarro testified.

Under the Pechanga's proposal, the government would recognize the tribes right to 4,994 acre-feet of water per year.

One acre-foot equals almost 326,000 gallons, enough to supply two typical families for a year.

The proposed settlement, which has broad, bipartisan support in Congress, would also set aside \$50.2 million to facilitate the flow of water to the tribe's reservation. About half that money would be used for infrastructure to treat and deliver water to the reservation, while the other half would be used to import additional water

But there's one problem: the federal government has not agreed to the terms of the settlement.

George Skibine, a top official in the federal Bureau of Indian Affairs, said he was hopeful that the two sides could strike a deal but cited obstacles, particularly the cost to taxpayers.

"Because of scarcity and tremendous competition, water rights in Southern California are extremely expensive," Skibine said in written testimony submitted to the committee.

Simply put, he told the panel, "We're not there yet."

Macarro downplayed those remarks, saying Skibine was not intimately involved in the negotiations. Both men expressed optimism that progress could be made during talks scheduled for Tuesday. Macarro said a settlement could be reached in the next two to four weeks.

Matthew Stone, general manager for the Rancho California Water District in Temecula, also testified in support of the proposed settlement and legislation to ratify it.

Baca, D-Rialto, introduced the legislation after a similar bill authored by Rep. Mary Bono Mack, R-Palm Springs, stalled late last year. Baca's bill will expire at the end of the year, leaving a short window of time in which an agreement must be reached if the settlement is to be ratified.

"Congress cannot act responsibly until those negotiations are concluded," said Rep. Tom McClintock, R-Roseville, who otherwise voiced support for the bill.

Given the time crunch, Baca urged the government to work hard to reach an agreement with the tribe.

"The administration should make this a priority," he said. "It has been too long. It's overdue. This is about justice."

*Reach Ben Goad at 202-661-8422 or [bgoad@PE.com](mailto:bgoad@PE.com)*

SACRAMENTO

September 20, 2010 9:00pm



- **So big a small plane could fly through it**
- **Last-minute opposition from federal agencies might block it**

A 45-mile long tunnel that would drain fresh water from the Sacramento-San Joaquin Delta -- so wide in diameter that small planes could fly through it -- is being talked about in secret meetings in Sacramento.

Broad plans for the tunnel have been worked out, although the planning document prepared by the state's Natural Resources Agency with the plans says that it is "presented only for purposes of facilitating discussion and is not intended as any preliminary or final decision...."

"These are government officials using taxpayer funds to try to develop a scheme for spending billions more taxpayer funds and they are doing it in a non-public way," says Jonas Minton, water policy advisor for the Planning and Conservation League, a Sacramento-based nonprofit lobbying organization specializing in environmental issues, and a former deputy director of the California Department of Water Resources.

"It includes many, many specifics that are in the form of a proposal. And perhaps this was a slip-up, but in the first appendix included with the document ... it's actually entitled 'state proposal.'" says Mr. Minton.

"Although they're saying that this is just an issue paper, it certainly comes across as more than that."

*(Jonas Minton talks about the 70-page document in today's CVBT Audio Interview. Please left-click on the link below to listen now or right-click to download the MP3 audio for later listening. The audio runs 14:15 in length.)*

Mr. Minton says that at this point there is no indication that others involved in Delta water manager, such as environmental groups or science-based regulations "have any intention of accepting this proposal."

The Stockton-based group Restore the Delta, which says it advocates "on behalf of local Delta stakeholders with government water agencies to ensure that water management decisions will protect and benefit local Delta

communities,” says the hush-hush process of the state in trying to craft a Delta deal has raised the hackles of state and federal lawmakers.

It says the lawmakers have sent a letter urging Natural Resources Agency Director Lester Snow and U.S. Interior Secretary Ken Salazar to open up the closed-door talks now underway.

The letter includes a series of questions including a request to know just who is meeting behind the closed doors and why they were invited to participate and others were ignored.

“This most recent exclusion only serves to further frustrate and anger those within the Delta community who are genuinely interested in working constructively with the state and federal agencies and the newly formed Delta Stewardship Council,” says the letter. “In short, this new ‘Delta Principals Group’ process represents a return to the closed-door deal-making that has historically resulted in further degradation of the Delta.”

The letter officially requests that the meetings be more inclusive and transparent

Signing the letter were U.S. Reps. John Garamendi, D-Sacramento; Doris Matsui, D-Sacramento; Jerry McNerney, D-Pleasanton; George Miller, D-Martinez; and Mike Thompson, D-St. Helena, along with state Sen. Lois Wolk, D-Davis; state Senate President Pro Tem Darrell Steinberg, D-Sacramento; state Sen. Mark DeSaulnier, D-Concord; and state Assembly Members Bill Berryhill, R-Ceres; Joan Buchanan, D-Alamo; Alyson Huber, D-El Dorado Hills; Tom Torlakson, D-Antioch, and Mariko Yamada, D-West Sacramento.

While the Natural Resources Agency is talking water tunnels, other groups are going about their missions involving the fate of the Delta.

The new Delta Independent Science Board (ISB) comprised of 10 nationally and internationally prominent scientists is scheduled to hold its first meeting Sept. 30-Oct. 1.

The Sacramento-San Joaquin Delta Reform Act of 2009 established the Delta ISB, whose members were to be appointed by the Delta Stewardship Council, which was also created by the Delta Reform Act as an independent agency of the state of California. The Delta ISB replaces the previous CALFED Independent Science Board.

The meeting is set for 8:30 a.m. - 5 p.m. on Sept. 30 and Oct. 1 in the Delta Room, 5th Floor at 650 Capitol Mall, Sacramento.



## [Water war truce would hike some bills, lower others](#)

September 21st, 2010, 3:00 am · [2 Comments](#) · posted by [Teri Sforza, Register staff writer](#)

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*Orange County Register*



After years of bickering over money and power – what else? – Orange County’s warring water lords hold a legal truce in their hands, which would shift some costs north and give southerners *and* northerners more say in who gets to play in **Water World’s** most powerful sandbox.

This long-sought truce — approved last week by embattled [Municipal Water District of Orange County](#), and waiting for a *thumbs-up-or-down* from the **29** cities and water districts to whom it delivers imported water – would shift some costs from south county to north county. But it’s a *small* shift, amounting to hikes of **\$10,000** or **\$20,000** a year on bills that are in the **millions** of dollars, said MWDOC general manager **Kevin Hunt**. (We’ll be getting an agency-by-agency breakdown later today, and will post it when it arrives. Meantime, read the truce itself here: [Water War Truce](#).)

“This is the end of about three years of negotiations,” said MWDOC general manager **Kevin Hunt**. “Hardly anyone got everything they wanted. All of us had preconceived ideas about what the changes would cost, and we did the financial modeling, and it isn’t such a big deal. It all shakes out. I think it will end up with the county being stronger, and with people being more involved.”

Said **John Schatz**, general manager of the rebellious [Santa Margarita Water District](#) (part of the secessionist **Southern Confederacy**, along with the **El Toro, Irvine Ranch, Moulton Niguel, South Coast and Trabuco Canyon** water districts): “It’s not perfect; there are things in it that both sides don’t like. Maybe that’s the sign that it’s a good agreement.”



The **Water War** threatened to cleave the county in two and cost between **\$1 million** and **\$1.5 million** just for an *election* on secession of the southern districts — not to mention the cost of running two different agencies doing essentially the same thing.

We told you in April that the warring water lords were on the brink of making nice, but that the devil was in the details. This agreement *is* the details. It would:

- give northerners and southerners much greater say in who represents them on the board of the mighty **Metropolitan Water District of Southern California**, allowing each region to essentially appoint one of MWDOC's four Metropolitan directors;
- reduce MWDOC's meaty reserves a bit, to **\$4.2 million** (which some feel is still too much);
- and allow cities and water districts to pick and choose among services they'd buy from MWDOC (right now, they have to pay for some programs they don't much want);
- and last for **10 years** (a period some feel is way too long).

A county-wide "MWD Roundtable" would also be created to better coordinate MWD positions between MWDOC, Fullerton, Santa Ana and Anaheim. And it would, somewhat inexplicably, group the **Emerald Bay Services District** (essentially an outgrowth of **Laguna Beach**) with the northerners. Go figure.

It's important to note that MWDOC's *raison d'etre* is to buy expensive imported water from mighty Metropolitan, and then sell it to O.C. cities and water districts, which then sell it to *you*.

The Southern Confederacy (which uses a great deal of this expensive imported water) had been threatening to ditch its northern neighbors (who use mostly cheaper ground water) and form its *own* water-importing authority, thank you very much. (See [Mutiny ahoy! Southerners may secede from water union, which could cost northerners money](#) and [Southern secession from O.C. water union would waste millions, report says](#) for more background on all that). Districts have spent more than **\$150,000** on studies to *get* to this point, and one can only hope that it's really and truly over — at least for a while.

The truce now must be approved — or at least, not *opposed* — by two-thirds of MWDOC's 29 member agencies. That means going to city councils and water district boards from one end of the county to the other.

"I'm hoping we don't have to go back and negotiate some more," said Schatz of Santa Margarita. "I have serious concerns about whether it will be productive."

We'll keep you posted, and bring you details of who'll be paying what shortly.

**latimes.com**

## **State water board to vote on proposal requiring Malibu to install its first central sewer system**

**The proposal would also cease permits for new septic setups and phase out hundreds of existing small-scale systems. The city presents an alternative plan that would cover fewer homes and businesses.**

By Martha Groves, Los Angeles Times

September 21, 2010

Septic tanks and leach pits could soon be endangered commodities in Malibu.

On Tuesday, the State Water Resources Control Board is slated to vote in Sacramento on a proposal to require the coastal community to install its first central sewer system, cease permits for new septic setups and phase out hundreds of existing small-scale systems by 2019.

Chronic pollution in Malibu Creek and Lagoon and Surfrider Beach — and repeated failures by Malibu to address the problem — spurred the Los Angeles Regional Water Quality Control Board last November to propose the septic ban for a large area of central and eastern Malibu. The state board typically supports regional panels' recommendations.

Malibu officials say the proposed moratorium zone, which encompasses about 550 residences and businesses, is so large that the city could not devise a system capable of handling all of the wastewater. The city has presented to the board a modified plan that would cover fewer homes and businesses and eliminate septic systems in phases.

The city supports the regional board's clean-water goals, said Malibu Mayor Jefferson Wagner, a surfer who said he has been sickened many times by the tainted water at famed Surfrider Beach. But, he added, the "currently proposed expansive prohibition zone would create insurmountable obstacles and uncertainty that would stall action." Malibu's alternative plan, he added, is technically feasible and "something we can sell to our voters."

"Sewer" has long been a dirty word in Malibu, which formed its own government in 1991 to ward off Los Angeles County's plans to install a sewer system. Some residents feared that sewers would lead to unchecked development of their bucolic coastal enclave. But, with many tests over the years pointing to septic systems as a likely cause of persistent pollution, water-quality officials and the environmental community have pushed harder to spark change.

"The bottom line is Malibu Lagoon is polluted and has been polluted for decades, and Surfrider Beach is polluted and has been polluted for decades," said Mark Gold, president of Heal the Bay, a nonprofit environmental group. "Surfrider and Malibu Lagoon have waited long enough, and Tuesday, hopefully, that wait will be over."

Gold added that the environmental and surfing communities "are absolutely in solidarity supporting the regional board." At a "surf-in" Thursday, surfers and other activists linked arms at the Surfrider Beach shoreline to demonstrate.

Malibu City Manager Jim Thorsen said recent analyses commissioned by the city show that bacteria at Surfrider do not come from human waste. But those results have yet to be confirmed by other scientists.

The proposed ban would immediately halt the permitting of septic systems in the commercial areas of the Civic Center and the stretch of Pacific Coast Highway from Serra Road to Sweetwater Canyon, as well as the residential areas of Malibu Colony, Malibu Road, Serra Retreat, Sweetwater Mesa and Malibu Knolls.

The regional board's recommendation calls for phasing out existing septic systems in commercial areas by 2015 and in residential areas by 2019. Homeowners with projects underway or in the permitting process would be allowed to install septic systems, but they would have to stop discharges from those systems by 2019.

Malibu's alternative would cover about 30 businesses in the Civic Center area and about 100 homes in Serra Retreat. By 2015, a centralized plant would treat wastewater from the biggest users in the Civic Center. By 2019, the treatment would expand to cover effluent from Serra Retreat homes. Also by 2019, homes and restaurants in the Malibu Colony would be required to add a process to disinfect the effluent in their existing septic systems.

Thorsen said a "big chasm" existed between the projected 600,000 gallons of wastewater per day that would be generated in the regional board's proposed zone versus the 280,000 gallons that the city estimates a central plant could treat. "The region-wide prohibition is going to lead us to failure," he said.

He projected that the cost for sewage treatment in the regional board's proposed prohibition area would run as high as \$52 million and require discharging treated wastewater into the ocean or the Malibu Creek aquifer.

Gold said that an "ocean outfall" would never be approved by the California Coastal Commission and that Malibu's raising of the issue was "just not productive."

Malibu officials have been lobbying members of the state board to return the issue to the regional panel so that the city and regulators could work out their differences. Late last week the state board staff issued comments that appeared to open the door, years down the road, to adjustments in the prohibition zone's size should science and other evidence warrant.

One way or the other, the era of septic will end, Thorsen said.

"We don't want stagnation, delay and litigation," he said. "We want to build a wastewater treatment plant."

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## REDLANDS: Zanja trail progressing but still a dream

11:31 PM PDT on Saturday, September 25, 2010

By JAN SEARS  
The Press-Enterprise

A 4.5-mile-long trail along part of Redlands' historic Zanja, an irrigation channel built in 1819 to carry water from Mentone to Loma Linda, might be ready for walkers in time for the channel's 200th anniversary.

Built to carry water to Indian villages in the Loma Linda area, and later used by citrus farmers, ranchers and households in Redlands, the tree-lined, meandering Sankey, as longtime Redlands residents call it, was visible from as far away as the Cajon Pass, north of San Bernardino, in the 1800s.

Sherli Leonard, executive director of the Redlands Conservancy, updated the City Council last week on the progress of the organization's Save the Zanja committee, which proposes to construct a trail along the eastern end of the channel.

[Story continues below](#)



2008 / The Press-Enterprise  
The Zanja project already has received grants to help it along, including \$10,000 from the [History Channel](#) and \$30,000 from the San Manuel Band of Mission Indians.

She vowed to use the term Sankey during her council presentation, in deference to Councilman Jon Harrison, who prefers it, but found the Zanja habit hard to break. Zanja is Spanish for ditch.

The trail and greenway would run along the channel from 9th Street near downtown Redlands east to Sapphire Avenue in Mentone, she said.

It will provide walkers and bike riders access to the planned Orange Blossom Trail, which would traverse Redlands along former rail lines and flood control facilities, and to the Santa Ana River trail, which will run north of Redlands and eventually link the city with the sea.

The Mill Creek Zanja trail would provide [University of Redlands](#) students pedestrian and bike access to downtown shops, restaurants and farmers markets.

"Like other community trails and greenways, the Zanja Trail and Greenway will attract cultural and heritage tourists, will contribute to a healthful environment and will provide opportunities for healthful activities for all Redlands residents," Leonard told the council.

Trails near residential housing are a plus to potential homebuyers and can help the city attract businesses whose employees like to use them, she said.

The Zanja committee still has considerable work ahead, including gaining permission to use city, county and private land, designing the trail to meet Americans with Disabilities

Act requirements and determining how it will be maintained over the long term, she said.

She vowed that all those obstacles, including maintenance, will be overcome.

The project already has received grants to help it along, including \$10,000 from the History Channel and \$30,000 from the San Manuel Band of Mission Indians.

The History Channel grant helped develop a fourth-grade enrichment lesson, text for historical markers and a guide/history booklet. The San Manuel grant will help pay for the manufacture and installation of the markers, Leonard said.

On Nov. 15, the committee will conduct a public workshop to hear concerns and identify sites for trail amenities, such as small parks, she said.

By late spring next year, the committee plans to have a draft master plan for the council to consider.

Redlands residents have fought for decades to protect the Zanja, which is better preserved on the city's east side than on the west. The channel is almost pristine as it passes through Sylvan Park near the university, but dusty and debris-clogged elsewhere.

Leonard said the conservancy hopes that the trail's creation will end the preservation struggle for the channel's eastern end.

"This is not the first time passionate Redlanders have banded together to protect the Mill Creek Zanja from development or demolition," she said, "but we hope it will be the last."

## Smart Yard water controllers saving customers money

10:00 PM PDT on Sunday, September 26, 2010

By JANET ZIMMERMAN  
The Press-Enterprise

Not only has Riverside-area resident **Chris Lawrence** gotten his best-looking fall garden ever, he's done it for less money.

The secret? Switching to more efficient sprinkler heads and a weather-based irrigation controller that reduces over-watering.

"I'm convinced it's the way to go. Most of the ways we water our yards are archaic," said Lawrence, who lives on 1½ acres in the Mockingbird Canyon area near Riverside. "It clears my conscience a little and helps me get a good yard for less money."

Lawrence is participating in the Smart Yard program sponsored by his water provider, Western Municipal Water District. The agency covers half the cost of the controllers and installation for its retail customers in Riverside and Murrieta, then finances the remainder interest-free for five years; the loan is paid with the water bill.

The WeatherTRAK controllers range from \$599 to \$1,139, depending on the model. The "smart controllers" use weather station data, transmitted wirelessly to the device, and information on the types of plants, soil and sprinklers, the slope and other characteristics for each landscape zone.

Smart Yard is expected to save more than 1 billion gallons of water over 10 years among Western customers, said Tim Barr, the district's water use efficiency manager.

[Story continues below](#)



Kurt Miller / The Press-Enterprise  
Chris Lawrence walks past one of his water-saving sprinklers in the front yard at his Mockingbird Canyon home. Lawrence took advantage of the Western Municipal Water District's Smart Yard program that pays half the installation cost of the weather-based irrigation controller and finances the rest with zero percent interest.

So far, the water savings have exceeded the expected 15 percent. Of 165 controllers installed since May, customers have seen an average 25 percent reduction in water use, he said.

Last year, Western Municipal joined other agencies statewide and imposed mandatory reductions that limit outdoor watering to three days a week. It was a response to a third year of drought and ongoing restrictions of exports from the Sacramento-San Joaquin Delta because of environmental concerns.

While this year's water picture improved, the state's reservoirs remain low. Western's Stage 2 water restrictions remain in place. Residents can water three days a week before 8 a.m. and after 8 p.m. They must promptly repair leaks and are not allowed to hose down driveways or sidewalks. Violators can be fined and have their service turned off.

The drop in residential water use overall in the district has been 17 percent to 22

percent, depending on the month, Barr said.

Western is focusing on landscapes because nearly 70 percent of the region's water supply is used outside. Most yards are over-watered, some by as much as 300 percent, Barr said.

A free outdoor water audit is included in the Smart Yard program.

So far, Lawrence said he is pleased with his savings and the look of his yard since his system was installed in July. His most recent bill, for August, showed that he used 140 units of water, down from 189 units last October, the earliest bill he could find. One unit is 748 gallons.

Lawrence is in the process of converting his front yard to a smart controller, which he expects will save more water. Under a separate program, he got a \$420 rebate for converting his sprinklers to rotating nozzles that apply water more slowly and uniformly and use 20 percent less.

"You've got to look at your whole system. I found I was doing a lot of things wrong -- under watering in some areas and over water in others," Lawrence said.

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### Smart Yard

**What:** Helps consumers with the cost of water-conserving irrigation systems.

**Who:** Open to retail customers of Western Municipal Water District in parts of Riverside and Murrieta.

**Information:** Call 888-799-6167, or go online, [www.westernsmartyard.com](http://www.westernsmartyard.com)

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# Utility hikes, fiscal waste top Jurupa election issues

10:00 PM PDT on Sunday, September 26, 2010

By SANDRA STOKLEY  
The Press-Enterprise

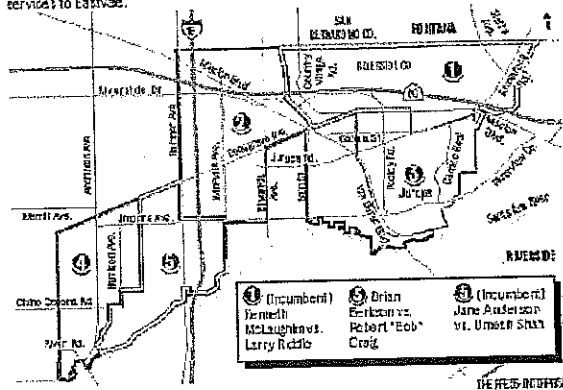
Water quality, increased water and sewer rates, customer service and financial waste are some of the issues that are in play in the campaign for the Jurupa Community Services District board of directors.

"They are wasting a lot of taxpayer money," said civil engineer Umesh Shah, who is challenging board member Jane Anderson for her Division 5 seat on the board. "That board approves things like a rubber stamp."

"I don't feel that the customer service (that) people expect from that district is adequate," said Brian Berkson, who is a candidate for the Division 3 seat.

[Story continues below](#)

**JURUPA COMMUNITY SERVICES DISTRICT:** Directors are elected to four-year terms and earn \$100 per meeting, up to a maximum of \$600 per month for board and committee meetings. The district provides water and sewer service and garbage removal to the unincorporated Riverside County communities of Bea Arroyo, Peckay, Sunyelope and parts of Mira Loma and the city of Eastvale. It also develops and manages parks and provides recreation services to Eastvale.



Opposing Berkson is Robert "Bob" Craig.

"People are saying the water rates are too high. We should look at that and do what we can do," Craig said. "The board needs to be more accessible and approachable."

Three seats on the five-member board are up for election Nov. 2. Candidates run from the division they seek to represent but are elected by all voters in the district's service area.

In the Division 1 race, board veteran Ken McLaughlin is running against Larry Riddle.

McLaughlin and his fellow incumbent Jane Anderson are carrying the baggage of their votes in 2007 to increase water rates and in 2009 to restructure sewer rates.

The decision on sewer rates -- which factors water consumption into computing monthly bills -- has proven so controversial that the board is poised to commission a study that looks at alternative billing methods.

McLaughlin did not return calls or e-mails seeking comment.

He was appointed to the board in 2000, elected in 2001 and re-elected in 2005.

The board's decision to shift election to even-numbered years, added a year to all board member's terms of office.

Riddle, 54, who serves on the board of the Jurupa Area Recreation and Park District, owns an appliance repair company.

In 2008, the Jurupa park district filed a lawsuit against the community services district over the disputed sale of property to a partnership that includes Rep. [Ken Calvert](#), R-Corona.

The two agencies are involved in settlement negotiations.

Riddle said trying to speed up a settlement is not the reason he is running.

"I hope I can help resolve the lawsuit as well as any other issues that come before the board," he said.

The Division 3 race guarantees there will be at least one new face on the Jurupa district board. The seat has been vacant since April when board member R.M. "Cook" Barela died.

Brian Berkson, 41, has lived in Glen Avon for six years and works as a project manager for Far West Industries, a [real estate](#) investment and development firm.

Berkson said if he is elected, he will make customer service a priority -- something that he says is not being done at the district now.

"I've watched people who have gone to the board and they are getting the brush off," he said.

Bob Craig, 57, a retired firefighter/paramedic, has lived in the Pedley area for 25 years. He is co-director with his wife, Lynne, at Eddie Dee Smith Senior Center in Rubidoux.

Craig said that as co-director of the senior center, he has had the opportunity to discuss issues with seniors. The increased utility rates have been weighing heavily on them, Craig said.

"A lot of the seniors are on fixed incomes," Craig said. "We need to look at how we can alleviate the impact on them and on the rest of the community."

Jane Anderson, 66, who was elected to the board in 2007 to a short term while the board changed over to divisions, is running in Division 5. She has lived in Eastvale since 1999.

Anderson said she can understand people's concern about paying higher utility rates at a time of economic distress. But she said the board had no choice.

"There were periods of time where no rates had been raised for years," Anderson said. "There are sewer lines and water lines in the older parts of the district that are 40-plus years old. They need to be replaced. You have to raise rates to pay for this."

As for the sewer rate restructuring, Anderson said the board has heard the community and is looking at restructuring the rates "so they are more understandable and fair."

Umesh Shah, a former engineer with the Jurupa district, is challenging Anderson for her Division 5 seat. He has lived in Eastvale for four years. He is a civil engineer and works for Ear Engineering Construction and Support in Riverside.

Shah said he is running as a district "insider" who knows the workings of the district and knows how to rein in costs to benefit customers.

He said the board did not need to raise rates because it is sitting on healthy reserves and wastes money by hiring highly paid managers and consultants.

"I know how the district works," he said. "I can make it better. I can make it user-friendly."

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