

# CHINO BASIN WATERMASTER



## NOTICE OF MEETINGS

**Thursday, November 4, 2010**

1:00 p.m. – Appropriative Pool Meeting

*AT THE CHINO BASIN WATERMASTER OFFICES*

*9641 San Bernardino Road*

*Rancho Cucamonga, CA 91730*

*(909) 484-3888*





# **CHINO BASIN WATERMASTER**

**Thursday, November 4, 2010**

1:00 p.m. – Appropriative Pool Meeting

## **AGENDA PACKAGE**



**CHINO BASIN WATERMASTER  
APPROPRIATIVE POOL MEETING**

**1:00 p.m. – November 4, 2010**

*Mr. Mark Kinsey, Chair, Appropriative Pool  
Mr. John Mura, Vice-Chair, Appropriative Pool*

**At The Offices Of**

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

**AGENDA**

**CALL TO ORDER**

**AGENDA - ADDITIONS/REORDER**

**I. CONSENT CALENDAR**

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

**A. MINUTES**

1. Minutes of the Appropriative Pool Meeting held October 7, 2010 *(Page 1)*
2. Minutes of the Special Appropriative Pool Meeting held October 21, 2010 *(Page 7)*

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of September 2010 *(Page 11)*
2. Watermaster Visa Check Detail for the month of September 2010 *(Page 27)*
3. Combining Schedule for the Period September 1, 2009 through September 30, 2010 *(Page 31)*
4. Treasurer's Report of Financial Affairs for the Period September 1, 2010 through September 30, 2010 *(Page 35)*
5. Budget vs. Actual July 2010 through September 2010 *(Page 39)*

**C. APPLICATION FOR RECHARGE**

1. Notice of Application for Recharge – San Antonio Water Company Has Submitted Form 2 Application for Recharge to Percolate 300.000 acre-feet of Water from Six Basins into the Upland Basin as Local Supplemental Storage *(Page 43)*

**II. BUSINESS ITEMS**

**A. CHINO BASIN WATERMASTER ANNUAL AUDIT FY 2009/2010 – JUNE 30, 2010**

Consider to Receive and File the Chino Basin Watermaster Annual Audit Performed by Mayer Hoffman McCann P.C. *(Page 51)*

**B. FINANCIAL ANALYSIS**

Consider to Receive and File the First Quarter Actual vs. Budget Report for the Period July 1, 2010 through September 30, 2010 *(Page 83)*

**C. LAND SUBSIDENCE COMMITTEE**

Consider Recommendation that the MZ1 Technical Committee be Renamed the Land Subsidence Committee which Will be Open to all Watermaster Parties (Page 89)

**D. LOCATION OF WELL I-17**

Consider Approval of the Material Physical Injury Analysis - Well I-17 of the Chino Creek Well Field (Page 91)

**III. REPORTS/UPDATES**

**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**

1. Paragraph 31 Appeal
2. Resolution 2010-04
3. Judgment Update

**B. CEO/STAFF REPORT**

1. Legislative Update
2. Recharge Update

**IV. INFORMATION**

1. Cash Disbursements for October 2010 (Page 97)
2. Newspaper Articles (Page 107)

**V. POOL MEMBER COMMENTS**

**VI. OTHER BUSINESS**

**VII. FUTURE MEETINGS**

<b>* Thursday, November 4, 2010</b>	<b>9:00 a.m.</b>	<b>Agricultural Pool Meeting @ IEUA</b>
Thursday, November 4, 2010	1:00 p.m.	Appropriative Pool Meeting @ CBWM
Thursday, November 4, 2010	2:30 p.m.	Non-Agricultural Pool Conference Call Meeting
Thursday, November 18, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, November 18, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
<b>* Thursday, November 18, 2010</b>	<b>11:00 a.m.</b>	<b>Watermaster Board Meeting @ CBWM</b>
Thursday, December 2, 2010	1:00 p.m.	Appropriative Pool Meeting @ CBWM
Thursday, December 2, 2010	2:30 p.m.	Non-Agricultural Pool Conference Call Meeting
Thursday, December 9, 2010	9:00 a.m.	Agricultural Pool Meeting @ IEUA
Thursday, December 16, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, December 16, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
<b>* Thursday, December 16, 2010</b>	<b>11:00 a.m.</b>	<b>Watermaster Board Meeting @ CBWM</b>
Thursday, January 6, 2011	1:00 p.m.	Annual Appropriative Pool Meeting @ CBWM
Thursday, January 6, 2011	2:30 p.m.	Annual Non-Agricultural Pool Conf Call Meeting
Thursday, January 13, 2011	9:00 a.m.	Annual Agricultural Pool Meeting @ IEUA
Tuesday, January 18, 2011	9:00 a.m.	GRCC Committee Meeting @ CBWM
Thursday, January 20, 2011	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, January 20, 2011	9:00 a.m.	Annual Advisory Committee Meeting @ CBWM
Friday, January 21, 2011	10:30 a.m.	CBWM Court Hearing @ Chino Courthouse
Thursday, January 27, 2011	11:00 a.m.	Annual Watermaster Board Meeting @ CBWM

**\* Note: Date changes due to holiday schedules**

**Meeting Adjourn**



# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Appropriative Pool Meeting held on October 7, 2010
2. Special Appropriative Pool Meeting held on October 21, 2010



**Draft Minutes**  
**CHINO BASIN WATERMASTER**  
**APPROPRIATIVE POOL MEETING**

The Appropriative Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on October 7, 2010 at 1:00 p.m.

**APPROPRIATIVE POOL MEMBERS PRESENT WHO SIGNED IN**

Mark Kinsey, Chair	Monte Vista Water District
Robert Young	Fontana Union Water Company
Josh Swift	Fontana Water Company
Charles Moorrees	San Antonio Water Company
John Mura	City of Chino Hills
Mohamed El-Amamy	City of Ontario
Raul Garibay	City of Pomona
Robert DeLoach	Cucamonga Valley Water District
Tom Harder	Jurupa Community Services District
Dave Crosley	City of Chino

**Watermaster Staff Present**

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

**Watermaster Consultants Present**

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

**Others Present Who Signed In**

Shaun Stone	City of Upland
Mike Maestas	City of Chino Hills
Tim Mim Mack	CDA
Marty Zvirbulis	Cucamonga Valley Water District
Scott Burton	City of Ontario
Jennifer Novak	State of California, Dept. of Justice, CIM
Steven G. Lee	Agricultural Pool Legal Counsel
Ryan Shaw	Inland Empire Utilities Agency
Ron Craig	City of Chino Hills
Jon Salmon	McCormick Kidman & Behrens

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

**AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to the agenda.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Appropriative Pool Meeting held September 2, 2010

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of August 2010
2. Watermaster Visa Check Detail for the month of August 2010
3. Combining Schedule for the Period August 1, 2009 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

*Motion by DeLoach, second by Durrington, and by unanimous vote*

***Moved to approve Consent Calendar item A Minutes and to receive and file Consent Calendar item B Financial Reports, as presented***

**II. BUSINESS ITEMS****A. WATERMASTER RESOLUTION NO. 10-04 FOR PHASE III DESALTER EXPANSION**

Chair Kinsey stated he wants to poll the committee members to see if they want to move this item forward today, carry it over to next month's meeting, or hold a special meeting. It was noted the members would like Scott Slater to review the documents today; however, to schedule a special meeting for October 21, 2010 at 8:00 a.m. for final review and recommendation. Counsel Slater reviewed the presented documents in detail. A discussion regarding this matter ensued and it was noted the parties would like to get the revised documents as soon as possible prior to the October 21, 2010 meeting.

*Moved to Hold a Special Meeting on October 21, 2010 at 8:00 a.m.*

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

Mr. Manning introduced the Assessment Package and noted an Assessment Package Workshop was held last week and was well attended. Mr. Manning stated staff is seeking approval to move this through the process and onto the Watermaster Board for final approval. Ms. Maurizio gave the 2010-2011 Assessment Year and 2009-2010 Production Year Assessment Package presentation and noted there are a few new slides added to this presentation that were not shown at the Assessment Package Workshop which came out of questions/comments made at the workshop. A lengthy discussion regarding this matter ensued and several questions were presented on the changes made since the workshop. Mr. Young noted his CFO has been out of town and has not had ample opportunity to review the Assessment Package thoroughly. Chair Kinsey inquired if the members wanted to make a motion today or with the comments made by Fontana Union Water Company, if this item could be discussed and a motion given at the already scheduled special meeting on October 21, 2010. The committee members noted they would like to hold off on a motion today and would review this item on October 21, 2010.

*Moved to Hold a Special Meeting on October 21, 2010 at 8:00 a.m.*

**C. SAN SEVAINE CHANNEL REPAIR AGREEMENT**

Mr. Manning stated this item has been an issue since Christmas of 2003. Mr. Manning stated there were a series of events that occurred just prior to Christmas of 2003 from work being done on the San Sevaime Channel and on the Etiwanda Chanel – both by the County and by Watermaster in the construction of a drop inlet which was going to be installed in the Channel. There were a series of events that took place and a situation occurred that the Inland Empire Unities Agency contractor had not anticipated. The contractor was given permission to leave the site as it was, not knowing the County had opened up the channel between San Sevaime and Etiwanda which allowed water to get into the Channel, therefore that water undermined all of the work that had been done on the drop inlet and undermined a large portion of the slide slopes and the bottom Channel. This required the County to get a contractor at that site on Christmas Day in 2003 to gunnite the entire bottom in order to ensure the entire integrity was not lost. Since then the County has been working to restructure the Channel for that segment that was damaged during the storm. Discussions took place on payment, or the dividing payment, and it

was decided through a partnership that IEUA and Watermaster would pay 50% of the damages and the County would pay the other 50% - totaling approximately \$1 Million dollars. The County is going to begin work on this project following the rainy season this year. It is anticipated the work will take approximately six to seven months. The agreement that Watermaster has is as soon as that work has been completed, Watermaster will reimbursement 25% of the actual amount, not to exceed the amount listed in the contract. The County has agreed to these terms and understands Watermaster does not have the funds in the budget this year for the reimbursement and that will be done in the April/May 2011 timeframe. Mr. Manning stated Watermaster counsel has been working with the County counsel on this endeavor. Mr. Manning stated staff is seeking an approval for this agreement. A discussion regarding this matter including payment being made at a later date ensued. Counsel Fife offered commented on the reimbursement agreement and noted this is not a new type of contract for Watermaster to sign; other agreements have been handled in this matter.

*Motion by Young, second by El-Amamy, and by unanimous vote*

***Moved to approve the San Sevaine Channel Repair Agreement, as presented***

#### **D. BUDGET MODIFICATION**

Mr. Manning introduced this item and noted Mr. Joswiak will give the full report on this item. Mr. Joswiak stated there were two special assessments last year; one was for the Non-Agricultural Pool for their legal fees of \$100,000 and during the fiscal year the Non-Agricultural Pool allocated and used those funds for legal expenses. The Appropriative Pool also had a special assessment for \$100,000 for legal fees; however, that Pool did not use the entire amount and there was an amount left over. In speaking with Watermaster's external audit firm, it was recommended by them to roll the left over dollar amount into the new fiscal year budget and then if those funds are not utilized this year, to continue rolling them over into the subsequent years budget until all funds were allocated. This recommendation takes the \$63,333 and puts those funds into a general ledger account 8367 and will remain there to be used for legal fees incurred this year. Mr. Manning noted this is a different way of doing this type of action because it has been the past practice of Watermaster to zero out all funds and start with zero balances. The auditors stated this would be the most logical choice as opposed to refunding the money and then turning around and assessing the parties again for the same amount. Mr. Manning is recommending approval for this budget modification.

*Motion by El-Amamy, second by Young, and by unanimous vote*

***Moved to approve the Budget Modification, as presented***

### **III. REPORTS/UPDATES**

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

##### **1. October 8, 2010 Hearing**

Counsel Fife stated there is a scheduled hearing for tomorrow, October 8, 2010 at the Chino courthouse. There will be two items presented for consideration; 1) the Non-Agricultural Pool Judgment amendment, and 2) the Approval of Condition Subsequent Number Eight / Recharge Master Plan. Counsel Fife stated there should be no controversy with either of the presented items. Counsel Fife stated there are copies of the pleadings regarding this matter on the back table. Counsel Fife stated Judge Reichert has asked for some education to be provided to him, as Judge Wade did, and Mr. Malone will be giving an hour long presentation to the Judge in the form of testimony on the Recharge Master Plan and other items. This will be a very basic introduction and will be for educational information only.

##### **2. Paragraph 31 Appeal**

Counsel Fife stated the Court of Appeal has issued an order asking for further information from the appellants, both the Non-Agricultural Pool and California Steel Industries. Both parties did submit letters earlier this week and copies of those letters are on the back table. The question the Court of Appeal had was why this was an appealable issue and who these



people were who did not appear on the caption. The response as to why this is an appealable issue by both parties was that Paragraph 31E of the Judgment stated this is appealable. Counsel Fife stated, as Watermaster, it needs to be considered whether that response is sufficient and there are cases that support the validity of 31E of the Judgment and those were not cited by either of the appellants. Counsel Fife stated it appears to be in everyone's interest and/or Watermaster's job to defend the Judgment and the risk of what the Non-Agricultural Pool submitted would not be sufficient to give the Appellate Court they need to make a decision. Counsel Fife stated staff and counsel feel this is appealable and this action needs to be considered. If the Appellate Court is satisfied with the response, they will move forward and set a briefing schedule and a hearing date. A discussion regarding this matter ensued.

## **B. ENGINEERING REPORT**

### **1. Progress Report on Safe Yield Determination**

Mr. Malone gave the Safe Yield Determination presentation. Mr. Malone reviewed the areas of: Safe Yield According to the Judgment, the Requirements to Re-Determine Safe Yield, Why Expect a Change in Safe Yield, and the Method to Re-Determine Safe Yield. Mr. Malone reviewed a map of the Area of Subsidence (1992-2001) and Historical Artesian Area (early 1900s) in detail. A discussion regarding overlaying methodology, current land use, hydrology, and Rialto water ensued.

Added Comment:

Mr. Manning stated Inland Empire Utilities Agency (IEUA) took action to approve the Peace II SEIR and Watermaster received a letter from Orange County stating they did not like some of the language in 4.4-3 of the Mitigation Measures. There will be some additional language worked on through a committee from IEUA, Orange County, and Watermaster.

## **C. CEO/STAFF REPORT**

### **1. Legislative Update**

Mr. Manning stated there is still no budget; however, it is supposed to be voted on today. Mr. Manning reviewed the changes being proposed for the budget in detail. Mr. Manning stated there were a number of bills waiting to be signed by the governor and some he did sign and some were vetoed. The bill which the Groundwater Coalition had worked on, AB2304 was vetoed. No reason was given by the governor as to why he vetoed it. Mr. Manning stated he has a comprehensive list of bills that were signed and vetoed for anybody who wants a copy of those.

### **2. Recharge Update**

Mr. Manning stated it rained pretty well for the last few days; however, the recharge capture amount has not been tallied. The new recharge capture spreadsheet will be completed by the Advisory Committee meeting in a few weeks.

### **3. Strategic Planning Conference Update**

Mr. Manning stated the conference was well attended and was an excellent way to kick off discussions on the implementation of the Recharge Master Plan. There were dynamic breakout groups, a panel discussion group, and many suggestions presented. Watermaster staff is putting together a draft of the large sheets of notes taken by the designated scribes and those draft notes will be distributed at the Advisory Committee meeting in a few weeks.

### **4. Budget Projections**

Mr. Manning stated the first quarterly report on budget projections will be presented in November starting at the Appropriative Pool meeting.

**IV. INFORMATION**

- 1. Cash Disbursements for September 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.

**VII. 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

The Appropriative Pool meeting was dismissed by Chair Kinsey at 2:17 p.m.

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

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

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION

**Draft Minutes**  
**CHINO BASIN WATERMASTER**  
**SPECIAL APPROPRIATIVE POOL MEETING**

The Special Appropriative Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on October 21, 2010 at 8:00 a.m.

**APPROPRIATIVE POOL MEMBERS PRESENT WHO SIGNED IN**

Mark Kinsey, Chair	Monte Vista Water District
Robert Young	Fontana Union Water Company
Josh Swift	Fontana Water Company
John Mura	City of Chino Hills
Scott Burton	City of Ontario
Raul Garibay	City of Pomona
Anthony La	City of Upland
Robert DeLoach	Cucamonga Valley Water District
Robert Tock	Jurupa Community Services District
Dave Crosley	City of Chino

**Watermaster Staff Present**

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

**Watermaster Consultants Present**

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

**Others Present Who Signed In**

Bill Kruger	City of Chino Hills
Tim Mim Mack	CDA
Eldon Horst	Jurupa Community Services District
Jim Erickson	Law Offices of Jimmy Gutierrez
Marty Zvirbulis	Cucamonga Valley Water District
Jo Lynne Russo-Pereyra	Cucamonga Valley Water District
Chris Berch	Inland Empire Utilities Agency
Ron Craig	City of Chino Hills
Sheri Rojo	Visitor for Fontana Water Company

Chair Kinsey called the Special Appropriative Pool Meeting to order at 8:05 a.m.

**AGENDA - ADDITIONS/REORDER**

Chair Kinsey stated there will need to be a closed session added to the agenda.

*Motion by DeLoach, second by La, and by unanimous vote*

***Moved to add a closed session to the agenda prior to the Business Items***

The regular open Special Appropriative Pool meeting was convened to hold its confidential session at 8:07 a.m.

The confidential session was convened at 8:20 a.m.

There were no reportable actions.

The regular open Special Appropriative Pool meeting was reconvened at 8:21 a.m.

**I. BUSINESS ITEMS**

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

Counsel Slater reviewed the revisions and expansions made to Resolution No. 10-04, and reviewed in detail the new Exhibit I – Appropriator Resolution, which is the Resolution of Support for the Completion of Future Desalters. Mr. DeLoach inquired about the LRP subsidy. Counsel Slater stated the issue of the LRP subsidy is that Western has a substantive contractual obligation to the parties to proceed, subject to two outs; 1) CEQA and 2) Cost Cap. Counsel Slater described to two outs in detail. Mr. DeLoach inquired about section 57 on page 9 of the meeting packet which deals with Inland Empire Utilities Agency's CEQA analysis which has already been done. Counsel Slater stated it is corrected and relocated. Counsel Slater stated a comprehensive comparative will be produced and distributed. Mr. Young thanked counsel and staff for the arduous job done. Chair Kinsey offered comment on the document produced that provides a basis for potential cost sharing, potential fines, or project related delays, and to also firm up the commitment for the CDA parties moving forward with the expansion. Mr. Crosley stated Exhibit "I", which is the Appropriator Resolution, is silent on the fines, current and/or future. A discussion regarding this item ensued.

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

***Moved to approve Resolution No. 10-04 subject to approval of the Appropriator Resolution in Exhibit "I" by the individual CDA Appropriators and recommend Watermaster Board approval of Resolution No. 10-04, as presented***

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

Mr. Manning stated this item was on the agenda for the last Appropriative Pool meeting; however, Fontana Water Company noted their financial officer was on vacation and did not have ample time for review. This item was asked to be addressed during this special meeting today. Mr. Manning stated since that meeting Fontana Water Company has been in contact with Watermaster staff and has expressed no problem with the presented Assessment Package. Mr. Manning noted there is an additional insert page for item 8A which Ms. Maurizio prepared in response to the one comment Fontana Water Company did have. Mr. Manning reviewed the changes this insert includes and noted staff feels before this item goes before the Watermaster Board next week, the title of the page is changed accordingly to show clarity in what is actually being shown. Ms. Maurizio noted there were a few other formatting changes to the package according to some suggestions made at the workshop. Mr. Young offered comment on the changes made to 8A and asked for clarification. Mr. Manning stated the Judgment is clear in its reference to who pays the cost of the water when it actually purchased. Counsel Fife stated Mr. Young has pointed out a good issue and this is why the change that was described is what the recommended way to change insert 8A is. Counsel Fife stated historically Watermaster replenishment cost has been simply the MET replenishment rate. The Judgment just references replenishment costs. The change that was on the handout didn't change the heading as its developed, it only added a footnote that tried to explain that heading had changed; it was concluded to just change the heading. Instead of calling it MET Replenishment Rate, call it Watermaster's Replenishment Cost. The Judgment talks simply about Watermaster's replenishment costs and it doesn't talk about timing; a blanket requirement that Watermaster replenish and then an authorization that Watermaster assess for whatever its replenishment costs are. Watermaster is given the authority to recoup those costs; the procedure is not specifically spelled out what the procedure is when those costs are a moving target. Counsel Fife stated the blanket authorization to assess for the costs has to include the authorization to assess for any changes in those costs between the time of assessment and purchase. A discussion regarding Counsel Fife's comments, different assessments types, and the cumulative

unmet replenishment rate (CURO) ensued. Mr. Manning stated Watermaster's goal is to set the replenishment cost to the party that overproduces at a rate that staff is realistic in terms of the purchase of water. Mr. Manning offered comment on different rates and those rates will have to be reviewed on a year-to-year basis.

*Motion by La, second by DeLoach, and by unanimous vote*

***Moved to approve Chino Basin Watermaster 2010-2011 Assessment Package, as presented***

**II. POOL MEMBER COMMENTS**

No comment was made regarding this item.

**III. OTHER BUSINESS**

No comment was made regarding this item.

**IV. FUTURE MEETINGS**

Thursday, October 21, 2010	8:00 a.m.	Special Appropriative Pool 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
Tuesday, October 26, 2010	9:00 a.m.	GRCC Committee Meeting @ CBWM
Thursday, October 28, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM
<b>* Thursday, November 4, 2010</b>	<b>9:00 a.m.</b>	<b>Agricultural Pool Meeting @ IEUA</b>
Thursday, November 4, 2010	1:00 p.m.	Appropriative Pool Meeting @ CBWM
Thursday, November 4, 2010	2:30 p.m.	Non-Agricultural Pool Conference Call Meeting
Thursday, November 18, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, November 18, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
<b>* Thursday, November 18, 2010</b>	<b>11:00 a.m.</b>	<b>Watermaster Board Meeting @ CBWM</b>
Thursday, December 2, 2010	1:00 p.m.	Appropriative Pool Meeting @ CBWM
Thursday, December 2, 2010	2:30 p.m.	Non-Agricultural Pool Conference Call Meeting
Thursday, December 9, 2010	9:00 a.m.	Agricultural Pool Meeting @ IEUA
Thursday, December 16, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, December 16, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
<b>* Thursday, December 16, 2010</b>	<b>11:00 a.m.</b>	<b>Watermaster Board Meeting @ CBWM</b>

**\* Note: Date changes due to holiday schedules**

The Special Appropriative Pool meeting was dismissed by Chair Kinsey at 9:46 a.m.

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

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

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION



# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### B. FINANCIAL REPORTS

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







# CHINO BASIN WATERMASTER

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

**KENNETH R. MANNING**  
Chief Executive Officer

## STAFF REPORT

**DATE:** November 4, 2010  
**TO:** Committee Members  
**SUBJECT:** Cash Disbursement Report – Financial Report B1

### SUMMARY

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

**Recommendation** – Staff recommends the Cash Disbursements for September 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 September 2010 were \$794,761.03. The most significant expenditures during the month were Wildermuth Environmental, Inc. in the amount of \$272,535.08 (check number 14485 dated September 1, 2010 and check number 14549 dated September 29, 2010), West Valley Water District in the amount of \$183,000.00 (check number 14548 dated September 29, 2010) and Brownstein Hyatt Farber Schreck in the amount of \$83,500.71 (check number 14505 dated September 15, 2010).

### Actions:

November 4, 2010 Appropriative Pool –  
November 4, 2010 Non-Agricultural Pool –  
November 4, 2010 Agricultural Pool –  
November 18, 2010 Advisory Committee –  
November 18, 2010 Watermaster Board –

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/01/2010	14488	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		8/26/10 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		8/05/10 Appropriative Pool Meeting	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	1,929.87
General Journal	08/21/2010	08/08/10-08/21/10	CITISTREET	Staff's 457 Retirement - Employee Portion	2000 - Accounts Payable	1,929.87
TOTAL						
Bill Pmt -Check	09/01/2010	14476	CORO SOUTHERN CALIFORNIA	Sponsorship of Oct. 14, 2010 Luncheon	1012 - Bank of America Gen'l Ckg	

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 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						250.00
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						1,770.00
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						250.00
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		L0034728 - Laboratory Services	7108.4 - Hydraulic Control-Lab Svcs	615.00
Bill	07/31/2010	L0034728		L0035403 - Laboratory Services	7108.4 - Hydraulic Control-Lab Svcs	2,065.00
Bill	07/31/2010	L0035403		L0034079 - Laboratory Services	7108.4 - Hydraulic Control-Lab Svcs	1,532.00
Bill	07/31/2010	L0034079		L0034214 - Laboratory Services	7108.4 - Hydraulic Control-Lab Svcs	2,065.00
Bill	07/31/2010	L0034214		L0033837 - Laboratory Services	7108.4 - Hydraulic Control-Lab Svcs	615.00
Bill	07/31/2010	L0033837		L0033836 - Laboratory Services	7108.4 - Hydraulic Control-Lab Svcs	2,065.00
Bill	07/31/2010	L0033836				11,022.00
TOTAL						25,000.00
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						8,400.00
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		CalPERS for 08/08/10-08/21/10	2000 - Accounts Payable	6,946.89
TOTAL						13,893.78
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 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/01/2010	14484	WHITEHEAD, MICHAEL	8/26/10 Board Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	08/28/2010	8/28 Board Meeting		8/26/10 Board Meeting	6311 - Board Member Compensation	125.00
<b>TOTAL</b>						
Bill Pmt -Check	09/01/2010	14485	WILDERMUTH 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	856.25
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	08/28/2010	8/28 Board Meeting		8/26/10 Board Meeting	6311 - Board Member Compensation	125.00

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 2010

Type	Date	Numb	Name	Memo	Account	Paid Amount
TOTAL						375.00
Bill Pmt - Check	09/01/2010	14487	CUCAMONGA VALLEY WATER DISTRICT	Registration Fee for Oct. 13-15, 2010 Conf.	1012 - Bank of America Gen'l Ckg	
Bill	09/01/2010			Registration Fee for Ken Manning	8191 - Conferences - General	275.00
TOTAL						275.00
Bill Pmt - Check	09/02/2010	14488	PAYCHEX	2010082600	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2010	2010082600		August 2010 Payroll Services	6012 - Payroll Services	250.80
TOTAL						250.80
Bill Pmt - Check	09/02/2010	14489	PETTY CASH	2277-2299	1012 - Bank of America Gen'l Ckg	
Bill	09/02/2010			supplies for admin mtgs - booklet overview	6141.3 - Admin Meetings	45.33
				purchase flex tubing for cords	6031.7 - Other Office Supplies	2.99
				mileage reimbursement to S. Molino	6173 - Mileage Reimbursements	31.79
				purchase supplies for 7/15 & 8/19 Ad Meetings	6212 - Meeting Expense	32.51
				purchase lunch for 7/01 Intervention/Judgment	6909.1 - OBMP Meetings	54.46
				purchase supplies for 8/26 Ad Hoc Litigation	6909.5 - Ad Hoc Litigation Committee	20.79
				to purchase supplies for 7/27 GRCC Meeting	7204 - Comp Recharge-Supplies	23.51
				purchase supplies for 7/07, 7/14, 7/21, 8/04, 8/12, 8/17 7305 - PE3&5-Supplies	7604 - PE3&5-Supplies	107.37
				purchase supplies for 7/15 and 8/19 DYY Meetings	7604 - PE3&5-Supplies	32.50
				purchase supplies for 6/30 MZ1 Meeting	7404 - PE4-Supplies	20.48
				purchase supplies for 7/01, 8/05 & 9/02 Approp. Pool 8312 - Meeting Expenses	7404 - PE4-Supplies	26.85
				purchase supplies for 8/05 & 9/02 Non Ag Pool Meet 8512 - Meeting Expense	7404 - PE4-Supplies	12.49
TOTAL						411.17
General Journal	09/04/2010	09/04/10	Payroll and Taxes for 08/22/10-09/04/10		1012 - Bank of America Gen'l Ckg	
General Journal	09/04/2010			Payroll Taxes for 08/22/10-09/04/10	1012 - Bank of America Gen'l Ckg	7,680.94
				Direct Deposits for 08/22/10-09/04/10	1012 - Bank of America Gen'l Ckg	27,826.55
TOTAL						35,507.49
General Journal	09/10/2010	09/10/10	Wage Works Direct Debit 09/10/10		1012 - Bank of America Gen'l Ckg	
General Journal	09/10/2010			Employee Portion - 125K Flex Spending	1012 - Bank of America Gen'l Ckg	1,039.24
TOTAL						1,039.24
Bill Pmt - Check	09/13/2010	14490	ACWA SERVICES CORPORATION	ID #000000643 Account 00198	1012 - Bank of America Gen'l Ckg	
Bill	09/09/2010	00198		Prepayment - October 2010	1409 - Prepaid Life, BAD&D & LTD	130.80
				July Premium	60191 - Life & Disab. Ins Benefits	111.17
TOTAL						241.97
Bill Pmt - Check	09/13/2010	14491	ARROWHEAD MOUNTAIN SPRING WATER	0023230253	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2010	0023230253		Office Water Bottle - August 2010	6031.7 - Other Office Supplies	55.87

CHINO BASIN WATERMASTER  
 Cash Disbursements For The Month of  
 September 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						55.97
Bill Pmt -Check	09/13/2010	14492	GREAT AMERICA LEASING CORP.	10032925	1012 - Bank of America Gen'l Ckg	593.37
Bill	09/09/2010	10032925		Invoice for Ricoh copiers	6043.1 - Ricoh Lease Fee	593.37
TOTAL						722.48
Bill Pmt -Check	09/13/2010	14493	HSBC BUSINESS SOLUTIONS	7003-7309-1000-2744	1012 - Bank of America Gen'l Ckg	722.48
Bill	08/31/2010	7003730910002744		misc. office supplies - drinks, coffee, paper goods	6031.7 - Other Office Supplies	722.48
TOTAL						396.00
Bill Pmt -Check	09/13/2010	14494	MIJAC ALARM	287935	1012 - Bank of America Gen'l Ckg	396.00
Bill	09/09/2010	287935		building monitoring 9/01/10-11/30/10	6026 - Security services	396.00
TOTAL						76.66
Bill Pmt -Check	09/13/2010	14495	PURCHASE POWER	8000909000168851	1012 - Bank of America Gen'l Ckg	76.66
Bill	08/31/2010	8000909000168851		4 FedEx shipments: Audit paperwork to auditors and	6042 - Postage + General	76.66
TOTAL						10,658.50
Bill Pmt -Check	09/13/2010	14496	REID & HELLYER	171414	1012 - Bank of America Gen'l Ckg	10,658.50
Bill	08/31/2010	171414		171414 - Ag Pool Legal Services	8467 - Ag Legal & Technical Services	825.00
TOTAL						11,483.50
Bill Pmt -Check	09/13/2010	14497	SAFEGUARD DENTAL & VISION	3302618	1012 - Bank of America Gen'l Ckg	7.91
Bill	09/09/2010	3302618		September 2010 Premium	60182.2 - Dental & Vision Ins	7.91
TOTAL						456.39
Bill Pmt -Check	09/13/2010	14498	STAPLES BUSINESS ADVANTAGE	8016353467	1012 - Bank of America Gen'l Ckg	456.39
Bill	08/31/2010	8016353467		miscellaneous office supplies - batteries, binder clips, 6031.7	6031.7 - Other Office Supplies	456.39
TOTAL						94.63
Bill Pmt -Check	09/13/2010	14499	UNION 76	300-732-989	1012 - Bank of America Gen'l Ckg	94.63
Bill	09/09/2010	300732989		Fuel for August 2010	6175 - Vehicle Fuel	94.63
TOTAL						155.99
Bill Pmt -Check	09/13/2010	14500	VERIZON		1012 - Bank of America Gen'l Ckg	155.99
Bill	08/31/2010	012561121521714508		August 2010 services	7405 - PE4+Other Expense	424.89
Bill	09/09/2010	012519116950792103		August 2010 services	6022 - Telephone	560.88
TOTAL						1012 - Bank of America Gen'l Ckg
Bill Pmt -Check	09/13/2010	14501	WESTERN DENTAL SERVICES, INC.	002483	1012 - Bank of America Gen'l Ckg	

P17

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
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	142.88
Bill	09/09/2010	08-K2 213849		Service for Sept 2010	6024 - Building Repair & Maintenance	142.88
TOTAL						285.76
Bill Pmt -Check	09/15/2010	14503	BANC OF AMERICA LEASING	011624576	1012 - Bank of America Gen'l Ckg	3,215.74
Bill	09/13/2010	011624576		Minolta lease - billing period 09/01/10-09/30/10	6043.1 - Ricoh Lease Fee	3,215.74
TOTAL						6,431.50
Bill Pmt -Check	09/15/2010	14504	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 - Bank of America Gen'l Ckg	76.79
Bill	08/31/2010	XXXXXXXXXXXX9341		foot controls for new digital system	6055 - 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
TOTAL						706.63
Bill Pmt -Check	09/15/2010	14505	BROWNSTEIN HYATT FARBER SCHRECK		1012 - Bank of America Gen'l Ckg	298.78
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		438021 - 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
Bill	08/31/2010	436015		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	3,691.00
				436015 - Recharge Master Plan	6907.39 - Recharge Master Plan	2,462.40
				436015 - Peace II - CEQA	6907.30 - Peace II - CEQA	786.80
TOTAL						83,500.71
Bill Pmt -Check	09/15/2010	14506	CALIFORNIA DEPARTMENT OF WATER RESOURCES		1012 - Bank of America Gen'l Ckg	174.15
Bill	09/15/2010			well completion reports-Desalter III Chino Creek	7305 - PE3&5-Supplies	174.15
TOTAL						174.15
Bill Pmt -Check	09/15/2010	14507	CUCAMONGA VALLEY WATER DISTRICT		1012 - Bank of America Gen'l Ckg	5,844.00
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
TOTAL						11,688.00



CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/15/2010	14508	CUCAMONGA VALLEY IAAP	Sept. 22, 2010 Cucamonga Valley IAAP Chapter # 1012 - Bank of America Gen'l Ckg		
Bill	09/14/2010			Fee for J. Wilson, S. Molino and A. Camp	6192 - Training & Seminars	77.00
TOTAL						77.00
Bill Pmt -Check	09/15/2010	14509	GUARANTEED JANITORIAL SERVICE, INC.	28134	1012 - Bank of America Gen'l Ckg	865.00
Bill	09/13/2010	28134		Service -September 2010	6024 - Building Repair & Maintenance	865.00
TOTAL						865.00
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				8387 - 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		165.77
				Peace II calls on 7/29, 8/03 and 8/16	6909.1 - OBMP Meetings	168.85
				Non AG Pool Mig on 8/05	8512 - Meeting Expense	25.94
				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	30.80
				call on water level	7104.6 - Grdwtr Level - Supplies	165.43
				call on water purchase	6909.1 - OBMP Meetings	37.19
				call on subsidence mitigation	7405 - PE4-Other Expense	2,710.53
TOTAL						496.44
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						136.61
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						313.12
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

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						313.12
Bill Pmt -Check	09/15/2010	14517	UNITED PARCEL SERVICE	2x81x0	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2010	2x81x0		booklets to Mathis, info. sent to City of Ontario	6042 - Postage - General	28.76
TOTAL						28.76
Bill Pmt -Check	09/15/2010	14518	VERIZON WIRELESS	0903039481	1012 - Bank of America Gen'l Ckg	
Bill	09/13/2010	0903039481		monthly service	6022 - Telephone	570.89
TOTAL						570.89
Bill Pmt -Check	09/15/2010	14519	W.C. DISCOUNT MOBILE AUTO DETAILING	Truck washing service	1012 - Bank of America Gen'l Ckg	
Bill	09/14/2010			truck washing 3 trucks	6177 - Vehicle Repairs & Maintenance	75.00
TOTAL						75.00
Bill Pmt -Check	09/15/2010	14520	MCI	VOID		
Bill Pmt -Check	09/15/2010	14521	MCI	74553444	1012 - Bank of America Gen'l Ckg	
Bill	09/15/2010	74553444		74553444 - Monthly Website and Internet Service	6053 - Internet Expense	1,255.75
TOTAL						1,255.75
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	
General Journal	09/18/2010		Payroll Taxes for 09/05/10-09/18/10	Payroll Taxes for 09/05/10-09/18/10	1012 - Bank of America Gen'l Ckg	7,756.86
General Journal	09/18/2010		Direct Deposits for 09/05/10-09/18/10	Direct Deposits for 09/05/10-09/18/10	1012 - Bank of America Gen'l Ckg	26,780.29
TOTAL						34,537.15
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	
General Journal	09/04/2010	08/22/10-09/04/10	CITISTREET	Staff's 457 Retirement for 08/22/10-09/04/10	2000 - Accounts Payable	1,845.34
TOTAL						1,845.34
Bill Pmt -Check	09/20/2010	14523	PAK, BEN	Sept. 12-15, 2010 Water Reuse Symposium	1012 - Bank of America Gen'l Ckg	
Bill	09/16/2010			Sept. 12-15, 2010 Water Reuse Symposium	6191 - Conferences - General	903.13
TOTAL						903.13
Bill Pmt -Check	09/20/2010	14524	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	
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	2000 - Accounts Payable	6,946.89
TOTAL						6,946.89
General Journal	09/20/2010	09/20/10	Wage Works Direct Debit 09/20/10	Wage Works Direct Debit 09/20/10	1012 - Bank of America Gen'l Ckg	260.25
General Journal	09/20/2010		Employee Portion - 125K Flex Spending	Employee Portion - 125K Flex Spending	1012 - Bank of America Gen'l Ckg	260.25
TOTAL						260.25

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/22/2010	14525	CALPERS	1741	1012 - Bank of America Gen'l Ckg	
Bill	09/17/2010	1741		October 2010 Medical Premiums	60182.1 - Medical Insurance	3,758.46
TOTAL						3,758.46
Bill Pmt -Check	09/22/2010	14526	COMPUTER NETWORK	79427	1012 - Bank of America Gen'l Ckg	
Bill	09/17/2010	79427		to replace monitor in board room	6055 - Computer Hardware	179.13
TOTAL						179.13
Bill Pmt -Check	09/22/2010	14527	HOGAN LOVELLS		1012 - Bank of America Gen'l Ckg	
Bill	08/31/2010	1918389		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	90006265	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2010	90006265			8456 - IEUA Readyness To Serve	400.98
TOTAL						400.98
Bill Pmt -Check	09/22/2010	14529	PRE-PAID LEGAL SERVICES, INC.	111802	1012 - Bank of America Gen'l Ckg	
Bill	09/21/2010	111802		September 2010	60194 - Other Employee Insurance	77.70
TOTAL						77.70
Bill Pmt -Check	09/22/2010	14530	RAUCH COMMUNICATION CONSULTANTS, LLC	Sep-091006	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	8031	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.	Policy # 00-640888-0009	1012 - Bank of America Gen'l Ckg	
Bill	09/17/2010	640888-0009		Life & Disability Insurance Premiums	60191 - Life & Disab.lns Benefits	509.05
TOTAL						509.05
Bill Pmt -Check	09/22/2010	14533	W.C. DISCOUNT MOBILE AUTO DETAILING	Truck washing service	1012 - Bank of America Gen'l Ckg	
Bill	09/22/2010			truck washing 4 trucks	6177 - Vehicle Repairs & Maintenance	100.00
TOTAL						100.00
General Journal	09/24/2010	09/24/10	Wage Works Direct Debit 09/24/10	Wage Works Direct Debit 09/24/10	1012 - Bank of America Gen'l Ckg	
General Journal	09/24/2010			Employee Portion - 125K Flex Spending	1012 - Bank of America Gen'l Ckg	1,039.24
TOTAL						1,039.24

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
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						1,825.37
Bill Pmt -Check	09/28/2010	14535	HOGAN LOVELLS		1012 - Bank of America Gen'l Ckg	
Bill	09/28/2010	1922830		1922830 - Non-Ag Legal Services	8567 - Non-Ag Legal Service	14,835.95
TOTAL						14,835.95
Bill Pmt -Check	09/29/2010	14536	ARROWHEAD MOUNTAIN SPRING WATER		1012 - Bank of America Gen'l Ckg	
Bill	09/27/2010	0023230253		Office Water Bottle -September 2010	6031.7 - Other Office Supplies	17.48
TOTAL						17.48
Bill Pmt -Check	09/29/2010	14537	BLACK & VEATCH CORPORATION		1012 - Bank of America Gen'l Ckg	
Bill	07/31/2010	1100130		1100130	7202 - Comp Recharge-Engineering	7,496.25
TOTAL						7,496.25
Bill Pmt -Check	09/29/2010	14538	DIRECTV		1012 - Bank of America Gen'l Ckg	
Bill	09/27/2010	019447404		Services for 9/19/10-10/18/10	6031.7 - Other Office Supplies	83.99
TOTAL						83.99
Bill Pmt -Check	09/29/2010	14539	EQUIPCO		1012 - Bank of America Gen'l Ckg	
Bill	09/16/2010	S43625		to purchase Flow Meter for gw quality	7103.6 - Grdwtr Qual - Supplies	3,826.81
TOTAL						3,826.81
Bill Pmt -Check	09/29/2010	14540	FIVE STAR CATERING		1012 - Bank of America Gen'l Ckg	
Bill	09/29/2010			balance due-caterer - Strategic Planning Conf	6193.1 - Strategic Planning Conference	2,744.03
TOTAL						2,744.03
Bill Pmt -Check	09/29/2010	14541	GRAINGER		1012 - Bank of America Gen'l Ckg	
Bill	09/21/2010	9353052054		9353052054 - Grdwtr Qual - Supplies	7103.6 - Grdwtr Qual - Supplies	60.72
Bill	09/23/2010	9355267809		9355267809 - Grdwtr Qual - Supplies	7103.6 - Grdwtr Qual - Supplies	150.96
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

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						357.09
Bill Pmt -Check	09/29/2010	14542	IAAP MULTI-CHAPTER SYMPOSIUM	October 2, 2010 IAAP Multi Chapter Symposium	1012 - Bank of America Gen'l Ckg	190.00
Bill	09/27/2010			fee for S. Mollino and J. Wilson to attend	6191 - Conferences - General	190.00
TOTAL						380.00
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	60.62
				desk calendars 2011	6031.7 - Other Office Supplies	107.61
TOTAL						214.60
Bill Pmt -Check	09/29/2010	14544	STAPLES BUSINESS ADVANTAGE	8016533293	1012 - Bank of America Gen'l Ckg	298.64
Bill	09/18/2010	8016533293		misc. office supplies - index dividers for filings	6031.7 - Other Office Supplies	298.64
TOTAL						597.24
Bill Pmt -Check	09/29/2010	14545	STATE COMPENSATION INSURANCE FUND	1615535-10	1012 - Bank of America Gen'l Ckg	1,069.20
Bill	09/29/2010	1615535-10		Workers Comp Premium 1615535-10	60183 - Worker's Comp Insurance	1,069.20
TOTAL						2,138.40
Bill Pmt -Check	09/29/2010	14546	VERIZON	012561121521714508	1012 - Bank of America Gen'l Ckg	150.89
Bill	09/29/2010	012561121521714508		September 2010	7405 - PE4-Other Expense	150.89
TOTAL						301.78
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						126.96
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			\$386 x 500 AF	5011 - Replenishment Water	183,000.00
TOTAL						183,126.96
Bill Pmt -Check	09/29/2010	14549	WILDERMUTH ENVIRONMENTAL INC	2010516 m- OBMP Engineering Services	1012 - Bank of America Gen'l Ckg	4,207.50
Bill	08/31/2010	2010516		2010516 m- OBMP Engineering Services	6906 - OBMP Engineering Services	4,207.50
Bill	08/31/2010	2010517		2010517 - OBMP Engineering Services	6906 - OBMP Engineering Services	1,300.00
Bill	08/31/2010	2010518		2010518 - OBMP Engineering Services	6906 - OBMP Engineering Services	5,502.50
Bill	08/31/2010	2010519		2010519 - OBMP Engineering Services	6906 - OBMP Engineering Services	28,068.75
Bill	08/31/2010	2010520		2010520 - OBMP Engineering Services	6906 - OBMP Engineering Services	3,846.25
Bill	08/31/2010	2010521		2010521 - OBMP Engineering Services	6906 - OBMP Engineering Services	1,075.00
Bill	08/31/2010	2010522		2010522 - Grdwtr Qual-Engineering	6906 - OBMP Engineering Services	10,429.55
Bill	08/31/2010	2010523		2010523 - Grdwtr Qual-Engineering	7103.3 - Grdwtr Qual-Engineering	406.25
Bill	08/31/2010	2010524		2010524 - Grdwtr Qual-Engineering	7103.3 - Grdwtr Qual-Engineering	3,137.50

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	08/31/2010	2010525		2010525 - Grdwtr Level - Engineering	7104.3 - Grdwtr Level - Engineering	287.50
Bill	08/31/2010	2010526		2010526 - Grdwtr Level - Engineering	7104.3 - Grdwtr Level - Engineering	787.50
Bill	08/31/2010	2010527		2010527 - Grdwtr Level - Engineering	7104.3 - Grdwtr Level - Engineering	5,371.80
Bill	08/31/2010	2010528		2010528 - Grdwtr Level - Engineering	7104.3 - Grdwtr Level - Engineering	468.75
Bill	08/31/2010	2010529		2010529 - Grdwtr Level - Contracted Serv	7104.8 - Grdwtr Level - Contracted Serv	2,075.00
Bill	08/31/2010	2010530		2010530 - Grd Level-SAR Imagery	7107.3 - Grd Level-SAR Imagery	12,400.00
Bill	08/31/2010	2010531		2010531 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	3,147.29
Bill	08/31/2010	2010532		2010532 - Grd Level-Cap Equip Exte	7107.8 - Grd Level-Cap Equip Exte	2,983.39
Bill	08/31/2010	2010533		2010533 - Grd Level-Contract Svcs	7107.6 - Grd Level-Contract Svcs	10,512.55
Bill	08/31/2010	2010534		2010534 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	12,455.20
Bill	08/31/2010	2010535		2010535 - Grd Level-Contract Svcs	7107.6 - Grd Level-Contract Svcs	10,512.55
Bill	08/31/2010	2010536		2010536 - Grd Level-Contract Svcs	7107.6 - Grd Level-Contract Svcs	9,000.00
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	5,033.60
Bill	08/31/2010	2010539		2010539 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	468.75
Bill	08/31/2010	2010540		2010540 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	98.75
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		Payroll and Taxes for 09/05/10-09/18/10 Staff's 457 Retirement for 09/05/10-09/18/10	2000 - Accounts Payable	1,715.67

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
September 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						1,715.67
Bill Pmt -Check	09/30/2010	14552	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	
General Journal	09/18/2010	09/05/10-09/18/10	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS for 09/05/10-09/18/10	2000 - Accounts Payable	6,946.89
TOTAL					Total Disbursements:	<u>794,761.03</u>

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION





# 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:** November 4, 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 September 2010.

**Recommendation** – Staff recommends the VISA Check Detail Report for September 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 September 2010 was \$706.63. The monthly charges for September 2010 were for routine and customary expenditures and properly documented with receipts.

### Actions:

November 4, 2010 Appropriative Pool –  
November 4, 2010 Non-Agricultural Pool –  
November 4, 2010 Agricultural Pool –  
November 18, 2010 Advisory Committee –  
November 18, 2010 Watermaster Board –

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION

CHINO BASIN WATERMASTER  
 VISA Check Detail Report  
 September 2010

Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	14504	09/15/2010	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	XXXXXXXXXXXXXXXX9341	08/31/2010		foot controls for new digital system	6055 · 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
						<u>706.63</u>

TOTAL

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION



# 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:** November 4, 2010  
**TO:** Committee Members  
**SUBJECT:** Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2010 through September 30, 2010 - Financial Report B3

### SUMMARY

**Issue** – Record of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2010 through September 30, 2010.

**Recommendation** – Staff recommends the Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2010 through September 30, 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 September 30, 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:

- November 4, 2010 Appropriative Pool –
- November 4, 2010 Non-Agricultural Pool –
- November 4, 2010 Agricultural Pool –
- November 18, 2010 Advisory Committee –
- November 18, 2010 Watermaster Board –

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION



THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION





# 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:** November 4, 2010  
**TO:** Committee Members  
**SUBJECT:** Treasurer's Report of Financial Affairs for the Period September 1, 2010 through September 30, 2010 - Financial Report B4

### SUMMARY

**Issue** – Record of increases or decreases in the cash position, assets and liabilities of Watermaster for the Period of September 1, 2010 through September 30, 2010.

**Recommendation** – Staff recommends the Treasurer's Report of Financial Affairs for the Period September 1, 2010 through September 30, 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 September 1, 2010 through September 30, 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:

November 4, 2010 Appropriative Pool –  
November 4, 2010 Non-Agricultural Pool –  
November 4, 2010 Agricultural Pool –  
November 18, 2010 Advisory Committee –  
November 18, 2010 Watermaster Board –

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION

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

<b>DEPOSITORIES:</b>			
Cash on Hand - Petty Cash	\$	500	
Bank of America			161,661
Governmental Checking-Demand Deposits	\$	-	
Zero Balance Account - Payroll	\$	-	
Local Agency Investment Fund - Sacramento			
<b>TOTAL CASH IN BANKS AND ON HAND</b>			<b>9/30/2010</b>
<b>TOTAL CASH IN BANKS AND ON HAND</b>			<b>8/31/2010</b>
<b>PERIOD INCREASE (DECREASE)</b>			<b>\$ (792,472)</b>

**CHANGE IN CASH POSITION DUE TO:**

Decrease/(Increase) in Assets: Accounts Receivable	\$	(10,314)
Assessments Receivable		(88)
Prepaid Expenses, Deposits & Other Current Assets		(274,220)
(Decrease)/Increase in Liabilities		11,251
Accounts Payable		(519,100)
Accrued Payroll, Payroll Taxes & Other Current Liabilities		
Transfer to/(from) Reserves		
<b>PERIOD INCREASE (DECREASE)</b>	<b>\$</b>	<b>(792,472)</b>

**SUMMARY OF FINANCIAL TRANSACTIONS:**

	Petty Cash	Gov't'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 8/31/2010	\$ 500	\$ 154,133	\$ -	\$ 7,344,588	\$ 7,499,221
Deposits	-	800,100	-	-	800,100
Transfers	-	(70,045)	70,045	(800,000)	(800,000)
Withdrawals/Checks	-	(722,527)	(70,045)	-	(792,572)
Balances as of 9/30/2010	\$ 500	\$ 161,661	\$ -	\$ 6,544,588	\$ 6,706,749
<b>PERIOD INCREASE OR (DECREASE)</b>	<b>\$ -</b>	<b>\$ 7,528</b>	<b>\$ -</b>	<b>\$ (800,000)</b>	<b>\$ (792,472)</b>

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

**INVESTMENT TRANSACTIONS**

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
9/16/2010	Withdrawal	L.A.I.F.	\$ (350,000)				
9/29/2010	Withdrawal	L.A.I.F.	\$ (450,000)				
<b>TOTAL INVESTMENT TRANSACTIONS</b>			<b>\$ (800,000)</b>				

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

**INVESTMENT STATUS  
September 30, 2010**

Financial Institution	Principal Amount	Number of Days	Interest Rate	Maturity Date
Local Agency Investment Fund	\$ 6,544,588			
<b>TOTAL INVESTMENTS</b>	<b>\$ 6,544,588</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

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:** November 4, 2010  
**TO:** Committee Members  
**SUBJECT:** Budget vs. Actual Report for the Period July 1, 2010 through September 30, 2010 - Financial Report - B5

### SUMMARY

**Issue** – Record of revenues and expenses of Watermaster for the Period of July 1, 2010 through September 30, 2010.

**Recommendation** – Staff recommends the Budget vs. Actual Report for the Period July 1, 2010 through September 30, 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 September 30, 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 three month period ending September 30, 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 budget as a direct result of the ongoing Desalter Negotiations of \$95,335, the Chino Airport Plume of \$45,858, Santa Ana Sucker \$7,200, and the Paragraph 31 Motion activity of \$34,010. Several individual legal projects were below budget for the first quarter. These were the Peace II (\$11,324), Ontario Airport Plume (\$2,777), Water Auction (\$8,817), Recharge Master Plan (\$6,275) and General Administrative Legal Costs (Pool, Advisory and Board meetings) of (\$16,243). The budgeted amount for legal expenses for the entire fiscal year of \$450,000 was allocated at \$37,500 per month. For the first three months, the cumulative

Y-T-D budget was \$112,500 and actual legal expenses totaled \$249,467 which resulted in an over budget variance of \$136,967. To date, the legal contingency of \$145,000 has not been used.

**Actions:**

- November 4, 2010 Appropriative Pool –
- November 4, 2010 Non-Agricultural Pool –
- November 4, 2010 Agricultural Pool –
- November 18, 2010 Advisory Committee –
- November 18, 2010 Watermaster Board –

Current Month, Year-To-Date and Fiscal Year-End

100% of the Total Budget

3/12th (25%) of the Total Budget

1/12th of the Total Budget

	For The Month of September 2010			Year-To-Date as of September 30, 2010			Fiscal Year End as of June 30, 2011					
	Actual	Budget	\$ Over/(Under)	% of Budget	Actual	Budget	\$ Over/(Under)	% of Budget	Projected	Budget	\$ Over/(Under)	% of Budget
<b>Income</b>												
4010 - Local Agency Subsidies	0.00	0.00	0.00	0.0%	111,000.00	148,410.00	-37,410.00	74.79%	148,410.00	148,410.00	0.00	100.0%
4110 - Admin Asmnts-Approp Pool	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	6,153,067.00	6,153,067.00	0.00	100.0%
4120 - Admin Asmnts-Non-Agrl Pool	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	355,003.00	355,003.00	0.00	100.0%
4700 - Non Operating Revenues	8,521.80	35,002.00	-26,480.20	24.35%	8,521.80	35,002.00	-26,480.20	24.35%	175,010.00	175,010.00	0.00	100.0%
4900 - Miscellaneous Income	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
<b>Total Income</b>	8,521.80	35,002.00	-26,480.20	24.35%	119,521.80	183,412.00	-63,890.20	65.17%	6,831,490.00	6,831,490.00	0.00	100.0%
<b>Gross Profit</b>	8,521.80	35,002.00	-26,480.20	24.35%	119,521.80	183,412.00	-63,890.20	65.17%	6,831,490.00	6,831,490.00	0.00	100.0%
<b>Expense</b>												
6010 - Salary Costs	42,993.85	38,286.00	4,683.85	112.23%	115,083.76	115,860.00	-776.24	99.33%	464,944.00	464,944.00	0.00	100.0%
6020 - Office Building Expense	8,721.41	8,599.67	121.74	101.42%	23,559.76	25,799.00	-2,239.24	91.32%	103,196.00	103,196.00	0.00	100.0%
6030 - Office Supplies & Equip.	1,485.83	3,125.00	-1,639.17	47.55%	4,417.72	9,375.00	-4,957.28	47.12%	37,500.00	37,500.00	0.00	100.0%
6040 - Postage & Printing Costs	7,824.55	8,166.66	-342.11	95.81%	18,838.78	20,366.66	-1,527.88	92.5%	78,300.00	78,300.00	0.00	100.0%
6050 - Information Services	10,811.88	8,766.66	2,045.22	123.33%	32,577.59	35,550.00	-2,972.41	91.64%	142,200.00	142,200.00	0.00	100.0%
6050 - Contract Services	6,842.50	5,000.00	1,842.50	136.85%	6,842.50	21,000.00	-14,157.50	32.59%	75,000.00	75,000.00	0.00	100.0%
6080 - Insurance	256.00	0.00	256.00	100.0%	15,863.00	17,575.00	-1,712.00	90.26%	17,575.00	17,575.00	0.00	100.0%
6110 - Dues and Subscriptions	0.00	0.00	0.00	0.0%	20,131.63	20,250.00	-118.37	99.42%	21,000.00	21,000.00	0.00	100.0%
6140 - WM Admin Expenses	47.05	250.00	-202.95	18.82%	47.05	750.00	-702.95	6.27%	3,000.00	3,000.00	0.00	100.0%
6150 - Field Supplies	-15.66	0.00	-15.66	100.0%	-15.66	200.00	-215.66	-7.83%	1,800.00	1,800.00	0.00	100.0%
6170 - Travel & Transportation	2,714.20	2,730.00	-15.80	99.42%	6,849.39	8,290.00	-1,440.61	82.62%	33,160.00	33,160.00	0.00	100.0%
6190 - Conferences & Seminars	4,717.12	4,000.00	717.12	117.93%	9,058.76	10,250.00	-1,191.24	88.38%	23,000.00	23,000.00	0.00	100.0%
6200 - Advisory Comm - WM Board	935.69	1,872.50	-936.81	49.97%	4,011.11	5,617.50	-1,606.39	71.4%	22,470.00	22,470.00	0.00	100.0%
6300 - Watermaster Board Expenses	4,288.66	4,216.92	71.74	101.7%	12,562.91	12,650.75	-87.84	99.31%	50,603.00	50,603.00	0.00	100.0%
8300 - Appr Pl-WM & Pool Admin	10,628.08	7,982.84	2,645.24	133.14%	17,760.19	18,192.50	-432.31	97.62%	90,043.00	90,043.00	0.00	100.0%
8400 - Agrl Pool-WM & Pool Admin	2,783.93	2,345.59	438.34	118.69%	6,693.27	7,036.75	-343.48	95.12%	28,147.00	28,147.00	0.00	100.0%
8467 - Ag Legal & Technical Services	13,710.50	9,833.33	3,877.17	139.43%	34,529.50	29,500.00	5,029.50	117.05%	118,000.00	118,000.00	0.00	100.0%
8470 - Ag Meeting Attend -Special	3,075.00	1,000.00	2,075.00	307.5%	3,075.00	3,000.00	75.00	102.5%	12,000.00	12,000.00	0.00	100.0%
8471 - Ag Pool Expense	0.00	16,250.00	-16,250.00	0.0%	0.00	16,250.00	-16,250.00	0.0%	65,000.00	65,000.00	0.00	100.0%
8500 - Non-Ag Pl-WM & Pool Admin	15,456.82	13,472.17	1,984.65	114.73%	34,707.32	40,416.50	-5,709.18	85.87%	181,666.00	181,666.00	0.00	100.0%
6500 - Education Funds Use Expns	0.00	0.00	0.00	0.0%	0.00	375.00	-375.00	0.0%	375.00	375.00	0.00	100.0%
9400 - Depreciation Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9500 - Allocated G&A Expenditures	-38,278.48	-40,677.42	2,398.94	94.1%	-115,707.58	-122,032.25	6,324.67	94.82%	-488,129.00	-488,129.00	0.00	100.0%
6900 - Optimum Basin Mgmt Plan	116,595.98	109,690.99	6,904.99	106.3%	478,319.41	282,517.00	195,802.41	169.31%	1,197,734.00	1,197,734.00	0.00	100.0%
6950 - Mutual Agency Projects	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	10,000.00	10,000.00	0.00	100.0%
9501 - G&A Expenses Allocated-OBMP	7,971.19	11,888.00	-3,916.81	67.05%	29,602.47	35,664.00	-6,061.53	83.0%	142,656.00	142,656.00	0.00	100.0%
7101 - Production Monitoring	4,649.18	5,879.31	-1,230.13	79.08%	26,355.72	28,054.75	-1,699.03	93.94%	104,219.00	104,219.00	0.00	100.0%
7102 - In-line Meter Installation	1,203.47	5,566.59	-4,363.12	21.66%	3,399.71	16,669.75	-13,270.04	20.39%	66,679.00	66,679.00	0.00	100.0%
7103 - Gdwtr Quality Monitoring	21,666.22	16,916.34	4,749.88	128.08%	43,839.99	50,749.00	-6,909.01	86.39%	202,996.00	202,996.00	0.00	100.0%
7104 - Gdwtr Level Monitoring	11,913.53	25,863.08	-13,949.55	46.06%	39,872.39	84,070.50	-44,198.11	47.43%	336,282.00	336,282.00	0.00	100.0%
7105 - Sur Wtr Qual Monitoring	0.00	315.00	-315.00	0.0%	0.00	1,070.00	-1,070.00	0.0%	4,280.00	4,280.00	0.00	100.0%
7107 - Ground Level Monitoring	11,032.13	83,801.67	-72,769.54	13.17%	119,264.74	203,905.00	-84,640.26	58.49%	815,620.00	815,620.00	0.00	100.0%
7108 - Hydraulic Control Monitoring	17,141.25	41,141.67	-24,000.42	41.66%	57,480.37	123,425.00	-65,944.63	46.57%	493,700.00	493,700.00	0.00	100.0%
7109 - Recharge & Well Monitoring Prog	472.50	0.00	472.50	100.0%	5,670.00	8,440.00	-2,770.00	67.18%	8,440.00	8,440.00	0.00	100.0%

1/12th of the Total Budget

	Actual	Budget	\$ Over(Under)	% of Budget
7200 - PE2- Comp Recharge Pgm	7,144.28	24,335.16	-17,190.88	29.36%
7300 - PE3&5-Water Supply/Desalte	10,320.48	13,982.58	-3,662.10	73.81%
7400 - PE4- Mgmt Plan	777.46	7,572.92	-6,795.46	10.27%
7500 - PE6&7-CoopEfforts/SaltMgmt	4,736.05	12,848.34	-8,112.29	36.86%
7600 - PE8&9-Storage/Mgmt/Conj Use	1,504.35	5,658.33	-4,153.98	26.59%
7690 - Recharge Improvement Debt Pymt	0.00	0.00	0.00	0.0%
7700 - Inactive Well Protection Prgm	0.00	0.00	0.00	0.0%
9602 - C&A Expenses Allocated-Projects	30,307.29	28,789.42	1,517.87	105.27%
Total Expense	346,414.29	489,459.32	-143,045.03	70.78%
Net Ordinary Income	-337,892.49	-454,457.32	116,564.83	74.35%

3/12th (25%) of the Total Budget

	Actual	Budget	\$ Over(Under)	% of Budget
7200 - PE2- Comp Recharge Pgm	205,136.67	254,255.50	-49,118.83	80.68%
7300 - PE3&5-Water Supply/Desalte	51,748.96	53,907.75	-2,158.79	96.0%
7400 - PE4- Mgmt Plan	2,367.26	22,988.75	-20,621.49	10.3%
7500 - PE6&7-CoopEfforts/SaltMgmt	20,430.10	38,545.00	-18,114.90	53.0%
7600 - PE8&9-Storage/Mgmt/Conj Use	10,032.07	17,062.50	-7,030.43	58.8%
7690 - Recharge Improvement Debt Pymt	637,197.50	700,964.00	-63,766.50	90.9%
7700 - Inactive Well Protection Prgm	0.00	353.00	-353.00	0.0%
9602 - C&A Expenses Allocated-Projects	86,105.11	86,368.25	-263.14	99.7%
Total Expense	2,067,708.47	2,305,282.16	-237,573.69	89.69%
Net Ordinary Income	-1,948,186.67	-2,121,870.16	173,683.49	91.82%

100% of the Total Budget

	Projected	Budget	\$ Over(Under)	% of Budget
7200 - PE2- Comp Recharge Pgm	1,017,022.00	1,017,022.00	0.00	100.0%
7300 - PE3&5-Water Supply/Desalte	72,111.00	72,111.00	0.00	100.0%
7400 - PE4- Mgmt Plan	91,955.00	91,955.00	0.00	100.0%
7500 - PE6&7-CoopEfforts/SaltMgmt	154,180.00	154,180.00	0.00	100.0%
7600 - PE8&9-Storage/Mgmt/Conj Use	68,250.00	68,250.00	0.00	100.0%
7690 - Recharge Improvement Debt Pymt	700,964.00	700,964.00	0.00	100.0%
7700 - Inactive Well Protection Prgm	1,412.00	1,412.00	0.00	100.0%
9602 - C&A Expenses Allocated-Projects	345,473.00	345,473.00	0.00	100.0%
Total Expense	6,894,823.00	6,894,823.00	0.00	100.0%
Net Ordinary Income	-63,333.00	-63,333.00	0.00	100.0%

Other Income

4225 - Interest Income	1,792.25	0.00	1,792.25	100.0%
4210 - Approp Pool-Replenishment	0.00	0.00	0.00	0.0%
4220 - Non-Ag Pool-Replenishment	0.00	0.00	0.00	0.0%
4600 - Groundwater Sales	0.00	0.00	0.00	0.0%
Total Other Income	1,792.25	0.00	1,792.25	100.0%

Other Expense

5010 - Groundwater Replenishment	183,000.00	0.00	183,000.00	100.0%
5100 - Other Water Purchases	0.00	0.00	0.00	0.0%
9999 - Tot(From) Reserves	-519,100.24	-454,457.32	-64,642.92	114.22%
Total Other Expense	-336,100.24	-454,457.32	118,357.08	73.96%
Net Other Income	337,892.49	454,457.32	-116,564.83	74.35%
Net Income	0.00	0.00	0.00	0.0%





# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### C. APPLICATION FOR RECHARGE

1. Notice of Application for Recharge – San Antonio Water Company Has Submitted Form 2 Application for Recharge to Percolate 300.000 acre-feet of Water from Six Basins into the Upland Basin as Local Supplemental Storage



***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**RECHARGE**

Date of Notice:

October 29, 2010

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

## NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **October 28, 2010**

Date of this notice: **October 29, 2010**

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

- Notice of Application for Recharge – San Antonio Water Company has submitted Form 2 Application for Recharge to percolate 300.000 acre-feet of water from Six Basins into the Upland Basin as Local Supplemental Storage.

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

Appropriative Pool: November 4, 2010

Non-Agricultural Pool: November 4, 2010

Agricultural Pool: November 4, 2010

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

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

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

Watermaster address:

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

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

# **CHINO BASIN WATERMASTER**

## **NOTICE OF APPLICATION FOR RECHARGE**

Notification Dated: October 29, 2010

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

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION



# CHINO BASIN WATERMASTER

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

---

**KENNETH R. MANNING**  
**CHIEF EXECUTIVE OFFICER**

**DATE:** October 29, 2010  
**TO:** Watermaster Interested Parties  
**SUBJECT:** Summary and Analysis of Application for Recharge

**Summary –**

There does not appear to be a potential material physical injury to a party or to the basin from the proposed transaction as presented.

**Issue –**

- Notice of Application for Recharge – San Antonio Water Company has submitted Form 2 Application for Recharge to percolate 300.000 acre-feet of water from Six Basins into the Upland Basin as Local Supplemental Storage.

**Recommendation –**

1. Continue monitoring as planned in the Optimum Basin Management Program.
2. Use all new or revised information when analyzing the hydrologic balance and report to Watermaster if a potential for material physical injury is discovered, and
3. Approve the application as presented.

**Fiscal Impact –**

- None
- Reduces assessments under the 85/15 rule
- Reduce desalter replenishment costs

**Background**

The Court approved the Peace Agreement, the Implementation Plan and the goals and objectives identified in the OBMP Phase I Report on July 13, 2000, and ordered Watermaster to proceed in a manner consistent with the Peace Agreement. Under the Peace Agreement, Watermaster approval is required for applications to store, recapture, recharge or transfer water, as well as for applications for credits or reimbursements and storage and recovery programs.

Where there is no material physical injury, Watermaster must approve the application. Where the request for Watermaster approval is submitted by a party to the Judgment, there is a rebuttable presumption that most of the transactions do not result in Material Physical Injury to a party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

The following Application for Recharge is attached with the notice of application.

- Notice of Application for Recharge – San Antonio Water Company has submitted Form 2 Application for Recharge to percolate 300.000 acre-feet of water from Six Basins into the Upland Basin as Local Supplemental Storage.

Notice of the Application identified above was mailed on October 29, 2010 along with the materials submitted by the requestors.

**DISCUSSION**

There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water quality, water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed application will cause material physical injury to a party or to the Basin.

APPLICATION FOR RECHARGE

APPLICANT

SAN ANTONIO WATER CO. Name of Party

10-28-10 Date Requested

Date Approved

139 N. EUCLID AVE. Street Address

300 Acre-feet Amount Requested

Acre-feet Amount Approved

UPLAND CA 91786 City State Zip Code

1,131 GPM Projected Rate of Recharge

11-1-10 / 12-31-10 Projected Duration of Recharge

909.982.4107 Telephone

909.920.3047 Facsimile

SOURCE OF SUPPLY

Water from:

- State Water Project
Colorado River
[X] Local Supplemental
Recycled Water
Other, explain

Source: SIX BASINS

METHOD OF RECHARGE

[X] PERCOLATION

Basin Name UPLAND BASIN

Location ARROW RTE. & MONTE VISTA AVE.

[ ] INJECTION

Well Number

Location (attach map)

[ ] EXCHANGE

Facility Name

Share of Safe Yield

Carry Over Right

Water in Storage

Pumping Capacity (cfs)

WATER QUALITY AND WATER LEVELS

What is the existing water quality and what are the existing water levels in the areas that are likely to be affected?

DISCHARGE OF POTABLE WATER. AFFECT ON WATER LEVELS ARE NEGLIGIBLE.



**MATERIAL PHYSICAL INJURY**

Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes [ ] No [X]

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

---

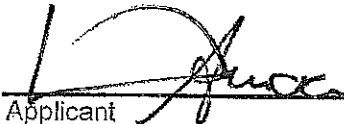
---

---

---

**ADDITIONAL INFORMATION ATTACHED**

Yes [ ] No [X]

  
Applicant \_\_\_\_\_

**TO BE COMPLETED BY WATERMASTER:**

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

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

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

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

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

DATE OF BOARD APPROVAL: \_\_\_\_\_ Agreement # \_\_\_\_\_



# **CHINO BASIN WATERMASTER**

## **II. BUSINESS ITEM**

### **A. CHINO BASIN WATERMASTER ANNUAL AUDIT FY 2009/2010 – JUNE 30, 2010**





# CHINO BASIN WATERMASTER

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

---

**KENNETH R. MANNING**  
Chief Executive Officer

## STAFF REPORT

**DATE:** November 4, 2010  
**TO:** Committee Members  
**SUBJECT:** Fiscal Year 2009/2010 Audit

### SUMMARY

**Issue** – Annual Audit of the Watermaster Financial Records dated October 11, 2010

**Recommendation** – Receive and File

**Financial Impact** – None

### Background

Chino Basin Watermaster is required to have an annual audit every year. Attached is our fiscal year 2009/2010 annual audit report dated October 11, 2010. The unqualified report was issued by Mayer Hoffman McCann P.C., our audit firm. An unqualified opinion means that the financial statements were prepared in conformity with GAAP. Furthermore, there were no findings with respect to the following:

1. Did not identify any deficiencies in internal controls that would be considered to be material weaknesses.
2. No new accounting policies were adopted by Watermaster and the application of existing policies was not changed during the fiscal year.
3. Encountered no difficulties in performing and completing the audit.
4. The financial statements include certain reclassifications for financial statement reporting purposes.
5. No disagreements with Watermaster management arose during the course of the audit.
6. Watermaster did not consult with other accountants about auditing and accounting matters

### Actions:

November 4, 2010 Appropriative Pool –  
November 4, 2010 Non-Agricultural Pool –  
November 4, 2010 Agricultural Pool –  
November 18, 2010 Advisory Committee –  
November 18, 2010 Watermaster Board –

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION



**Mayer Hoffman McCann P.C.**

**An Independent CPA Firm**

2301 Dupont Drive, Suite 200  
Irvine, California 92612  
949-474-2020 ph  
949-263-5520 fx  
www.mhm-pc.com

Board of Directors  
Chino Basin Watermaster  
Rancho Cucamonga, California

We have audited the financial statements of the Chino Basin Watermaster (the "Watermaster") for the year ended June 30, 2010, and have issued our report thereon dated October 11, 2010. Professional standards require that we provide you with the following information related to our audit.

#### ***Our Responsibility under U.S. Generally Accepted Auditing Standards***

As stated in our engagement letter, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

#### ***Planned Scope and Timing of the Audit***

Audit fieldwork was performed in August 2010. As communicated to the Board of Directors in a letter dated August 10, 2010, significant risks of material misstatement addressed by our auditing procedures included:

- Risk of material fraud or misstatement associated with cash receipts and disbursements.
- Risk of improper classification of expenses.
- Risk of improper timing in recording revenues.
- Risk of material fraud or misstatement associated with significant assets and liabilities.

#### ***Significant Audit Findings***

We did not identify any deficiencies in internal control we consider to be material weaknesses.

#### ***Qualitative Aspects of Accounting Practices***

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Watermaster are described in note one to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2010.



Board of Directors  
Chino Basin Watermaster  
Rancho Cucamonga, California  
Page 2 of 3

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Examples of significant judgments and estimates reflected in the Watermaster's financial statements and disclosures include:

- Judgments associated with the collection of receivables
- Estimates involving revenues and expenses to be accrued as of year end.

#### *Difficulties Encountered in Performing the Audit*

We encountered no difficulties in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The accompanying financial statements include certain reclassifications for financial statement reporting purposes (i.e. reclassifying certain unpaid expenses as liability, etc.).

#### *Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting and auditing matter, whether or not resolved to our satisfaction, which could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated October 11, 2010.

#### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Watermaster's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require that the consulting accountant contact us to



Board of Directors  
Chino Basin Watermaster  
Rancho Cucamonga, California  
Page 3 of 3

determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants during the audit.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year prior to retention as the Watermaster's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

\* \* \* \* \*

This information is intended solely for the use of the Board of Directors and the management of the Watermaster and is not intended to be and should not be used by anyone other than these specified parties.

*Mayer Hoffman Malinin P.C.*

Irvine, California  
October 11, 2010

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION



CHINO BASIN WATERMASTER  
Basic Financial Statements and Supplemental Data  
Year ended June 30, 2010  
(With Independent Auditors' Report Thereon)

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION

CHINO BASIN WATERMASTER  
Basic Financial Statements and Supplemental Data  
Year ended June 30, 2010

**TABLE OF CONTENTS**

	<u>Page</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	2
Basic Financial Statements:	
Statement of Net Assets	6
Statement of Revenues, Expenses and Changes in Net Assets	7
Statement of Cash Flows	8
Notes to the Basic Financial Statements	9
Supplementary Information:	
Combining Schedule of Revenues, Expenses and Changes in Working Capital - For the period July 1, 2009 through June 30, 2010	21
Combining Schedule of Revenues, Expenses and Changes in Working Capital - For the period July 1, 2008 through June 30, 2009	22



Mayer Hoffman McCann P.C.

An Independent CPA Firm

2301 Dupont Drive, Suite 200  
Irvine, California 92612  
949-474-2020 ph  
949-263-5520 fx  
www.mhm-pc.com

Board of Directors  
Chino Basin Watermaster  
Rancho Cucamonga, California

### Independent Auditors' Report

We have audited the accompanying basic financial statements of the Chino Basin Watermaster as of and for the year ended June 30, 2010, as listed in the table of contents. These basic financial statements are the responsibility of the management of Chino Basin Watermaster. Our responsibility is to express an opinion on these basic financial statements based on our audit. The prior year partial comparative information has been derived from the Chino Basin Watermaster's basic financial statements for the year ended June 30, 2009 and, in our report dated December 11, 2009, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Chino Basin Watermaster as of June 30, 2010, and respective changes in financial position and cash flows of the Chino Basin Watermaster for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The information identified in the accompanying table of contents as *management's discussion and analysis* is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Chino Basin Watermaster's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information identified in the table of contents has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Mayer Hoffman McCann P.C.*

Irvine, California  
October 11, 2010



# CHINO BASIN WATERMASTER

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

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### BACKGROUND

The Chino Basin Watermaster (Watermaster) was established under a Judgment entered in the Superior Court of the State of California for the County of San Bernardino, entitled "Chino Basin Municipal Water District v. City of Chino, et al.," (originally Case No. SCV 164327, the file was transferred in August 1989 and assigned a new Case No. RCV 51010). The Judgment prescribes Watermaster's authorities and specifies classes of water production assessments to be used to fund certain activities. Those assessment categories are: Administration, Optimal Basin Management Program, Special Projects and Replenishment. Each class of assessment has a prescribed purpose and water production base. Assessment revenue is Watermaster's principal source of income.

This section of the Watermaster's annual financial report presents our analysis of the Watermaster's financial performance during the fiscal year ended on June 30, 2010. Please read it in conjunction with the basic financial statements that follow this section.

### OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis are intended to serve as an introduction to the Watermaster's basic financial statements, which are comprised of two components: Financial Statements (pages 6-8) and Notes to the Financial Statements (pages 9-19). This report also contains other supplementary information in addition to the basic financial statements (pages 20-22).

#### Required Financial Statements

The financial statements of the Watermaster report information using the accrual basis of accounting; accordingly, all of the current year's revenues and expenses are accounted for regardless of when the cash is received or paid. This accounting treatment is similar to the methods used by private sector companies and aids in answering the question of whether the Watermaster, as a whole, has improved or deteriorated as a result of this year's activities.

The Statement of Net Assets (page 6) includes all of the Watermaster's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for evaluating the capital structure of the Watermaster and assessing the liquidity and financial flexibility of the Watermaster.

The Statement of Revenues, Expenses and Changes in Net Assets (page 7) includes all of the current year revenues and expenses. This statement measures the success of the Watermaster's operations over the past year and can be used to determine whether the Watermaster has successfully recovered all of its costs through assessments and other charges.

The Statement of Cash Flows (page 8) reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities. This statement demonstrates where the cash came from, how the cash was used, and how much the change in cash was during the fiscal year.

These statements are one of many different ways to measure the Watermaster's financial health, or financial position. Over time, increases or decreases in the Watermaster's net assets are one of the indicators of whether its financial position is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Watermaster's, assessment income, cost sharing agreements, and other operational measures to help assess the overall financial position of the Watermaster.

## SUMMARY OF FINANCIAL INFORMATION

### Statement of Net Assets

**June 30, 2010**  
(With comparative totals for June 30, 2009)

	2010	2009	Difference	% Change
<b>Assets</b>				
Current	\$ 10,614,785	\$ 11,596,978	\$ (982,193)	-8.5%
Capital	46,889	53,176	(6,287)	-11.8%
<b>Total Assets</b>	<b>10,661,674</b>	<b>11,650,154</b>	<b>(988,480)</b>	<b>-8.5%</b>
<b>Liabilities</b>				
Current	1,989,063	469,002	1,520,061	324.1%
Non current	194,246	185,186	9,060	4.9%
<b>Total Liabilities</b>	<b>2,183,309</b>	<b>654,188</b>	<b>1,529,121</b>	<b>233.8%</b>
<b>Net Assets</b>				
Invested in capital assets	46,889	53,176	(6,287)	-11.8%
Restricted for Water Purchases	1,280,113	4,111,568	(2,831,455)	-68.9%
Unrestricted	7,151,363	6,831,222	320,141	4.7%
<b>Total Net Assets</b>	<b>\$ 8,478,365</b>	<b>\$10,995,966</b>	<b>(\$ 2,517,601)</b>	<b>-22.9%</b>

For the year ended June 30, 2010 and June 30, 2009, Watermaster's Total Net Assets was \$8,478,365 and \$10,995,966 respectively.

Total Assets decreased by \$988,480 or 8.5% in FY 2010 compared to FY 2009. Parties who extract water in excess of their rights are assessed on an annual basis to cover the cost of purchasing replenishment water. In fiscal year 2008/2009, Watermaster collected the money for the purchase of replenishment water but was unable to satisfy the purchase obligation of the replenishment water. For FY 2010, the majority of the decrease in Total Assets was a direct result of the purchase of replenishment water throughout the fiscal year. Comparing FY 2010 to FY 2009, Cash and Investments (Note 2 - pages 12-15) decreased by \$787,508 or 7.0% (net of the audit adjustment described below), Accounts Receivables decreased by \$176,515 or 89.2%, Prepaid Expenses decreased by \$18,170 or 54.3% and Capital Assets (net of accumulated depreciation) decreased by \$6,287 or 11.9%.

The first of four payments related to the purchase and sale agreement between the Overlying (Non-Agricultural) Pool and Watermaster (Note 9 - page 19) was issued on January 14, 2010 in the amount of \$2,166,022. At the end of the fiscal year June 30, 2010, three checks issued to members of the Overlying (Non-Agricultural) Pool totaling \$415,136 had not cleared the Watermaster bank account. As a result, an audit adjustment was recorded increasing the categories of Cash and Investments and Accounts Payable for \$415,136.

Total Liabilities increased by \$1,529,121 or 233.8% in FY 2010 as compared to FY 2009. Accounts Payable increased \$1,581,185 or 406.4% (which included the audit adjustment amount of \$415,136 listed above). The Accounts Payable increase was directly related to the recording and paying of outstanding invoices at fiscal year end June 30, 2010. Accrued Salaries and Benefits decreased by \$61,124 or 76.5% and Compensated Absences (Note 4 - page 16) increased by \$9,060 or 4.9%.

**Statement of Revenues, Expenses, and Changes in Net Assets**

<b>June 30, 2010</b>				
<b>(With comparative totals for June 30, 2009)</b>				
	2010	2009	Difference	% Change
<b>Operating Revenues</b>				
Administrative assessments	\$ 7,404,003	\$ 8,166,124	(\$ 762,121)	-9.3%
Mutual agency project revenue	0	51,217	(51,217)	-100.0%
Replenishment water	7,073,805	6,437,643	636,162	9.9%
Miscellaneous revenue	111,188	0	111,188	100.0%
<b>Total Operating Revenues</b>	<b>14,588,996</b>	<b>14,654,984</b>	<b>(65,988)</b>	<b>-0.5%</b>
<b>Operating Expenses</b>				
Watermaster administration	657,236	510,988	146,248	28.6%
Depreciation	29,103	25,577	3,526	13.8%
Pool, Advisory and Board	277,050	250,870	26,180	10.4%
Optimum Basin Management Plan	6,327,400	6,913,336	(585,936)	-8.5%
Mutual agency project costs	0	10,000	(10,000)	-100.0%
Groundwater replenishment	9,894,321	2,326,075	7,568,246	325.4%
<b>Total Operating Expenses</b>	<b>17,185,110</b>	<b>10,036,846</b>	<b>7,148,264</b>	<b>71.2%</b>
Income from operations	(2,596,114)	4,618,138	(7,214,252)	-156.2%
<b>Non-Operating Revenues</b>				
Interest	78,513	179,866	(101,353)	-56.3%
<b>Total Non-Operating Revenues</b>	<b>78,513</b>	<b>179,866</b>	<b>(101,353)</b>	<b>-56.3%</b>
Change in net assets	(2,517,601)	4,798,004	(7,315,605)	-152.5%
Net assets at beginning of year	10,995,966	6,197,962	4,798,004	77.4%
<b>Total net assets at end of year</b>	<b>\$ 8,478,365</b>	<b>\$ 10,995,966</b>	<b>(\$ 2,517,601)</b>	<b>-22.9%</b>

**REVIEW OF REVENUES AND EXPENSES**

Total Operating Revenues decreased \$65,988 or 0.5% in FY 2010 as compared to FY 2009. Annual administrative assessments are determined by dividing the adopted budget by the total assessable production. Administrative assessment revenue for FY 2010 decreased \$762,121 or 9.3% from the previous year due to budgeted decreases in the overall OBMP expenses, recharge basin operations and maintenance expenses. Replenishment water assessment revenue for FY 2010 increased by \$636,162 or 9.9% compared to the previous year due to production increases in excess of production rights, and due to the increased cost of replenishment water. For the current fiscal year, there was no Mutual Agency Project Revenue recorded (a decrease of \$51,217 or 100.0%) and the Miscellaneous Revenue category increased by \$111,188 or 100.0% as compared to the previous year.

Overall operating expenses (excluding replenishment activities) decreased by \$419,982 or 5.4% in FY 2010 as compared to FY 2009. The operating expense categories for the fiscal year ending June 30, 2010 were as follows: Watermaster administrative expenses increased \$146,248 or 28.6%; Depreciation expense increased by \$3,526 or 13.8%; the Pools, Advisory and Board administration expenses increased by \$26,180 or 10.4%; Optimum Basin Management Plan (OBMP) decreased \$585,936 or 8.5%; and Mutual agency project costs decreased \$10,000 or 100% as compared to the previous fiscal year ended June 30, 2009.

Groundwater replenishment activities increased dramatically in FY 2010 as compared to FY 2009. The replenishment activities for FY 2010 were \$7,728,299, along with the water purchase of \$2,166,022 (see Note 9) for a total of \$9,894,321 as compared to \$2,326,075 for FY 2009, an increase of \$7,568,246 or 325.4% from the prior year.

Non-operating revenue represented interest income of \$78,513 and \$179,866 for the years ending June 30, 2010 and June 30, 2009, which decreased due to the falling interest rates.

### **CONTACTING THE WATERMASTER**

This financial report is designed to provide a general overview of the Watermaster's finances and to demonstrate the Watermaster's accountability for the resources it receives. If you have any questions about this report, or need additional information, please contact Joseph S. Joswiak, Chief Financial Officer at (909) 484-3888.



CHINO BASIN WATERMASTER

Statement of Net Assets

June 30, 2010

(with comparative totals for June 30, 2009)

<u>Assets</u>	<u>2010</u>	<u>2009</u>
Current assets:		
Cash and investments (note 2)	\$ 10,578,034	\$ 11,365,542
Accounts receivable	21,458	197,973
Prepaid expenses	<u>15,293</u>	<u>33,463</u>
Total current assets	<u>10,614,785</u>	<u>11,596,978</u>
Noncurrent assets:		
Capital assets, net of accumulated depreciation (note 3)	<u>46,889</u>	<u>53,176</u>
Total noncurrent assets	<u>46,889</u>	<u>53,176</u>
Total assets	<u>10,661,674</u>	<u>11,650,154</u>
<u>Liabilities</u>		
Current liabilities:		
Accounts payable	1,970,273	389,088
Accrued salaries and benefits	<u>18,790</u>	<u>79,914</u>
Total current liabilities	<u>1,989,063</u>	<u>469,002</u>
Noncurrent liabilities:		
Compensated absences (note 4)	<u>194,246</u>	<u>185,186</u>
Total noncurrent liabilities	<u>194,246</u>	<u>185,186</u>
Total liabilities	<u>2,183,309</u>	<u>654,188</u>
<u>Net Assets</u>		
Net assets:		
Invested in capital assets	46,889	53,176
Restricted for water purchases	1,280,113	4,111,568
Unrestricted	<u>7,151,363</u>	<u>6,831,222</u>
Total net assets	<u>\$ 8,478,365</u>	<u>\$ 10,995,966</u>

See accompanying notes to the basic financial statements.

CHINO BASIN WATERMASTER

Statement of Revenues, Expenses and Changes in Net Assets

Year ended June 30, 2010

(with comparative totals for June 30, 2009)

	<u>2010</u>	<u>2009</u>
Operating revenues:		
Administrative assessments (note 1)	\$ 7,404,003	\$ 8,166,124
Mutual agency project revenue	-	51,217
Replenishment water	7,073,805	6,437,643
Miscellaneous revenue	<u>111,188</u>	<u>-</u>
Total operating revenues	<u>14,588,996</u>	<u>14,654,984</u>
Operating expenses:		
Watermaster administration	657,236	510,988
Depreciation	29,103	25,577
Pool, advisory and Board administration	277,050	250,870
Optimum Basin Management Plan	6,327,400	6,913,336
Mutual agency project costs	-	10,000
Groundwater replenishment and other water purchases	<u>9,894,321</u>	<u>2,326,075</u>
Total operating expenses	<u>17,185,110</u>	<u>10,036,846</u>
Income (loss) from operations	<u>(2,596,114)</u>	<u>4,618,138</u>
Nonoperating revenues:		
Interest income	<u>78,513</u>	<u>179,866</u>
Total nonoperating revenues	<u>78,513</u>	<u>179,866</u>
Change in net assets	(2,517,601)	4,798,004
Net assets at beginning of year	<u>10,995,966</u>	<u>6,197,962</u>
Total net assets at end of year	<u>\$ 8,478,365</u>	<u>\$ 10,995,966</u>

See accompanying notes to the basic financial statements.

CHINO BASIN WATERMASTER  
Statement of Cash Flows  
Year ended June 30, 2010  
(with comparative totals for June 30, 2009)

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities:		
Cash received from customers	\$ 14,765,511	\$ 15,316,256
Cash received from other agencies	-	51,217
Cash paid to employees for services	(1,330,329)	(1,196,994)
Cash paid to suppliers of goods and services	<u>(14,278,387)</u>	<u>(9,111,868)</u>
Net cash provided by (used for) operating activities	<u>(843,205)</u>	<u>5,058,611</u>
Cash flows from capital financing activities:		
Acquisition of capital assets	<u>(22,816)</u>	<u>(19,530)</u>
Net cash provided by (used for) capital financing activities	<u>(22,816)</u>	<u>(19,530)</u>
Cash flows from investing activities:		
Interest received	<u>78,513</u>	<u>179,866</u>
Net cash provided by (used for) investing activities	<u>78,513</u>	<u>179,866</u>
Net increase (decrease) in cash	(787,508)	5,218,947
Cash and investments at the beginning of year	<u>11,365,542</u>	<u>6,146,595</u>
Cash and investments at the end of year	<u>\$ 10,578,034</u>	<u>\$ 11,365,542</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	\$ (2,596,114)	\$ 4,618,138
Adjustments to reconcile operating income (loss) to net cash used for operating activities:		
Depreciation	29,103	25,577
(Increase) decrease in accounts receivable	176,515	712,489
(Increase) decrease in prepaid expenses	18,170	(10,206)
Increase (decrease) in account payable	1,581,185	(404,168)
Increase (decrease) in accrued salaries and benefits	(61,124)	74,590
Increase (decrease) in compensated absences	<u>9,060</u>	<u>42,191</u>
Net cash provided by (used for) operating activities	<u>\$ (843,205)</u>	<u>\$ 5,058,611</u>

Noncash investing, capital and financing activities:

There were no significant noncash investing, capital or financing activities during the fiscal year ended June 30, 2010.

See accompanying notes to the basic financial statements.

CHINO BASIN WATERMASTER  
Notes to the Basic Financial Statements  
Year ended June 30, 2010

(1) Reporting Entity and Summary of Significant Accounting Policies

Description of Reporting Entity

The Chino Basin Watermaster (“Watermaster”) was established under a judgment entered in Superior Court of the State of California for the County of San Bernardino as a result of Case No. RCV 51010 (formerly Case No. SCV 164327) entitled “Chino Basin Municipal Water District v. City of Chino, et al.”, signed by the Honorable Judge Howard B. Wiener on January 27, 1978. The effective date of this Judgment for accounting and operations was July 1, 1977.

Pursuant to the Judgment, the Chino Basin Municipal Water District (CBMWD) five member Board of Directors was initially appointed as “Watermaster”. Their term of appointment as Watermaster was for five years, and the Court, by subsequent orders, provides for successive terms or for a successor Watermaster. Pursuant to a recommendation of the Advisory Committee, the Honorable J. Michael Gunn appointed a nine-member board as Watermaster on September 28, 2000.

Under the Judgment, three Pool committees were formed: (1) Overlying (Agricultural) Pool which includes the State of California and all producers of water for overlying uses other than industrial or commercial purposes; (2) Overlying (Non-Agricultural) Pool which represents producers of water for overlying industrial or commercial purposes; and (3) Appropriative Pool which represents cities, districts, other public or private entities and utilities. The three Pools act together to form the “Advisory Committee”.

The Watermaster provides the Chino Groundwater Basin service area with services which primarily include: accounting for water appropriations and components of acre-footage of stored water by agency, purchase of replenishment water, groundwater monitoring and implementation of special projects.

Watermaster expenditures are allocated to the pools based on the prior year’s production volume (or the same percentage used to set the annual assessments). Allocations for fiscal year 2009-10 expenses are based on the 2008-09 production volume.

	2008-09	
	<u>Acre Feet</u>	<u>%</u>
Production Volume:		
Appropriative Pool	84,716	69.867
Agricultural Pool	32,143	26.509
Non-Agricultural Pool	<u>4,394</u>	<u>3.624</u>
Total Production Volume	<u>121,253</u>	<u>100.000</u>

CHINO BASIN WATERMASTER  
Notes to the Basic Financial Statements  
(Continued)

(1) Reporting Entity and Summary of Significant Accounting Policies, (Continued)

The Agricultural Pool members ratified an agreement with the Appropriative Pool at their meeting of June 16, 1988, wherein the Appropriative Pool assumes Agricultural Pool administrative expenses and special project cost allocations in exchange for an accelerated transfer of unpumped agricultural water to the Appropriative Pool. In addition the Agricultural Pool transferred all pool administrative reserves at June 30, 1988 to the Appropriative Pool effective July 1, 1988.

In July of 2000, the principal parties in the Basin signed an agreement, known as the Peace Agreement, which among other things formalized the commitment of the Basin parties to implement an Optimum Basin Management Program. The Peace Agreement was signed by all of the parties, and the Court has approved the agreement and ordered the Watermaster to proceed in accordance with the terms of the agreement. The Court has approved revisions to the Chino Basin Watermaster Rules and Regulations.

Basis of Accounting

The Watermaster is accounted for as an enterprise fund (proprietary fund type). A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific governmental activity. The activities of enterprise funds closely resemble those of ongoing businesses in which the purpose is to conserve and add to basic resources while meeting operating expenses from current revenues. Enterprise funds account for operations that provide services on a continuous basis and are substantially financed by revenues derived from user charges. The Watermaster utilizes the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized as they are incurred.

The Watermaster applies all applicable GASB pronouncements in accounting and reporting for proprietary operations as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principals Board (APB) Opinions, and Accounting Research Bulletins (ARB's) of the Committee on Accounting Procedure.

Cash and Investments

Investments are reported in the accompanying balance sheet at fair value. Changes in fair value that occur during a fiscal year are recognized as interest income reported for that fiscal year.

Watermaster pools cash and investments of all fund balance reserves. Interest income earned by the pooled investments is allocated quarterly to the various reserves based on each reserve's average cash and investments balance.

CHINO BASIN WATERMASTER

Notes to the Basic Financial Statements

(Continued)

(1) Reporting Entity and Summary of Significant Accounting Policies, (Continued)

Cash Equivalents

For the purposes of the statements of cash flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates, and have an original maturity date of three months or less.

Capital Assets

Capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. The Watermaster capitalizes all assets with a historical cost of at least \$5,000 and a useful life of at least three years. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

Depreciation is computed utilizing the straight-line method over the following estimated useful lives:

Computer equipment and software	5 years
Office furniture and fixtures	7 years
Leasehold improvements	10 years
Automotive equipment	7 years

Use of Estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Appropriative Interest Revenue Allocation

On August 30, 1979, the Appropriative Pool unanimously approved assessment procedures whereby any interest earned from the Watermaster assessments paid by Appropriative Pool members would reduce the total current assessment due from those members. Fiscal year 2008-09 interest revenue was allocated to the Appropriative Pool, resulting in a reduction of the 2009-10 assessments. The amount of administrative assessment received for the year ended June 30, 2010 was \$7,404,003.

CHINO BASIN WATERMASTER  
Notes to the Basic Financial Statements  
(Continued)

(1) Reporting Entity and Summary of Significant Accounting Policies, (Continued)

Prior Year Data

The information included in the accompanying financial statements for the prior year has been presented for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Watermaster's prior year financial statements, from which the financial data was derived.

(2) Cash and Investments

Cash and investments as of June 30, 2010 are classified in the accompanying financial statements as follows:

Statement of net assets:

Cash and investments	<u>\$10,578,034</u>
Total cash and investments	<u>\$10,578,034</u>

Cash and investments as of June 30, 2010 consist of the following:

Cash on hand	\$ 500
Deposits with financial institutions	603,604
Investments	<u>9,973,930</u>
Total cash and investments	<u>\$10,578,034</u>

CHINO BASIN WATERMASTER  
Notes to the Basic Financial Statements  
(Continued)

(2) Cash and Investments, (Continued)

Investments Authorized by the California Government Code and the Watermaster's Investment Policy

The table below identifies the investment types that are authorized for the Watermaster by the California Government Code and the Watermaster's investment policy. The table also identifies certain provisions of the California Government Code (or the Watermaster's investment policy, if more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

<u>Investment Types</u> <u>Authorized by State Law</u>	<u>Authorized</u> <u>By</u> <u>Investment</u> <u>Policy</u>	<u>*Maximum</u> <u>Maturity</u>	<u>*Maximum</u> <u>Percentage</u> <u>Of</u> <u>Portfolio</u>	<u>*Maximum</u> <u>Investment</u> <u>In One</u> <u>Issuer</u>
Local Agency Bonds	Yes	5 years	None	None
U.S. Treasury Obligations	Yes	5 years	None	None
U.S. Agency Securities	Yes	5 years	None	None
Banker's Acceptances	Yes	180 days	40%	30%
Commercial Paper	Yes	270 days	25%	10%
Negotiable Certificates of Deposit	Yes	5 years	30%	None
Repurchase Agreements	Yes	1 year	None	None
Reverse Repurchase Agreements	Yes	92 days	20% of base value	None
Medium-Term Notes	Yes	5 years	30%	None
Mutual Funds	Yes	N/A	20%	10%
Money Market Mutual Funds	Yes	N/A	20%	10%
Mortgage Pass-Through Securities	Yes	5 years	20%	None
County Pooled Investment Funds	Yes	N/A	None	None
Local Agency Investment Fund (LAIF)	Yes	N/A	None	None
JPA Pools (other investment pools)	Yes	N/A	None	None

\* Based on state law requirements or investment policy requirements, whichever is more restrictive.



CHINO BASIN WATERMASTER

Notes to the Basic Financial Statements

(Continued)

(2) Cash and Investments, (Continued)

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Watermaster manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the Watermaster's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Watermaster's investment by maturity:

<u>Investment Type</u>	<u>Remaining Maturity (in Months)</u>			
	<u>Total Amount</u>	<u>12 Months Or Less</u>	<u>13-24 Months</u>	<u>25-60 Months</u>
Local Agency Investment Fund	\$ 9,973,930	9,973,930	-	-
Total	\$ 9,973,930	9,973,930	-	-

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the Watermaster's investment policy, and the actual rating as of year end for each investment type:

<u>Investment Type</u>	<u>Total Amount</u>	<u>Minimum Legal Rating</u>	<u>Rating as of Year End</u>		
			<u>AAA</u>	<u>Aa</u>	<u>Not Rated</u>
Local Agency Investment Fund	\$9,973,930	N/A	-	-	9,973,930
Total	\$9,973,930		-	-	9,973,930

CHINO BASIN WATERMASTER  
Notes to the Basic Financial Statements  
(Continued)

(2) Cash and Investments, (Continued)

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Watermaster's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Watermaster deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Investment in State Investment Pool

The Watermaster is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the Watermaster's investment in this pool is reported in the accompanying financial statements at amounts based upon the Watermaster's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

CHINO BASIN WATERMASTER

Notes to the Basic Financial Statements

(Continued)

(3) Capital Assets

Capital asset activity for the year ended June 30, 2010 is as follows:

	<u>Balances at July 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances at June 30, 2010</u>
Computer equipment and software	\$ 94,774	22,816	-	117,590
Office furniture and fixtures	42,291	-	-	42,291
Leasehold improvements	23,443	-	-	23,443
Automotive equipment	<u>90,484</u>	<u>-</u>	<u>-</u>	<u>90,484</u>
Total costs of depreciable assets	<u>250,992</u>	<u>22,816</u>	<u>-</u>	<u>273,808</u>
Less accumulated depreciation:				
Computer equipment and software	(74,055)	(13,565)	-	(87,620)
Office furniture and fixtures	(36,953)	(5,339)	-	(42,292)
Leasehold improvements	(14,068)	(2,345)	-	(16,413)
Automotive equipment	<u>(72,740)</u>	<u>(7,854)</u>	<u>-</u>	<u>(80,594)</u>
Total accumulated depreciation	<u>(197,816)</u>	<u>(29,103)</u>	<u>-</u>	<u>(226,919)</u>
Net capital assets	<u>\$ 53,176</u>	<u>(6,287)</u>	<u>-</u>	<u>46,889</u>

(4) Compensated Absences

Permanent Watermaster employees earn from 10 to 20 vacation days a year, depending upon their length of employment and 12 sick days a year. Employees may carry vacation days forward up to the equivalent number of days earned in the immediately preceding twenty-four (24) month period. There is no maximum accumulation of sick leave; and upon retirement or resignation at age 55 or greater, employees with continuous employment for a minimum of twenty (20) years are compensated for all accumulated sick leave at 50% of their rate of pay at termination. Other employees are paid based upon length of employment and age at time of retirement or resignation. The amount of compensated absences outstanding as of June 30, 2010 was \$194,246.

CHINO BASIN WATERMASTER  
Notes to the Basic Financial Statements

(Continued)

(5) Deferred Compensation Plan

The Watermaster has established deferred compensation plans for all employees of Watermaster in accordance with Internal Revenue Code Section 457, whereby employees authorize the Watermaster to defer a portion of their salary to be deposited in individual investment accounts. Participation in the plans is voluntary and may be revoked at any time upon advance written notice. The amount of compensation subject to deferral until retirement, disability, or other termination by a participant may not exceed the maximum legal amounts for deferred compensation plans. Amounts withheld by Watermaster under this plan are deposited regularly with California Public Employees' Retirement System. The Watermaster makes no contribution under the plan. As of June 30, 2010, the deferred compensation plan assets were held in trust accounts for the sole benefit of the employees and their beneficiaries, and accordingly have been excluded from Watermaster's reported assets.

(6) Operating Lease

The Watermaster entered into a lease for rent of office space on September 1, 2003, expiring August 30, 2018. The amount paid under this lease was \$65,940 for the year ended June 30, 2010. The future minimum lease payments for this lease are as follows:

<u>Year Ending June 30:</u>	<u>Amount</u>
2011	69,504
2012	69,504
2013	69,504
2014	69,504
2015-2019	<u>289,600</u>
Total	<u>\$567,616</u>

(7) Defined Benefit Pension Plan (PERS)

Plan Description

The Watermaster contributes to the California Public Employees Retirement System (PERS), a cost-sharing multiple-employer public employee defined benefit pension plan. PERS provides retirement, disability benefits, and death benefits to plan members and beneficiaries. Effective May 2009, the Watermaster changed from a 2% at 55 Risk Pool during year ending June 30, 2008 to a 2.5% at 55 Risk Pool. PERS acts as a common investment and administrative agent for participating public entities within the State of California. PERS issues a publicly available financial report that includes financial statements and required supplementary information for the cost sharing plans that are administered by PERS. Copies of PERS' annual financial report may be obtained from its executive office at 400 "P" Street, Sacramento, California 95814.

CHINO BASIN WATERMASTER

Notes to the Basic Financial Statements

(Continued)

(7) Defined Benefit Pension Plan (PERS), (Continued)

Contributions

Participants are required to contribute 8% of their annual covered salary. The Watermaster makes the contributions required of the employees on their behalf and for their account. Benefit provisions and all other requirements are established by state statute and the Watermaster contract with employee bargaining groups.

For each of the fiscal years shown below, the Watermaster has contributed at the actuarially determined rate provided by PERS' actuaries. Under GASB 27, an employer reports an annual pension cost (APC) equal to the annual required contribution (ARC) plus an adjustment for the cumulative difference between the APC and the employer's actual plan contributions for the year. The cumulative difference is called the net pension obligation (NPO). The ARC for the period July 1, 2009 to June 30, 2010 has been determined by an actuarial valuation of the plan as of June 30, 2007. The Watermaster's covered payroll for PERS was \$862,905.01 for the year ended June 30, 2010, while the Watermaster's total payroll for all employees was \$862,905.01 during the same period. In order to calculate the dollar value of the ARC for inclusion in financial statements prepared as of June 30, 2010, the contribution rate is multiplied by the payroll of covered employees that were paid during the period from July 1, 2009 to June 30, 2010.

*Three-Year Trend Information*

*Annual Pension cost (Safety)*

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employer Contribution</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation</u>
6/30/08	10.345%	144,250	100%	-
6/30/09	11.346%	176,576	100%	-
6/30/10	11.417%	165,298	100%	-

## CHINO BASIN WATERMASTER

### Notes to the Basic Financial Statements

(Continued)

#### (8) Project Commitments

Under a financing agreement developed pursuant to the OBMP Recharge Master Plan, the Watermaster is obligated to pay for one-half of the fixed project costs for certain recharge facilities in the Chino Basin area that are being constructed to increase the recharge of imported water, storm water, and recycled water to the Chino Groundwater Basin. The recharge facilities being constructed will be owned by the Inland Empire Utilities Agency pursuant to a Recharge Operations Agreement. When complete, the recharge project will enable the Watermaster to increase annual recharge supplemental water to the Chino Groundwater Basin. In addition, stormwater and recycled water recharge would be increased. Fixed project costs include construction costs, debt service on the related bond financing and reserves for repair, replacement, improvement and debt service. The Watermaster's share of the cost for 2009 is \$515,006.

#### (9) Purchase of Water from Non-Agricultural Pool

As part of the Peace II Agreement, a purchase and sale agreement between the Overlying (Non-Agricultural) Pool and Watermaster was signed on September 27, 2007. The signed agreement (Attachment "G") was titled "PURCHASE AND SALE AGREEMENT FOR THE PURCHASE OF WATER BY WATERMASTER FROM THE OVERLYING (NON-AGRICULTURAL) POOL". Section D of the Agreement states:

"Commencing thirty (30) calendar days from the Notice of Intent to Purchase ("Payment Date") Watermaster will pay to the Non-Agricultural Overlying Pool for each acre-foot of the Storage Transfer Quantity in accordance with the following schedule as the schedule is adjusted for inflation by the consumers price index ("CPI") for San Bernardino County from May 31, 2006 until the Payment Date:

1. \$215 times 1/4 of the Storage Transfer Quantity on the Payment Date.
2. \$220 times 1/4 of the Storage Transfer Quantity on the first anniversary of the Payment Date.
3. \$225 times 1/4 of the Storage Transfer Quantity on the second anniversary of the Payment Date.
4. \$230 times 1/4 of the Storage Transfer Quantity on the third anniversary of the Payment Date.

However, all payments provided for herein, including inflation adjustments, are subject to an express price cap and will not exceed ninety-two (92) percent of the then prevailing MWD replenishment rate in any year".

The Notice of Intent to Purchase ("Payment Date") was December 18, 2009. On January 14, 2010 the first of four installment payments in the amount of \$2,166,022 (adjusted for inflation as prescribed by Section D) were issued to the Non-Agricultural Overlying Pool. The future three payments (adjusted for inflation) will be issued in accordance to Section D.

---

**SUPPLEMENTARY INFORMATION**

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION



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

WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT		POOL ADMINISTRATION & SPECIAL PROJECTS		GROUNDWATER OPERATIONS		GRAND TOTALS	BUDGET 2009-2010
	POOL APPROPRIATIVE	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS	EDUCATION FUNDS		
Administrative Revenues:								
Administrative Assessments	7,178,987	-	225,016	-	-	-	7,404,003	\$7,340,839
Interest Revenue	39,009	2,764	1,744	-	-	6	43,523	191,540
Mutual Agency Project Revenue	-	-	-	-	-	-	-	148,410
Grant Income	-	-	-	-	-	-	-	-
Miscellaneous Income	188	-	-	-	-	-	111,188	-
Total Revenues	7,218,184	2,764	226,760	-	-	6	7,558,714	7,680,789
Administrative & Project Expenditures:								
Watermaster Administration	686,339						686,339	580,238
Watermaster Board-Advisory Committee	61,245						61,245	61,901
Pool Administration		186,478	6,596				215,805	229,860
Optimum Basin Mgmt Administration	22,731						1,710,617	1,557,820
OBMP Project Costs	1,710,617						3,726,777	4,109,362
Debt Service	3,726,777						890,006	1,131,233
Education Funds Use	890,006						-	375
Mutual Agency Project Costs	-						-	10,000
Total Administrative/OBMP Expenses	747,584	186,478	6,596				7,290,789	7,680,789
Net Administrative/OBMP Expenses	(636,584)						-	-
Allocate Net Admin Expenses To Pools	444,765	168,751	23,069				-	-
Allocate Net OBMP Expenses To Pools	3,798,965	1,441,388	197,041				-	-
Allocate Debt Service to App Pool	890,006						-	-
Agricultural Expense Transfer*	1,795,616	(1,796,616)					-	-
Total Expenses	6,953,083	-	226,706	-	-	-	7,290,789	7,680,789
Net Administrative Income	265,101	2,764	54			6	267,925	-
Other Income/(Expense)								
Replenishment Water Assessments				7,073,805			7,073,805	-
Interest Revenue				34,990			34,990	-
Water Purchases							-	-
Balance Adjustment							-	-
Other Water Purchases				(2,176,961)			(2,166,022)	-
Groundwater Replenishment				(7,728,299)			(7,728,299)	-
Net Other Income	10,939	-	-	(2,796,465)			(2,785,526)	-
Net Transfers To/(From) Reserves	276,040	2,764	54	(2,796,465)		6	(2,517,601)	-
Working Capital, July 1, 2009	5,942,967	470,719	256,577	4,166,457	158,251	995	10,995,966	
Working Capital, End Of Period	6,219,007	473,483	256,631	1,369,992	158,251	1,001	8,478,365	8,478,365
08/09 Assessable Production	84,716,450	32,142,764	4,383,990				121,253,204	
08/09 Production Percentages	69.867%	26.509%	3.624%				100.000%	

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

CHINO BASIN WATERMASTER  
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL  
 FOR THE  
 PERIOD JULY 1, 2008 THROUGH JUNE 30, 2009

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION AND SPECIAL PROJECTS APPROPRIATIVE	AGRICULTURAL NON-AGRIC. POOL	GROUNDWATER REPLENISHMENT	GROUNDWATER OPERATIONS SB222 FUNDS	EDUCATION FUNDS	GRAND TOTALS	BUDGET 2008-2009
Administrative Revenues	-	-	-	-	-	-	-	-	-
Administrative Assessments	-	-	7,993,307	-	172,817	-	-	\$ 8,166,124	\$ 7,992,648
Interest Revenue	-	-	111,927	10,198	2,825	-	27	124,977	174,368
Mutual Agency Project Revenue	-	-	49,935	-	1,282	-	-	51,217	148,410
Grant Income	-	-	-	-	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-	-	-	-	-
Total Revenues	-	-	8,155,169	10,198	176,924	-	27	8,342,318	8,315,426
Administrative & Project Expenditures	-	-	-	-	-	-	-	-	-
Watermaster Administration	536,190	-	-	-	-	-	-	536,190	619,960
Watermaster Board-Advisory Committee	58,265	-	-	-	-	-	-	58,265	61,201
Pool Administration	-	-	20,294	167,194	5,117	-	-	192,605	196,523
Optimum Basin Mgmt-Administration	-	1,930,126	-	-	-	-	-	1,930,126	2,023,380
OBMP Project Costs	-	3,721,316	-	-	-	-	-	3,721,316	4,142,393
Debt Service	-	1,261,894	-	-	-	-	-	1,261,894	1,261,594
Education Funds Use	-	-	-	-	-	-	375	375	375
Mutual Agency Project Costs	-	10,000	-	-	-	-	-	10,000	10,000
Total Administrative/OBMP Expenses	594,455	6,923,336	20,294	167,194	5,117	-	375	7,710,771	8,315,426
Net Administrative/OBMP Expenses	(594,455)	(6,923,336)	-	-	-	-	-	-	-
Allocate Net Admin Expenses To Pools	-	-	445,873	133,703	14,879	-	-	-	-
Allocate Net OBMP Expenses To Pools	-	5,661,442	4,344,583	1,273,351	43,508	-	-	-	-
Allocate Debt Service to App Pool	-	1,261,894	-	-	-	-	-	-	-
Agricultural Expense Transfer*	-	1,552,774	(1,552,774)	-	-	-	-	-	-
Total Expenses	7,825,418	-	21,474	63,504	-	-	375	7,710,771	8,315,426
Net Administrative Income	529,751	-	(11,276)	113,420	-	-	(348)	631,547	-
Other Income/(Expense)	-	-	-	-	-	-	-	-	-
Replenishment Water Assessments	-	-	-	-	6,437,643	-	-	6,437,643	-
Interest Revenue	-	-	-	-	54,889	-	-	54,889	-
Water Purchases	-	-	-	-	(2,326,075)	-	-	(2,326,075)	-
Balance Adjustment	-	-	-	-	-	-	-	-	-
Groundwater Replenishment	-	-	-	-	4,166,457	-	-	4,166,457	-
Net Other Income	-	-	-	-	4,166,457	-	-	4,166,457	-
Revenues Over (Under) Expenditures	529,751	-	(11,276)	113,420	4,166,457	-	(348)	4,798,004	-
Working Capital, July 1, 2008	5,413,216	-	481,995	143,157	-	158,251	1,343	6,197,962	-
Working Capital, End Of Period	5,942,967	-	470,719	256,577	4,166,457	158,251	985	10,995,966	\$ 10,995,966
<b>07/08 Assessable Production</b>	103,077,958	-	30,909,693	3,439,822	-	-	-	137,427,473	-
<b>07/08 Production Percentages</b>	75.005%	-	22.492%	2.503%	-	-	-	100.000%	-

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



# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM

### B. FINANCIAL ANALYSIS





# 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:** November 4, 2010  
**TO:** Committee Members  
**SUBJECT:** First Quarter Actual vs. Budget Review for the Period July 1, 2010 through September 30, 2010

### SUMMARY

**Issue** – Review the Actual vs. Budget report of revenues and expenses of Watermaster for the Period of July 1, 2010 through September 30, 2010.

**Recommendation** – Staff recommends the First Quarter Actual vs. Budget Report for the Period July 1, 2010 through September 30, 2010 be received and filed as presented.

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

### BACKGROUND

A quarterly review of the Actual vs. Budget Report for the period July 1, 2010 through September 30, 2010 is provided to keep all members apprised of the total revenues and expenses for the current fiscal year. The purpose of the review is to timely identify expense line items or categories that are showing a trend of “over budget” results. Once the overage has been identified, staff will monitor and take corrective action(s), if possible, to reduce or eliminate the budget overage. If a budget transfer is required to adjust the overage, the quarterly review provides an advanced warning that a potential budget problem exists.

### DISCUSSION

The three-section Actual vs. Budget report has been created from QuickBooks Enterprise Solutions 9.0, the Watermaster accounting system. The first section provides an Actual vs. Budget comparison of the current month (1/12 of the approved budget). The second section provides an Actual vs. Budget comparison of the Year-To-Date (Y-T-D) for the first quarter (25% of the approved budget). The third section provides a fiscal year end June 30, 2011 Projected vs. Budget comparison. For purposes of the first quarterly report, the projected and budget results at year-end June 30, 2011 are assumed to be equal since it is too early in the year to

properly estimate the next nine months of activity. The Actual vs. Budget 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 three month period ending September 30, 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 budget as a direct result of the ongoing Desalter Negotiations of \$95,335, the Chino Airport Plume of \$45,858, Santa Ana Sucker \$7,200, and the Paragraph 31 Motion activity of \$34,010. Several individual legal projects were below budget for the first quarter. These were the Peace II (\$11,324), Ontario Airport Plume (\$2,777), Water Auction (\$8,817), Recharge Master Plan (\$6,275) and General Administrative Legal Costs (Pool, Advisory and Board meetings) of (\$16,243). The budgeted amount for legal expenses for the entire fiscal year of \$450,000 was allocated at \$37,500 per month. For the first three months of the fiscal year, the cumulative Y-T-D actual legal expenses totaled \$249,467 and the budgeted amount was \$112,500 which resulted in an "over budget" variance of \$136,967 or 221.75%. To date, the legal contingency of \$145,000 has not been used.

**Actions:**

- November 4, 2010 Appropriative Pool –
- November 4, 2010 Non-Agricultural Pool –
- November 4, 2010 Agricultural Pool –
- November 18, 2010 Advisory Committee –
- November 18, 2010 Watermaster Board –

	First Quarter (25%) of Budget				100%
	Jul '10 - Sep 10	Budget	\$ Over Budget	% of Budget	Budget
<b>6900 · Optimum Basin Mgmt Plan</b>					
6901 · WM Staff Salaries	51,358.51	51,655.00	-296.49	99.43%	206,620.00
6903 · SARW Group	25,778.00	25,778.00	0.00	100.0%	25,778.00
6906 · OBMP Engineering Services	88,115.85	87,584.00	531.85	100.61%	350,336.00
<b>6907 · OBMP Legal Fees</b>					
6907.3 · WM Legal Counsel					
6907.30 · Peace II - CEQA	1,175.75	12,500.00	-11,324.25	9.41%	50,000.00
6907.31 · Ontario Airport Plume	972.90	3,750.00	-2,777.10	25.94%	15,000.00
6907.32 · Chino Airport Plume	49,607.82	3,750.00	45,857.82	1,322.88%	15,000.00
6907.33 · Desalter Negotiations	95,334.65	0.00	95,334.65	100.0%	0.00
6907.34 · Santa Ana River	6,513.52	6,250.00	263.52	104.22%	25,000.00
6907.35 · Purchase & Sale Agreement NOI	34,009.78	0.00	34,009.78	100.0%	0.00
6907.36 · Santa Ana Sucker	7,096.91	0.00	7,096.91	100.0%	0.00
6907.37 · Water Auction	1,183.50	10,000.00	-8,816.50	11.84%	40,000.00
6907.38 · Reg. Water Quality Cntrl Board	3,591.00	3,750.00	-159.00	95.76%	15,000.00
6907.39 · Recharge Master Plan	3,724.65	10,000.00	-6,275.35	37.25%	40,000.00
6907.3 · WM Legal Counsel - Other	46,257.00	62,500.00	-16,243.00	74.01%	250,000.00
<b>Total 6907.3 · WM Legal Counsel</b>	<b>249,467.48</b>	<b>112,500.00</b>	<b>136,967.48</b>	<b>221.75%</b>	<b>450,000.00</b>
6907.4 · WM Legal Counsel - Contingency	0.00	0.00	0.00	0.0%	145,000.00
<b>Total 6907 · OBMP Legal Fees</b>	<b>249,467.48</b>	<b>112,500.00</b>	<b>136,967.48</b>	<b>221.75%</b>	<b>595,000.00</b>
<b>6909 · OBMP Other Expenses</b>					
6909.1 · OBMP Meetings	902.99	0.00	902.99	100.0%	0.00
6909.5 · Ad Hoc Litigation Committee	21.58	0.00	21.58	100.0%	0.00
6909 · OBMP Other Expenses - Other	62,675.00	5,000.00	57,675.00	1,253.5%	20,000.00
<b>Total 6909 · OBMP Other Expenses</b>	<b>63,599.57</b>	<b>5,000.00</b>	<b>58,599.57</b>	<b>1,271.99%</b>	<b>20,000.00</b>
<b>Total 6900 · Optimum Basin Mgmt Plan</b>	<b>478,319.41</b>	<b>282,517.00</b>	<b>195,802.41</b>	<b>169.31%</b>	<b>1,197,734.00</b>

If the legal expenses continue at the current trend, cost savings in other expense areas may not be enough to keep the overall expenses from exceeding the total budget.

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION

Income	1/12th of the Total Budget			3/12th (25%) of the Total Budget			100% of the Total Budget		
	For The Month of September 2010			Year-To-Date as of September 30, 2010			Fiscal Year End as of June 30, 2011		
	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Projected	Budget	% of Budget
4010 - Local Agency Subsidies	0.00	0.00	0.0%	111,000.00	148,410.00	74.79%	148,410.00	148,410.00	100.0%
4110 - Admin Asmnts-Approp Pool	0.00	0.00	0.0%	0.00	0.00	0.0%	6,153,067.00	6,153,067.00	100.0%
4120 - Admin Asmnts-Non-Agrt Pool	0.00	0.00	0.0%	0.00	0.00	0.0%	355,003.00	355,003.00	100.0%
4700 - Non Operating Revenues	8,521.80	35,002.00	24.35%	8,521.80	35,002.00	24.35%	175,010.00	175,010.00	100.0%
4900 - Miscellaneous Income	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%
Total Income	8,521.80	35,002.00	24.35%	119,521.80	183,412.00	65.17%	6,831,490.00	6,831,490.00	100.0%
Gross Profit	8,521.80	35,002.00	24.35%	119,521.80	183,412.00	65.17%	6,831,490.00	6,831,490.00	100.0%
Expense									
6010 - Salary Costs	42,969.85	38,286.00	112.23%	115,083.76	115,860.00	99.33%	464,944.00	464,944.00	100.0%
6020 - Office Building Expense	8,721.41	8,599.67	101.42%	23,559.76	25,799.00	91.32%	103,196.00	103,196.00	100.0%
6030 - Office Supplies & Equip.	1,485.83	3,125.00	47.55%	4,417.72	9,375.00	47.12%	37,500.00	37,500.00	100.0%
6040 - Postage & Printing Costs	7,824.55	8,166.66	95.81%	18,938.78	20,366.66	92.5%	78,300.00	78,300.00	100.0%
6050 - Information Services	10,811.88	8,766.66	123.33%	32,577.59	35,550.00	91.64%	142,200.00	142,200.00	100.0%
6060 - Contract Services	6,842.50	5,000.00	136.85%	6,842.50	21,000.00	32.58%	75,000.00	75,000.00	100.0%
6080 - Insurance	256.00	0.00	100.0%	15,863.00	17,575.00	90.26%	17,575.00	17,575.00	100.0%
6110 - Dues and Subscriptions	0.00	0.00	0.0%	20,131.63	20,250.00	99.42%	21,000.00	21,000.00	100.0%
6140 - WM Admin Expenses	47.05	250.00	18.82%	47.05	750.00	6.27%	3,000.00	3,000.00	100.0%
6150 - Field Supplies	-15.66	0.00	100.0%	-15.66	200.00	-7.83%	1,800.00	1,800.00	100.0%
6170 - Travel & Transportation	2,714.20	2,730.00	99.42%	6,849.39	8,290.00	82.62%	33,160.00	33,160.00	100.0%
6190 - Conferences & Seminars	4,717.12	4,000.00	117.93%	9,058.76	10,250.00	88.38%	23,000.00	23,000.00	100.0%
6200 - Advisory Comm - WM Board	935.69	1,872.50	49.97%	4,011.11	5,617.50	71.4%	22,470.00	22,470.00	100.0%
6300 - Watermaster Board Expenses	4,288.66	4,216.92	101.7%	12,562.91	12,650.75	99.31%	50,603.00	50,603.00	100.0%
8300 - Appr Pl-WM & Pool Admin	10,628.08	7,982.84	133.14%	17,760.19	18,192.50	97.62%	90,043.00	90,043.00	100.0%
8400 - Agrt Pool-WM & Pool Admin	2,783.93	2,345.59	118.69%	6,693.27	7,036.75	95.12%	28,147.00	28,147.00	100.0%
8467 - Ag Legal & Technical Services	13,710.50	9,833.33	139.43%	34,529.50	29,500.00	117.05%	118,000.00	118,000.00	100.0%
8470 - Ag Meeting Attend -Special	3,075.00	1,000.00	307.5%	3,075.00	3,000.00	102.5%	12,000.00	12,000.00	100.0%
8471 - Ag Pool Expense	0.00	16,250.00	0.0%	0.00	16,250.00	0.0%	65,000.00	65,000.00	100.0%
8500 - Non-Ag Pl-WM & Pool Admin	15,456.82	13,472.17	114.73%	34,707.32	40,416.50	85.87%	161,666.00	161,666.00	100.0%
6500 - Education Funds Use Exps	0.00	0.00	0.0%	0.00	375.00	0.0%	375.00	375.00	100.0%
9400 - Depreciation Expense	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%
9500 - Allocated G&A Expenditures	-38,278.48	-40,677.42	94.1%	-115,707.58	-122,032.25	94.82%	-488,129.00	-488,129.00	100.0%
6900 - Optimum Basin Mgmt Plan	116,599.98	109,690.99	106.3%	478,919.41	282,517.00	169.31%	1,197,734.00	1,197,734.00	100.0%
6950 - Mutual Agency Projects	0.00	0.00	0.0%	0.00	0.00	0.0%	10,000.00	10,000.00	100.0%
9501 - G&A Expenses Allocated-OBMP	7,971.19	11,888.00	67.05%	29,602.47	35,864.00	83.0%	142,656.00	142,656.00	100.0%
7101 - Production Monitoring	4,648.18	5,879.31	79.05%	26,355.72	28,054.75	93.94%	104,219.00	104,219.00	100.0%
7102 - In-line Meter Installation	1,203.47	5,556.59	21.66%	3,399.71	16,869.75	20.39%	66,679.00	66,679.00	100.0%
7103 - Grdwtr Quality Monitoring	21,666.22	16,916.34	128.08%	43,838.99	50,749.00	86.39%	202,996.00	202,996.00	100.0%
7104 - Gdwtr Level Monitoring	11,913.53	25,863.08	46.05%	39,872.39	84,070.50	47.43%	336,282.00	336,282.00	100.0%
7105 - Sur Wtr Qual Monitoring	0.00	315.00	0.0%	0.00	1,070.00	0.0%	4,280.00	4,280.00	100.0%
7107 - Ground Level Monitoring	11,032.13	83,801.67	13.17%	119,264.74	203,905.00	58.49%	815,620.00	815,620.00	100.0%
7108 - Hydraulic Control Monitoring	17,141.25	41,141.67	41.66%	57,480.37	123,425.00	46.57%	493,700.00	493,700.00	100.0%
7109 - Recharge & Well Monitoring Prog	472.50	0.00	100.0%	5,670.00	8,440.00	67.18%	8,440.00	8,440.00	100.0%



	1/12th of the Total Budget			3/12th (25%) of the Total Budget			100% of the Total Budget		
	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Projected	Budget	% of Budget
<b>For The Month of September 2010</b>									
		\$ Over(Under)			\$ Over(Under)			\$ Over(Under)	
7200 - PE2- Comp Recharge Pgm	7,144.28	24,335.16	29.36%	205,136.67	254,255.50	80.68%	1,017,022.00	1,017,022.00	100.0%
7300 - PE3&5-Water Supply/Dessite	10,320.48	13,992.58	73.81%	51,748.96	53,907.75	96.0%	72,111.00	72,111.00	100.0%
7400 - PE4- Mgmt Plan	777.46	7,572.92	10.27%	2,367.26	22,988.75	10.3%	91,955.00	91,955.00	100.0%
7500 - PE6&7-CoopEfforts/SaltMgmt	4,735.05	12,848.34	36.88%	20,430.10	38,545.00	53.0%	154,180.00	154,180.00	100.0%
7600 - PE8&9-StorageMgmt/Conj Use	1,504.35	5,658.33	26.59%	10,032.07	17,062.50	58.8%	68,250.00	68,250.00	100.0%
7690 - Recharge Improvement Debt Pymt	0.00	0.00	0.0%	637,197.50	700,964.00	90.9%	700,964.00	700,964.00	100.0%
7700 - Inactive Well Protection Prgm	0.00	0.00	0.0%	0.00	353.00	0.0%	1,412.00	1,412.00	100.0%
9502 - G&A Expenses Allocated-Projects	30,307.29	28,789.42	105.27%	86,105.11	86,368.25	99.7%	345,473.00	345,473.00	100.0%
<b>Total Expense</b>	346,414.29	499,459.32	70.78%	2,067,708.47	2,305,282.16	89.69%	6,894,823.00	6,894,823.00	100.0%
<b>Net Ordinary Income</b>	-337,892.49	-454,457.32	74.35%	-1,948,186.67	-2,121,870.16	91.82%	-63,333.00	-63,333.00	100.0%
<b>Other Income</b>									
4225 - Interest Income	1,792.25	0.00	1,792.25	1,792.25	0.00	1,792.25	0.00	0.00	0.0%
4210 - Approp Pool-Replenishment	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%
4220 - Non-Ag Pool-Replenishment	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%
4600 - Groundwater Sales	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%
<b>Total Other Income</b>	1,792.25	0.00	1,792.25	1,792.25	0.00	1,792.25	0.00	0.00	0.0%
<b>Other Expense</b>									
5010 - Groundwater Replenishment	183,000.00	0.00	183,000.00	183,731.60	0.00	183,731.60	0.00	0.00	0.0%
5100 - Other Water Purchases	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%
9999 - To/(From) Reserves	-519,100.24	-454,457.32	114.22%	-2,130,126.02	-2,121,870.16	100.39%	0.00	0.00	0.0%
<b>Total Other Expense</b>	-336,100.24	-454,457.32	73.96%	-1,946,394.42	-2,121,870.16	91.73%	0.00	0.00	0.0%
<b>Net Other Income</b>	337,892.49	454,457.32	74.35%	1,948,186.67	2,121,870.16	91.82%	0.00	0.00	0.0%
<b>Net Income</b>	0.00	0.00	0.0%	0.00	0.00	0.0%	-63,333.00	-63,333.00	100.0%



# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM

### C. LAND SUBSIDENCE COMMITTEE





# 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:** November 4, 2010  
**TO:** Committee Members  
**SUBJECT:** Formation of a Land Subsidence Committee

### SUMMARY

**Issue** – Currently, Watermaster convenes a MZ1 Technical Committee to oversee the implementation of the MZ1 Subsidence Management Plan (MZ1 Plan). The main objective of the MZ1 Plan is to abate future land subsidence and ground fissuring in MZ1, or reduce it to tolerable levels. The work that supported the development of the MZ1 Plan, and the ongoing land subsidence monitoring program called for by the MZ1 Plan, both indicate that pumping-induced land subsidence can, and does, occur outside of MZ1 across most of the central and western portions of Chino Basin. In addition, basin-wide management plans, such as Basin Re-Operation and the achievement of hydraulic control through desalter pumping, are predicted to cause regional lowering of groundwater levels, which can lead to land subsidence in areas prone to this phenomenon. Currently, the MZ1 Technical Committee is composed of representatives from parties that pump from MZ1 and the focus of its activities are in MZ1.

**Recommendation** – Watermaster staff recommends that the MZ1 Technical Committee be renamed the Land Subsidence Committee, and be open to all Watermaster parties. This change is prudent because land subsidence, its causes, and its solutions are not unique to MZ1, and because the ongoing land subsidence monitoring program is funded by all Watermaster parties.

**Fiscal Impact** – None.

### BACKGROUND

Because of the historical occurrence of pumping-induced land subsidence and ground fissuring in southwestern Chino Basin (southern MZ1), the OBMP called for the development and implementation of an interim management plan for MZ1 that would:

- Minimize subsidence and fissuring in the short-term,
- Collect information necessary to understand the extent, rate, and mechanisms of subsidence and fissuring, and
- Formulate a management plan to reduce to tolerable levels or abate future subsidence and fissuring.

From 2001-2005, Watermaster developed, coordinated, and conducted an Interim Monitoring Program (IMP) under the guidance of the MZ-1 Technical Committee, which is composed of representatives from all major MZ-1 producers and their technical consultants. The IMP was an aquifer-system and land subsidence investigation focused in the southwestern region of MZ1 that would support the development of a long-term management plan to minimize and abate subsidence and fissuring (MZ1 Plan). The IMP involved the construction of highly-sophisticated monitoring facilities, such as deep borehole extensometers and piezometers, the monitoring of land surface displacements through traditional ground-level surveys and remote-sensing techniques, the detailed monitoring of the aquifer system with water-level-recording transducers installed at an array of production and monitoring wells, and the purposeful stressing of the aquifer system through multiple controlled pumping tests.

The investigation methods, results, and conclusions are described in detail in the MZ1 Summary Report, dated February 2006. The investigation provided enough information for Watermaster to develop Guidance Criteria for the MZ1 producers in the investigation area that, if followed, would minimize the potential for subsidence and fissuring during the completion of the MZ1 Plan. The Guidance Criteria included a listing of Managed Wells and their owners subject to the criteria, a map of the so-called Managed Area, and an initial threshold water level (Guidance Level) of 245 feet below the top of the PA-7 well casing. The MZ1 Summary Report and the Guidance Criteria were adopted by the Watermaster Board in May 2006. The Guidance Criteria formed the basis for the MZ1 Plan, which was approved by Watermaster in October 2007. The Court approved the MZ1 Plan in November 2007 and ordered its implementation.

Since 2007, Watermaster has continued implementation of the MZ1 Plan. Drawdown at the PA-7 piezometer has not fallen below the Guidance Level, and very little, if any permanent compaction has been recorded at the Ayala Park Extensometer. The ongoing monitoring program called for by the MZ1 Plan continues to be implemented. Review and revision of the monitoring program for the MZ1 Plan is debated annually by the MZ1 Technical Committee, and the monitoring program is forwarded to the Watermaster Board for inclusion in the Watermaster budget.

**Actions:**

- November 4, 2010 Appropriative Pool –
- November 4, 2010 Non-Agricultural Pool –
- November 4, 2010 Agricultural Pool –
- November 18, 2010 Advisory Committee –
- November 18, 2010 Watermaster Board –



# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM

### D. MATERIAL PHYSICAL INJURY ANALYSIS – WELL I-17 OF THE CHINO CREEK WELL FIELD





# 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:** November 4, 2010  
**TO:** Committee Members  
**SUBJECT:** Chino Creek Well Field Location I-17

### SUMMARY

**Issue** — The Chino Desalter Authority (CDA) has requested that Watermaster approve the location of soon-to-be-constructed Well I-17 of the Chino Creek Well Field (CCWF). Watermaster's primary concerns for the CCWF are the achievement of hydraulic control and the potential for land subsidence and ground fissuring.

Watermaster's Engineer (Wildermuth Environmental, Inc.) has reviewed the well location and the proposed well construction specifications and has prepared (1) an opinion that Well I-17, as proposed, is consistent with the Optimum Basin Management Program (OBMP) and the Peace II project description and (2) a provisional finding of no material physical injury (see attached letter and map).

**Recommendation** — Approve the CDA's proposed location of Well I-17.

**Financial Impact** — None.

### BACKGROUND

There are two main objectives of the CCWF: (1) to develop a supply of raw groundwater for an expansion of the Chino Desalter facilities and (2) to achieve and maintain hydraulic control of groundwater outflow from the Chino Basin. Achievement and maintenance of hydraulic control is a requirement of the Basin Plan as updated in 2004 and the Peace II Agreement as approved by the Court in December 2007. Also of concern to Watermaster and the affected Parties is the potential for land subsidence and ground fissuring associated with pumping from and drawdown caused by the CCWF.

Well I-17 is one of six proposed production wells that will comprise the CCWF. Watermaster recently completed and published a groundwater-flow modeling study of the Peace II project description called *2009 Production Optimization and Evaluation of the Peace II Project Description* (WEI, November 25, 2009). In this study, the CCWF was simulated to pump from six wells located in the southwestern portion of the Chino Basin. These wells were simulated to be screened exclusively across the shallow aquifer system which, in this region, is approximately 30-200 feet below ground surface (ft-bgs). The study

demonstrated that this design and configuration of the CCWF was capable of (1) achieving and maintaining hydraulic control and (2) not causing excessive drawdown in the deeper confined aquifers that could lead to high rates and magnitudes of land subsidence.

Well I-17 is located in approximately the same location as the one of the six CCWF wells that have been modeled and approved by Watermaster (WEI, November 25, 2009). If Well I-17 is screened across the shallow aquifer system only, as the CDA has indicated, then the potential for material physical injury associated with not achieving hydraulic control or with pumping-induced land subsidence and ground fissuring is minimal.

This opinion of no material physical injury is contingent upon the appropriate operation (pumping) of these wells in the future. Watermaster will request the opportunity to opine on the appropriate operation of Well I-17 and the potential for material physical injury after the entire CCWF has been installed and tested.

**Actions:**

- November 4, 2010 Appropriative Pool –
- November 4, 2010 Non-Agricultural Pool –
- November 4, 2010 Agricultural Pool –
- November 18, 2010 Advisory Committee –
- November 18, 2010 Watermaster Board –



**WILDERMUTH™**  
ENVIRONMENTAL INC.

October 20, 2010

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

**Subject: Material Physical Injury Analysis – Well I-17 of the Chino Creek Well Field**

Dear Mr. Manning:

Per your request, Wildermuth Environmental, Inc. (WEI) has reviewed the proposed location of the third test well (Well I-17) of the so-called Chino Creek Well Field (CCWF). The proposed well location was provided to WEI by Western Municipal Water District (WMWD). WMWD has told WEI that Well I-17 will be perforated within the shallow aquifer system only (< 200 feet below ground surface). Based on this information, we have prepared this opinion on consistency with the Optimum Basin Management Program (OBMP) and the Peace II project description, and the potential for material physical injury that could be associated with this proposed well.

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

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

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

*Land Subsidence.* Pumping from the deeper confined aquifers (>200 ft-bgs) in the western portion of the Chino Basin can lead to excessive drawdown in these deep aquifers, which can lead to compaction of clay and silt layers within the aquifer system, which can result in land subsidence and ground fissuring at the land surface. Pumping from the shallow unconfined aquifers typically causes less drawdown within the aquifer system and, hence, lessens the potential for material physical injury associated with land subsidence and ground fissuring.



---

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

Figure 1 (attached) shows the locations of all three test production wells (I-16, I-17, and I-18). Well I-17 (as well as I-16 and I-17) are located in approximately the same locations as the CCWF wells that have been modeled and approved by Watermaster (WEI, November 25, 2009). If these production wells are screened across the shallow aquifer system only, as WMWD has indicated to us, then we anticipate no material physical injury associated with not achieving hydraulic control or with pumping-induced land subsidence and ground fissuring.

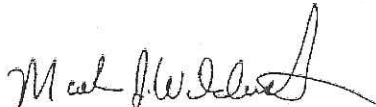
This opinion of no material physical injury is contingent upon the appropriate operation (pumping) of these wells in the future. We respectfully request the opportunity to opine on the appropriate operation of these wells and the potential for material physical injury after the entire CCWF has been installed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

---


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

Very truly yours,

**Wildermuth Environmental, Inc.**

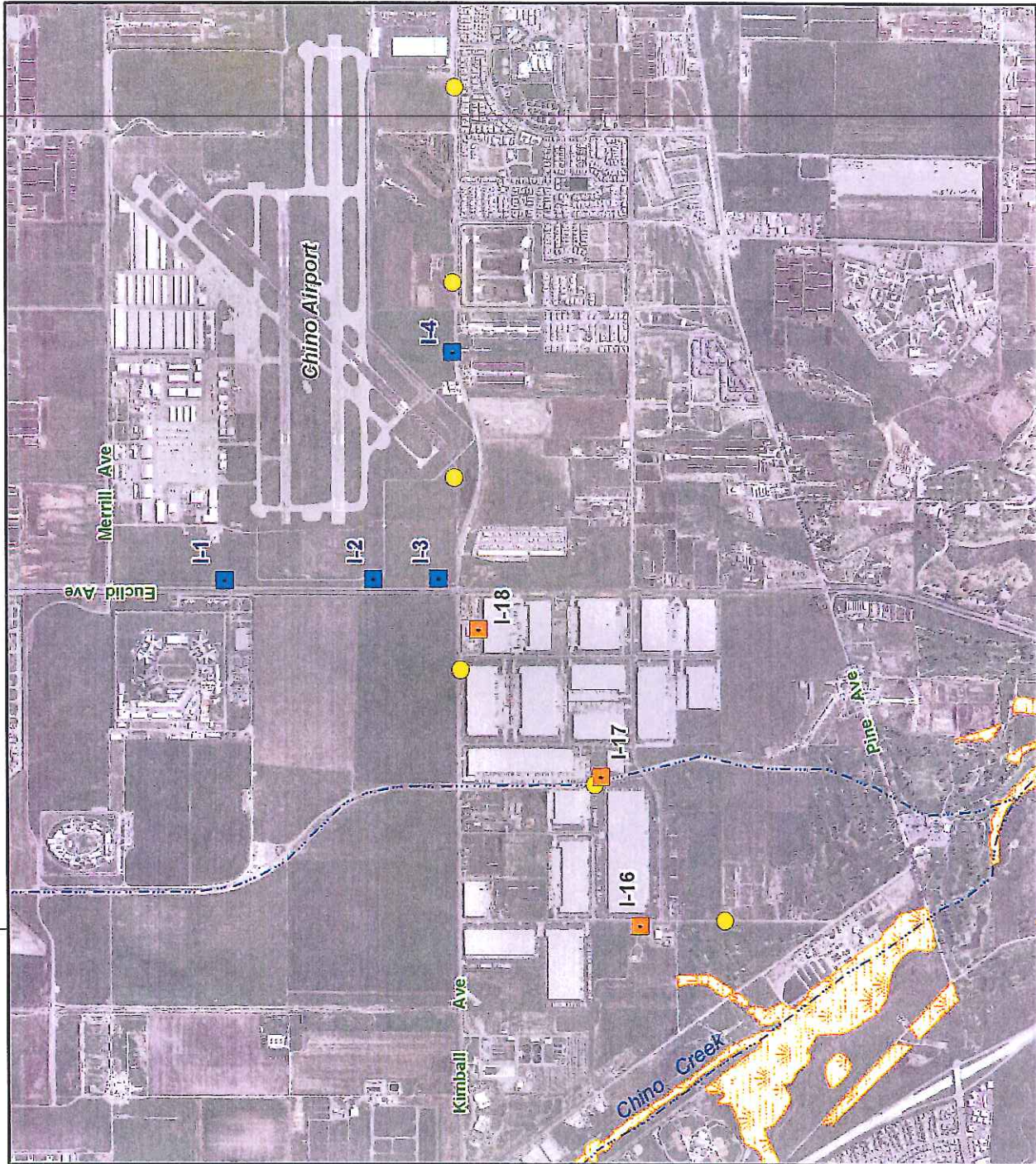





Mark J. Wildermuth, PE  
Chairman

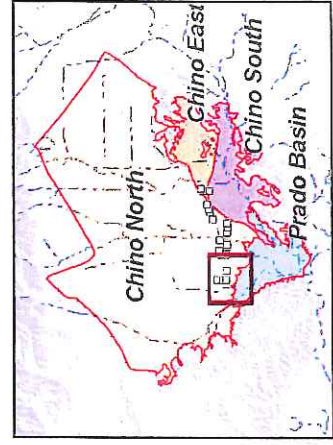


Andrew E. Malone, PG  
Principal Geologist

117°40'0"W



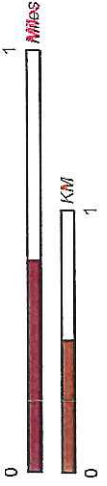
-  Existing Chino Desalter Well
-  Proposed Test Production Wells of the Chino Creek Well Field
-  Chino Creek Well Field as modeled by Wildermuth Environmental [2009]
-  Streams, Rivers, and Channels
-  Riparian Habitat in Prado Basin (2006)



**Chino Creek Desalter Well Field**  
 Modeled vs. Proposed Well Locations

**Figure 1**

Produced for:



Author: AEM  
 Date: 20101020  
 File: MIP\_Analysis.mxd

Produced by:



**WILDERMUTH**  
 ENVIRONMENTAL INC.  
 www.wildermuthenvironmental.com

THIS PAGE  
HAS  
INTENTIONALLY  

---

BEEN LEFT  
BLANK  
FOR PAGINATION



# CHINO BASIN WATERMASTER

## IV. INFORMATION

1. Cash Disbursements for October 2010



Type	Date	Num	Name	Memo	Account	Paid Amount
General Journal	10/02/2010	10/02/2010	Payroll and Taxes for 09/19/10-10/02/10	Payroll and Taxes for 09/19/10-10/02/10	1012 - Bank of America Gen'l Ckg	
				Payroll Taxes for 09/19/10-10/02/10	1012 - Bank of America Gen'l Ckg	7,749.92
				Direct Debits/Checks for 09/19/10-10/02/10	1012 - Bank of America Gen'l Ckg	26,569.31
TOTAL						34,319.23
Bill Pmt -Check	10/06/2010	14553	GRAINGER	9358550722	1012 - Bank of America Gen'l Ckg	55.57
Bill	09/28/2010	9358550722			7103.6 - Grdwtr Qual-Supplies	
Bill	09/30/2010	9357276634			7103.6 - Grdwtr Qual-Supplies	62.90
Bill	09/30/2010	9357276642			7103.6 - Grdwtr Qual-Supplies	7.18
TOTAL						125.65
Bill Pmt -Check	10/06/2010	14554	APPLIED COMPUTER TECHNOLOGIES	1979	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	1979		September 2010	6052.2 - Applied Computer Technol	2,394.75
TOTAL						2,394.75
Bill Pmt -Check	10/06/2010	14555	COMPUTER NETWORK	79461	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	79461		Port switch with cables	6055 - Computer Hardware	271.88
TOTAL						271.88
Bill Pmt -Check	10/06/2010	14556	GREAT AMERICA LEASING CORP.	10134602	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	10134602		invoice minus 2 months insurance premiums	6043.1 - Ricoh Lease Fee	2,814.41
				Documentation Fee (One-Time Charge)	6043.2 - Ricoh Usage & Maintenance Fee	89.50
				Usage for Black Copies	6043.2 - Ricoh Usage & Maintenance Fee	417.80
				Usage for Color Copies	6043.2 - Ricoh Usage & Maintenance Fee	522.51
TOTAL						3,844.22
Bill Pmt -Check	10/06/2010	14557	HSBC BUSINESS SOLUTIONS	7003-7309-1000-2744	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	7003730910002744		miscellaneous office supplies - coffee, napkins, soda	6031.7 - Other Office Supplies	478.57
TOTAL						478.57
Bill Pmt -Check	10/06/2010	14558	INLAND EMPIRE UTILITIES AGENCY	Oct. 21, 2010 Leadership Breakfast Reg.	1012 - Bank of America Gen'l Ckg	
Bill	10/05/2010			Oct. 21, 2010 Leadership Breakfast registration	6909.1 - OBIMP Meetings	20.00
TOTAL						20.00
Bill Pmt -Check	10/06/2010	14559	JAMES JOHNSTON	209	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	209		September 2010 - Website Consulting	6052.3 - Website Consulting	810.00
TOTAL						810.00
Bill Pmt -Check	10/06/2010	14560	MATHIS CONSULTING GROUP	153003	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	153003		preparation for workshop	6013 - Human Resources Services	562.50
TOTAL						562.50

TOTAL 997

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
October 1, 2010 - October 26, 2010

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						562.50
Bill Pmt -Check	10/06/2010	14561	MAYER HOFFMAN MC CANN P.C.	30040	1012 - Bank of America Gen'l Ckg	
Bill	09/27/2010	30040		first billing in connection with annual audit	6062 - Audit Services	4,075.00
TOTAL						4,075.00
Bill Pmt -Check	10/06/2010	14562	MIJAC ALARM	289729	1012 - Bank of America Gen'l Ckg	
Bill	10/01/2010	289729		commercial monitoring 10/01/10-12/31/10	6026 - Security services	141.00
TOTAL						141.00
Bill Pmt -Check	10/06/2010	14663	PARK PLACE COMPUTER SOLUTIONS, INC.	443	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	443		September 2010 - IT Services	6052.1 - Park Place Comp Solu	4,275.00
TOTAL						4,275.00
Bill Pmt -Check	10/06/2010	14564	PRINTING RESOURCES	55367	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	55367		imprinted pens - Strategic Planning Conference	6193.1 - Strategic Planning Conference	497.00
TOTAL						497.00
Bill Pmt -Check	10/06/2010	14565	PUMP CHECK	3960	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	3960		3960 - In-Line Meter-Calib & Test	7102.8 - In-line Meter-Calib & Test	950.00
TOTAL						950.00
Bill Pmt -Check	10/06/2010	14566	PURCHASE POWER	8000909000168851	1012 - Bank of America Gen'l Ckg	
Bill	09/28/2010	8000909000168851		3 shipments - Non Ag Pool Meeting tape	6042 - Postage - General	55.56
TOTAL						55.56
Bill Pmt -Check	10/06/2010	14567	R&D PEST SERVICES	0136553	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	0136553		Continuing treatment for ant and pest control	6024 - Building Repair & Maintenance	85.00
TOTAL						85.00
Bill Pmt -Check	10/06/2010	14568	UNION 76	300-732-989	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	300732989		September 2010 - Fuel for trucks	6175 - Vehicle Fuel	169.07
TOTAL						169.07
Bill Pmt -Check	10/06/2010	14569	YUKON DISPOSAL SERVICE	08-K2 213849	1012 - Bank of America Gen'l Ckg	
Bill	10/05/2010	08-K2 213849		Service for Oct 2010	6024 - Building Repair & Maintenance	142.88
TOTAL						142.88
Bill Pmt -Check	10/07/2010	14570	BOWCOCK, ROBERT	9/23/10 Board Meeting	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	9/23 Board Meeting		9/23/10 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						125.00

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
October 1, 2010 - October 26, 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	10/07/2010	14571	CAMACHO, MICHAEL		1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	9/09 Ag Pool Meeting		9/09/10 Ag Pool Meeting	6311 - Board Member Compensation	125.00
Bill	09/30/2010	9/14 Peace II Wkshp		9/14/10 Peace II Resolution Workshop	6311 - Board Member Compensation	125.00
Bill	09/30/2010	9/16 Admin Meeting		9/16/10 Admin Meeting	6311 - Board Member Compensation	125.00
Bill	09/30/2010	9/23 Board Meeting		9/23/10 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						500.00
Bill Pmt -Check	10/07/2010	14572	DE BOOM, NATHAN		1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	7/08 Ag Pool Meeting		7/08/10 Ag Pool Meeting	8411 - Compensation	25.00
Bill	09/30/2010	8/12 Ag Pool Meeting		AG Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
Bill	09/30/2010	8/12 Ag Pool Meeting		8/12/10 Ag Pool Meeting	8411 - Compensation	25.00
Bill	09/30/2010	9/09 Ag Pool Meeting		AG Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
Bill	09/30/2010	9/09 Ag Pool Meeting		9/09/10 Ag Pool Meeting	8411 - Compensation	25.00
Bill	09/30/2010	9/09 Ag Pool Meeting		AG Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
TOTAL						375.00
Bill Pmt -Check	10/07/2010	14573	DURRINGTON, GLEN		1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	7/08 Ag Pool Meeting		7/08/10 Ag Pool Meeting	8411 - Compensation	25.00
Bill	09/30/2010	8/12 Ag Pool Meeting		AG Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
Bill	09/30/2010	8/12 Ag Pool Meeting		8/12/10 Ag Pool Meeting	8411 - Compensation	25.00
Bill	09/30/2010	9/09 Ag Pool Meeting		AG Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
Bill	09/30/2010	9/09 Ag Pool Meeting		9/09/10 Ag Pool Meeting	8411 - Compensation	25.00
Bill	09/30/2010	9/09 Ag Pool Meeting		AG Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
TOTAL						375.00
Bill Pmt -Check	10/07/2010	14574	FEENSTRA, BOB		1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	7/08 Ag Pool Meeting		7/08/10 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/30/2010	7/22 Board Meeting		7/22/10 Board Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/30/2010	8/12 Ag Pool Meeting		8/12/10 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/30/2010	8/19 Advisory Comm		8/19/10 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/30/2010	8/26 Board Meeting		8/26/10 Board Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/30/2010	9/09 Ag Pool Meeting		9/09/10 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/30/2010	9/16 Advisory Comm		9/16/10 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/30/2010	9/23 Board Meeting		9/23/10 Board Meeting-alternate-Vanden Huevel	6311 - Board Member Compensation	125.00
TOTAL						1,000.00
Bill Pmt -Check	10/07/2010	14575	HAUGHEY, TOM		1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	9/23 Board Meeting		9/23/10 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						125.00

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	10/07/2010	14576	HUITSING, JOHN		1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	7/08 Ag Pool Meeting		7/08/10 Ag Pool Meeting	8411 - Compensation	25.00
Bill	09/30/2010	8/12 Ag Pool Meeting		Ag Pool Member Compensation	8470 - Ag Meeting Attend -Special	100.00
Bill	09/30/2010	9/09 Ag Pool Meeting		8/12/10 Ag Pool Meeting	8411 - Compensation	25.00
				Ag Pool Member Compensation	8470 - Ag Meeting Attend -Special	100.00
					8411 - Compensation	25.00
					8470 - Ag Meeting Attend -Special	100.00
TOTAL						375.00
Bill Pmt -Check	10/07/2010	14577	KOOPMAN, GENE		1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	9/09 Ag Pool Meeting		AG Pool Member Meeting Compensation	8411 - Compensation	25.00
TOTAL						100.00
Bill Pmt -Check	10/07/2010	14578	KUHN, BOB		1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	9/14 Peace II Wkshp		9/14/10 Peace II Workshop	6311 - Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	10/07/2010	14579	PAYCHEX		1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	2010093000		September 2010 Payroll Services	6012 - Payroll Services	249.98
TOTAL						249.98
Bill Pmt -Check	10/07/2010	14580	PIERSON, JEFFREY		1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	7/08 Ag Pool Meeting		7/08/10 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/30/2010	7/15 Advisory Comm		7/15/10 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/30/2010	7/22 Board Meeting		7/22/10 Board Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/30/2010	8/12 Ag Pool Meeting		8/12/10 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/30/2010	8/19 Advisory Comm		8/19/10 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/30/2010	8/26 Board Meeting		8/26/10 Board Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/30/2010	9/16 Advisory Comm		9/16/10 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	09/30/2010	9/09 Ag Pool Mtg		9/09/10 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						1,000.00
Bill Pmt -Check	10/07/2010	14581	REID & HELLYER		1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	171923		171923 - Ag Pool Legal Services	8467 - Ag Legal & Technical Services	12,803.00
TOTAL						907.50
Bill Pmt -Check	10/07/2010	14582	THE STANDARD INSURANCE COMPANY		1012 - Bank of America Gen'l Ckg	
Bill	10/06/2010	16051317100006		November 2010 - Dental Premium	60182.2 - Dental & Vision Ins	313.12
TOTAL						313.12



CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
October 1, 2010 - October 26, 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	10/07/2010	14583	UNITED PARCEL SERVICE	2x81x0	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	2x81x0		WM bible to Tom Bunn, misc. correspondence	6042 - Postage - General	115.66
TOTAL						115.66
Bill Pmt -Check	10/07/2010	14584	VANDEN HEUVEL, GEOFFREY	6311	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	9/14 Peace II Wkshp		9/14/10 Peace II Resolution Workshop	6311 - Board Member Compensation	125.00
Bill	09/30/2010	9/17 CDA Mtg		9/17/10 CDA Meeting	6311 - Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	10/07/2010	14585	VANDEN HEUVEL, ROB	8/12/10 Ag Pool Meeting	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	8/12 Ag Pool Meeting		Ag Pool Member Compensation	8411 - Compensation	25.00
Bill	09/30/2010	9/09 Ag Pool Meeting		Ag Pool Member Compensation	8470 - Ag Meeting Attend -Special	100.00
Bill	09/30/2010	9/09 Ag Pool Meeting		Ag Pool Member Compensation	8411 - Compensation	25.00
Bill	09/30/2010	9/09 Ag Pool Meeting		Ag Pool Member Compensation	8470 - Ag Meeting Attend -Special	100.00
TOTAL						250.00
Bill Pmt -Check	10/07/2010	14586	VERIZON	012519116950792103	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	012519116950792103		Monthly Telephone Service	6022 - Telephone	429.80
TOTAL						429.80
Bill Pmt -Check	10/07/2010	14587	WILLIS, KENNETH	9/14/10 Peace II Resolution Workshop	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	9/14 Peace II Wkshp		9/14/10 Peace II Resolution Workshop	6311 - Board Member Compensation	125.00
Bill	09/30/2010	9/23 Board Meeting		9/23/10 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	10/07/2010	14588	YOUNG, ROBERT	9/14/10 Peace II Workshop	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	9/14 Peace II Wkshp		9/14/10 Peace II Workshop	6311 - Board Member Compensation	125.00
Bill	09/30/2010	9/23 Board Meeting		9/23/10 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	10/19/2010	14589	VOID		1012 - Bank of America Gen'l Ckg	0.00
Bill Pmt -Check	10/19/2010	14590	A&R BRIDGESTONE FIRESTONE AUTO CARE	033616	1012 - Bank of America Gen'l Ckg	
Bill	10/14/2010	033616		field truck maintenance	6177 - Vehicle Repairs & Maintenance	828.76
TOTAL						828.76
Bill Pmt -Check	10/19/2010	14591	ACWA SERVICES CORPORATION	00198	1012 - Bank of America Gen'l Ckg	
Bill	10/14/2010	00198		Prepayment - November 2010	1408 - Prepaid Life, BAD&D & LTD	114.29
Bill	10/14/2010	00198		October Insurance Premiums	60191 - Life & Disab.Ins Benefits	118.70
TOTAL						232.99

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
October 1, 2010 - October 26, 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	10/19/2010	14592	BANC OF AMERICA LEASING	011657903	1012 - Bank of America Gen'l Ckg	3,215.74
Bill	10/14/2010	011657903		Minolta lease - billing period 10/01/10-10/31/10	6043.1 - Ricoh Lease Fee	3,215.74
TOTAL						
Bill Pmt -Check	10/19/2010	14593	BOWCOCK, ROBERT	Reissue of Lost Check 14306	1012 - Bank of America Gen'l Ckg	125.00
Bill	09/30/2010	6/16 Personnel Comm		6/16/2010 Personnel Committee Meeting	6311 - Board Member Compensation	125.00
Bill	09/30/2010	6/03 Dr. Mathis Mtg		6/03/2010 Dr. Mathis Meeting	6311 - Board Member Compensation	125.00
TOTAL						
Bill Pmt -Check	10/19/2010	14594	BROWNSTEIN HYATT FARBEN SCHRECK		1012 - Bank of America Gen'l Ckg	16,354.23
Bill	09/30/2010	436605		436605 - WM Legal Counsel	6907.3 - WM Legal Counsel	1,084.40
				436605 - Purchase & Sale Agreement NOI	6907.35 - Purchase & Sale Agreement NOI	3,043.80
				436605 - Desalter Negotiations	6907.33 - Desalter Negotiations	3,735.84
Bill	09/30/2010	436606		436606 - Santa Ana River	6907.34 - Santa Ana River	719.10
Bill	09/30/2010	436607		436607 - Ontario Airport Plume	6907.31 - Ontario Airport Plume	4,340.00
Bill	09/30/2010	436608		436608 - Chino Airport Plume	6907.32 - Chino Airport Plume	29,374.65
Bill	09/30/2010	436609		436609 - Desalter Negotiations	6907.33 - Desalter Negotiations	3,141.43
Bill	09/30/2010	436610		436610 - Purchase & Sale Agreement NOI	6907.35 - Purchase & Sale Agreement NOI	61,803.45
TOTAL						
Bill Pmt -Check	10/19/2010	14595	CALPERS	1741	1012 - Bank of America Gen'l Ckg	4,611.49
Bill	10/18/2010	1741		Employee Medical Premiums	60182.1 - Medical Insurance	4,611.49
TOTAL						
Bill Pmt -Check	10/19/2010	14596	CAMACHO, MICHAEL	9/10/2010 CDA Ad Hoc Conference Call	1012 - Bank of America Gen'l Ckg	125.00
Bill	09/30/2010	9/10 CDA Ad Hoc Call		9/10/2010 CDA Ad Hoc Conference Call	6311 - Board Member Compensation	125.00
TOTAL						
Bill Pmt -Check	10/19/2010	14597	CITISTREET	Payroll and Taxes for 09/19/10-10/02/10	1012 - Bank of America Gen'l Ckg	1,774.25
General Journal	10/02/2010	10/02/2010	CITISTREET	Employee 457 Deductions	2000 - Accounts Payable	1,774.25
TOTAL						
Bill Pmt -Check	10/19/2010	14598	COMPUTER NETWORK		1012 - Bank of America Gen'l Ckg	250.00
Bill	10/18/2010	79636		10 flash drives	6055 - Computer Hardware	672.20
				adobe acrobat software	6054 - Computer Software	38.06
Bill	10/18/2010	79572		flash drive	6055 - Computer Hardware	860.26
TOTAL						
Bill Pmt -Check	10/19/2010	14599	CUCAMONGA VALLEY WATER DISTRICT	Lease Due Nov.1, 2010	1012 - Bank of America Gen'l Ckg	5,644.00
Bill	10/18/2010			Lease Due November 1, 2010	1422 - Prepaid Rent	5,644.00

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
October 1, 2010 - October 26, 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						5,844.00
Bill Pmt -Check	10/19/2010	14600	FIRST AMERICAN REAL ESTATE SOLUTIONS	12962708	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	12962708		12962708 Gridwtr Qual - Computer Service	7103.7 - Gridwtr Qual-Computer Svc	62.50
				12962708 - Prod Monitor - Computer	7101.4 - Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	10/19/2010	14601	GUARANTEED JANITORIAL SERVICE, INC.	28177	1012 - Bank of America Gen'l Ckg	
Bill	10/14/2010	28177		Service - October 2010	6024 - Bulding Repair & Maintenance	665.00
TOTAL						665.00
Bill Pmt -Check	10/19/2010	14602	PETTY CASH	2300-2316	1012 - Bank of America Gen'l Ckg	
Bill	10/18/2010			supplies for: 9/30 Assessment Workshop	6141.1 - Meeting Supplies	18.21
				supplies for 2 office birthdays	6141.3 - Admin Meetings	55.03
				mileage reimbursement-Molino-Ag Pool Mtgs	6173 - Mileage Reimbursements	33.00
				AAA reimbursements for service for field trucks	6177 - Vehicle Repairs & Maintenance	116.00
				supplies for: 9/16 Advisory Committee Meeting	6212 - Meeting Expense	9.63
				supplies for: Water Auction Subcommittee Mtg	6909.1 - OBMP Meetings	13.77
				supplies for water quality testing	7103.6 - Gridwtr Qual-Supplies	32.64
				groundwater level monitoring supplies	7104.6 - Gridwtr Level-Supplies	50.95
				supplies for: CDA/Desalter Resolution Meetings	7305 - PE3&S-Supplies	66.40
				supplies for: 9/22 DYY/CUP Meeting	7604 - PE6&S-Supplies	24.69
				supplies for: 9/27 Recharge Meeting	7204 - Comp Recharge-Supplies	6.79
TOTAL						427.11
Bill Pmt -Check	10/19/2010	14603	PITNEY BOWES CREDIT CORPORATION		1012 - Bank of America Gen'l Ckg	
Bill	10/14/2010	6684246		Lease period Oct 30, 2010 - Jan. 30, 2011	6044 - Postage Meter Lease	551.37
Bill	10/14/2010	6684246		equipment tax and filing fees	6044 - Postage Meter Lease	27.85
TOTAL						579.22
Bill Pmt -Check	10/19/2010	14604	PRE-PAID LEGAL SERVICES, INC.	111802	1012 - Bank of America Gen'l Ckg	
Bill	10/18/2010	111802		October 2010	60194 - Other Employee Insurance	77.70
TOTAL						77.70
Bill Pmt -Check	10/19/2010	14605	PREMIERE GLOBAL SERVICES	04148268	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	04148268		monthly moderator charge	6022 - Telephone	14.95
				9/02 Strategic Planning Conference planning call	6193.1 - Strategic Planning Conference	273.00
				CDA calls-8/27, 9/1, 9/3, 9/8, 9/10, 9/13, 9/17, 9/22	7305 - PE3&S-Supplies	1,156.73
TOTAL						1,444.68
Bill Pmt -Check	10/19/2010	14606	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
October 1, 2010 - October 26, 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
General Journal	10/02/2010	10/02/2010	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS for 09/19/10-10/02/10	2000 · Accounts Payable	6,679.87
TOTAL						6,679.87
Bill Pmt -Check	10/19/2010	14607	SAFEGUARD DENTAL & VISION	3351237 October 2010 Dental Premium	1012 · Bank of America Gen'l Ckg 60182.2 · Dental & Vision Ins	7.91
Bill	10/14/2010	3351237				7.91
TOTAL						7.91
Bill Pmt -Check	10/19/2010	14608	STAPLES BUSINESS ADVANTAGE	Cannon camera - replace broken Ops camera markers, binder clips, paper	1012 · Bank of America Gen'l Ckg 6031.7 · Other Office Supplies	217.45
Bill	10/14/2010	8016720732				124.40
Bill	10/14/2010	8016647073				341.85
TOTAL						341.85
Bill Pmt -Check	10/19/2010	14609	STAULA, MARY L	Retiree Medical Premium	1012 · Bank of America Gen'l Ckg 60182.4 · Retiree Medical	136.61
Bill	10/31/2010					136.61
TOTAL						136.61
Bill Pmt -Check	10/19/2010	14610	INLAND EMPIRE UTILITIES AGENCY	1800001768 Filing Fee	1012 · Bank of America Gen'l Ckg 6907.30 · Peace II - CEQA	2,842.25
Bill	10/14/2010	1800001768				2,842.25
TOTAL						2,842.25
Bill Pmt -Check	10/19/2010	14611	VANDEN HEUVEL, GEOFFREY	6311 9/10/2010 CDA Ad Hoc Conference Call 9/09/10 Ag Pool Closed Session	1012 · Bank of America Gen'l Ckg 6311 · Board Member Compensation 6311 · Board Member Compensation	125.00
Bill	09/30/2010	9/10 CDA Ad Hoc Call				125.00
Bill	09/30/2010	9/09 Ag Closed Mtg				250.00
TOTAL						250.00
Bill Pmt -Check	10/19/2010	14612	VERIZON WIRELESS	0911935177 monthly service	1012 · Bank of America Gen'l Ckg 6022 · Telephone	563.17
Bill	10/14/2010	0911935177				563.17
TOTAL						563.17
Bill Pmt -Check	10/19/2010	14613	W.C. DISCOUNT MOBILE AUTO DETAILING	Truck washing service truck washing 4 trucks	1012 · Bank of America Gen'l Ckg 6177 · Vehicle Repairs & Maintenance	100.00
Bill	10/14/2010					100.00
TOTAL						100.00
Bill Pmt -Check	10/19/2010	14614	INLAND EMPIRE UTILITIES AGENCY	90006445 90006445	1012 · Bank of America Gen'l Ckg 8456 · IEUA Readiness To Serve	400.98
Bill	09/30/2010	90006445				400.98
TOTAL						400.98
Bill Pmt -Check	10/19/2010	14615	WESTERN DENTAL SERVICES, INC.	002483 November 2010 Dental Premium	1012 · Bank of America Gen'l Ckg 60182.2 · Dental & Vision Ins	28.06
Bill	10/14/2010	002483				28.06
TOTAL						28.06

TOTAL 104

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month of  
October 1, 2010 - October 26, 2010

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	10/21/2010	14616	BANK OF AMERICA	4024-4200-0193-9341	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	4024420001939341		air fare-K. Manning-attend Utility Exec. Conf. to purchase gloves for gw quality monitoring lunch for 9/27 WM Board Meeting registration-K. Manning-ACWA 2010 Fall Conf.	6191 - Conferences - General 7103.6 - Grdwtr Qual-Supplies 6312 - Meeting Expenses 6191 - Conferences - General	343.40 76.00 418.69 635.00 1,473.09
TOTAL						
Bill Pmt -Check	10/21/2010	14617	COUNTY OF ORANGE	Flood Entrenchment Permit Fee	1012 - Bank of America Gen'l Ckg	
Bill	10/20/2010			Permit-access to wells 6875 Pine Ave, Chino	7103.6 - Grdwtr Qual-Supplies	100.00 100.00
TOTAL						
Bill Pmt -Check	10/21/2010	14618	GRAINGER	9367089662	1012 - Bank of America Gen'l Ckg	
Bill	10/20/2010	9367089662		Supplies for field staff	7103.6 - Grdwtr Qual-Supplies	77.22 77.22
TOTAL						
Bill Pmt -Check	10/26/2010	14619	CITISTREET	Payroll and Taxes for 10/03/10-10/16/10	1012 - Bank of America Gen'l Ckg	
General Journal	10/16/2010	10/16/2010	CITISTREET	Employee 457 Deductions	2000 - Accounts Payable	1,774.25 1,774.25
TOTAL						
Bill Pmt -Check	10/26/2010	14620	CUCAMONGA VALLEY IAAP	October 27, 2010 Cucamonga Valley IAAP	1012 - Bank of America Gen'l Ckg	
Bill	10/26/2010			Fee for J. Wilson and S. Molino	6192 - Training & Seminars	50.00 50.00
TOTAL						
Bill Pmt -Check	10/26/2010	14621	INLAND EMPIRE UTILITIES AGENCY	90006497	1012 - Bank of America Gen'l Ckg	
Bill	10/26/2010	90006497		GW Recharge O&M Cost Reimbursement	7206 - Comp Recharge-O&M	173,527.31 173,527.31
TOTAL						
Bill Pmt -Check	10/26/2010	14622	JOHN J. SCHATZ	Approp. Pool Legal Services	1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010				8367 - Legal Service	8,974.60 8,974.60
TOTAL						
Bill Pmt -Check	10/26/2010	14623	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	
General Journal	10/16/2010	10/16/2010	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS for Payroll for 10/03/10-10/16/10	2000 - Accounts Payable	6,607.46 6,607.46
TOTAL						
Bill Pmt -Check	10/26/2010	14624	STANDARD INSURANCE CO.	Policy # 00-640888-0009	1012 - Bank of America Gen'l Ckg	
Bill	10/22/2010	640888-0009		Life and Disability Premiums	60191 - Life & Disab.Ins Benefits	509.05 509.05
TOTAL						
Bill Pmt -Check	10/26/2010	14625	STATE COMPENSATION INSURANCE FUND	1615535-10	1012 - Bank of America Gen'l Ckg	
Bill	10/22/2010	1615535-10		Workers Comp Premium	60183 - Worker's Comp Insurance	1,044.04 1,044.04
TOTAL						

P105

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						1,044.04
Bill Pmt - Check	10/26/2010	14626	WILDERMUTH ENVIRONMENTAL INC		1012 - Bank of America Gen'l Ckg	
Bill	09/30/2010	2010572		2010572 - OBMP Engineering Services	6906 - OBMP Engineering Services	3,284.35
Bill	09/30/2010	2010573		2010573 - OBMP Engineering Services	6906 - OBMP Engineering Services	4,463.25
Bill	09/30/2010	2010575		2010575 - OBMP Engineering Services	6906 - OBMP Engineering Services	600.00
Bill	09/30/2010	2010576		2010576 - OBMP Engineering Services	6906 - OBMP Engineering Services	2,877.50
Bill	09/30/2010	2010577		2010577 - OBMP Engineering Services	6906 - OBMP Engineering Services	765.00
Bill	09/30/2010	2010578		2010578 - OBMP Engineering Services	6906 - OBMP Engineering Services	4,230.00
Bill	09/30/2010	2010579		2010579 - OBMP Engineering Services	6906 - OBMP Engineering Services	1,175.00
Bill	09/30/2010	2010582		2010582 - Grdwtr Qual-Engineering	7103.3 - Grdwtr Qual-Engineering	1,309.73
Bill	09/30/2010	2010583		2010583 - Grdwtr Qual-Engineering	7103.3 - Grdwtr Qual-Engineering	1,614.45
Bill	09/30/2010	2010585		2010585 - Grdwtr Qual-Engineering	7103.3 - Grdwtr Qual-Engineering	125.00
Bill	09/30/2010	2010589		2010589 - Grdwtr Level-Engineering	7104.3 - Grdwtr Level-Engineering	487.50
Bill	09/30/2010	2010591		2010591 - Grdwtr Level-Engineering	7104.3 - Grdwtr Level-Engineering	4,420.80
Bill	09/30/2010	2010597		2010597 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	300.00
Bill	09/30/2010	2010601		2010601 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	1,176.58
Bill	09/30/2010	2010604		2010604 - Grd Level-Contract Svcs	7107.6 - Grd Level-Contract Svcs	600.00
Bill	09/30/2010	2010605		2010605 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	8,880.55
Bill	09/30/2010	2010607		2010607 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	75.00
Bill	09/30/2010	2010609		2010609 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	637.50
Bill	09/30/2010	2010610		2010610 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	7,394.40
Bill	09/30/2010	2010613		2010613 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	312.50
Bill	09/30/2010	2010615		2010615 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	712.50
Bill	09/30/2010	2010616		2010616 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	4,651.46
Bill	09/30/2010	2010618		2010618 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	93.75
Bill	09/30/2010	2010624		2010624 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	2,230.00
Bill	09/30/2010	2010625		2010625 - Recharge & Well - Engineering	7109.3 - Recharge & Well - Engineering	472.50
Bill	09/30/2010	2010628		2010628 - PE3&5-Engineering	7303 - PE3&5-Engineering	400.00
Bill	09/30/2010	2010631		2010631 - PE4-Engineering	7402 - PE4-Engineering	400.00
Bill	09/30/2010	2010634		2010634 - PE6&7-Engineering	7502 - PE6&7-Engineering	1,571.25
Bill	09/30/2010	2010635		2010635 - PE6&7-Engineering	7502 - PE6&7-Engineering	3,164.80
TOTAL					Total Disbursements:	420,239.11



# CHINO BASIN WATERMASTER

## IV. INFORMATION

### 2. Newspaper Articles





SACRAMENTO - STOCKTON - MODESTO

# Sacramento County sewer charges could triple if state water officials have their way

Karen Massie Last updated 11 hrs ago Posted: 10/5/2010



SACRAMENTO COUNTY, CA - Sacramento-area sanitation officials are panning a state plan to clean wastewater more and triple sewer rates.

Stan Dean, chief engineer for the Sacramento Regional County Sanitation District made a presentation to the Sacramento City Council Tuesday night about the agency effort to get a new permit.

Dean said the large wastewater treatment facility off Franklin Boulevard in Elk Grove replaced 22 smaller treatment plants in 1982. Since then, wastewater from homes and businesses has been treated and discharged back into the Sacramento River near Freeport.

Dean said the water is cleaned, "in accordance with regulations that are under the Clean Water Act."

However, that treated water is being questioned by the Central Valley Water Quality Control Board. "The state has decided they want to make the water even cleaner than they have in the past," Dean said.

The plan calls for \$2 billion in upgrades at the water treatment plant. It serves 1.3 million people in Sacramento County and West Sacramento.

Dean said ratepayers would have to pay dearly for the improvements. "The monthly homeowner pays the sanitation district about \$20 a month for service," he said.

The improvements would raise monthly bills to about \$60. Dean believes that's too much money for seniors and low-income residents.

"This is reprehensible," said Councilwoman Sandy Sheedy. "They arbitrarily did this without going to us. We'll all be bankrupt. We need to get the word out so people will comment."

Meanwhile, businesses say the extra fees in hook-up charges and impact charges would stifle development.

"The fee for McCormick and Schmick's is \$595,000 just to hook up to a sewer line," said Steve Ayers, CEO of Armour Steel Company which owns the Elks Building in Sacramento.

Ayers says the fees would hurt Sacramento and deter new businesses from coming.

"We'd not be able to revitalize our city," said Ayers. "This is a job killer. It would kill our community."

Dean said supporters of the plan contend the treated wastewater is harming the Delta. Dean disputed that.

Print Powered By FormatDynamics





SACRAMENTO - STOCKTON - MODESTO

"Nobody really has a good handle on why the ecosystem in the delta is collapsing -- whether it's the water exports, whether it's invasive clams and non-native species that are taking over," Dean declared.

"We do not think our discharges are causing the problems in the delta," Dean said. "A number of people are saying we ought to put in this expensive treatment plan. They don't know if it will solve things but they want us to wait and see."

Dean said because more homes will add to the amount of wastewater going into the river, perhaps the sanitation district should remove some ammonia from it. That would add about \$10 to monthly sewer bills.

Ratepayers are being encouraged to take their concerns to the Central Valley Water Quality Control District which will make a decision on the Sacramento region's wastewater permit by Jan. 1. Written comments must be in by Friday. A public hearing will be scheduled for December for anyone to express their views verbally.

By Karen Massie,

News10/KXTV



**Mom Dilemma #36:**  
Your daughter insists on wearing her princess costume to the grocery store. Allow it or not?

YES, at least she's dressed!

NO, I have some rules!

momslike<sup>me</sup>.com  
what's interesting to moms

Print Powered By  FormatDynamics

## REGION: Water leaders say conservation is not enough

10:00 PM PDT on Monday, October 18, 2010

By JANET ZIMMERMAN  
The Press-Enterprise

Increased water conservation has helped the Inland region get through several years of drought and supply problems, but it won't be enough to sustain residents and businesses in the future, water leaders told Riverside County supervisors Monday.

Recent measures have concentrated on the easiest and least expensive fixes, such as high-efficiency toilets and appliances, but the next push to eke out more savings will be difficult and costly, members of the county's Water Task Force said at the informational meeting in Riverside. At the top of the list is a new delivery system for the Sacramento-San Joaquin Delta, they said.

The Delta is the beginning of the State Water Project that moves supplies from Northern California reservoirs to millions of people in Southern California. But the Delta's earthen levees are crumbling and vulnerable to earthquakes, and for 10 months of the year, the pumping is restricted to protect fish species.

Story continues below



2009 / The Press-Enterprise  
Riverside County's Water Task Force recommends a new delivery system for the Sacramento-San Joaquin Delta to sustain residents and businesses in the future.

Between 2005 and 2009, the supply from the Delta was reduced by 970,000 acre-feet -- enough to support almost 2 million people per year, according to the state Department of Water Resources.

The task force, which includes local water districts and government agencies, supports an alternative canal built around the Delta to solve the environmental and seismic problems. An \$11.1 billion bond measure to fund the project is set to go before voters in 2012.

"The Delta is going to be less reliable than it is today unless there are major infrastructure changes," said Anthony Pack, general manager at Eastern Municipal Water District in Perris. "It's an issue that can't be ignored."

Eastern has reduced its reliance on imported water from 80 percent to 56 percent of water deliveries, while the district's customer base has grown by 35 percent, Pack said. Future measures include the capture of storm water, storage and desalination of groundwater and water recycling.

Already, Riverside County requires water efficiency in new housing and shopping center developments under a landscaping ordinance passed last year. Restrictions also apply to existing homes and businesses that pull county permits for construction projects and plan to change more than 2,500 square feet of landscaping.

Replacing grass with low-water, native plants will be standard in the future, said John

Rossi, general manager of Western Municipal Water District in Riverside and chairman of the task force.

Cool-season turf irrigated with high-efficiency nozzles uses 857,688 gallons per year at a cost of about \$2,006. But a medium water use garden of Mediterranean plants on drip irrigation requires only 475,749 gallons per year at a cost of about \$1,113, he said.

The landscape ordinance, which mandates use of weather-based controllers and high-efficiency sprinklers that eliminate runoff, is an example of the comprehensive approach to water management that looks beyond water agency boundaries, said Celeste Cantu, executive director of the Santa Ana Watershed Project Authority.

"The cheapest way to save water is not to waste it in the first place," Cantu told the board.

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

The New York Times

## Green

A Blog About Energy and the Environment

---

OCTOBER 18, 2010, 2:05 PM

### Lake Mead Hits Record Low Level

By [FELICITY BARRINGER](#)

Jim Wilson/The New York Times Bleached rock indicating a former high-water mark on outcroppings surrounding Lake Mead.

Sometime between 11 and noon on Sunday, the water level in Lake Mead, the massive reservoir whose water fills the taps of millions of people across the Southwest, fell **lower** than it ever has since it was filled 75 years ago.

Even as a flurry of thunderstorms dropped rain on the Las Vegas area, with as much as an inch falling in the mountains to the north, Lake Mead's level dropped to 1,083.18 feet above sea level just before noon, and fell further, to 1,083.09, by 9 local time Monday morning. (The Bureau of Reclamation site features [a bar graph](#) showing the reservoir levels since the lake was first formed when the Colorado River waters were impounded by Hoover Dam.)

"It is a record-setting moment," said Colleen Dwyer, a spokeswoman for the Bureau of Reclamation. She added that slightly more water than usual had been released through Hoover Dam over the weekend because the power marketing agency that sends dam-generated electricity around the Southwest had requested some additional flow.

Lake Mead's levels are still eight feet above the level at which a shortage is officially declared and limited rationing could go into effect for users in Nevada and Arizona, and well above the levels when the Hoover Dam's hydroelectric output might be seriously jeopardized.

But Barry Nelson, a senior policy analyst for the Natural Resources Defense Council, said: "This strikes me as such an amazing moment. It's three-quarters of a century since they filled it. And at the three-quarter-century mark, the world has changed."

He noted that Hoover Dam was "one of the iconic features of American engineering" and one of the earliest of what are now 45,000 major dams on rivers worldwide. "This is the place where the mega-dam began, and it may be the place where it ends," he said, because of "climate change and new constraints on water supplies."

Mr. Nelson said that the 11-year drought, which has caused the Colorado River to deliver considerably less water than its users have been promised, "reflects weather patterns that are what climate models predict for an era of climate change."

“Either these are early indicators of climate change or conditions we should expect more of in the future,” he concludes.

The Bureau of Reclamation’s current plan for the coming year calls for an increase of up to 40 percent in the amount of water delivered to Lake Mead from Lake Powell, the big reservoir upstream, a step that could help equalize the amount of water in each reservoir and possibly avoid triggering the shortage declaration.

Copyright 2010 The New York Times Company | [Privacy Policy](#) | [NYTimes.com](#) 620 Eighth Avenue New York, NY 10018

# REGION: Colorado River drought threatens power production

07:19 AM PDT on Wednesday, October 6, 2010

By JANET ZIMMERMAN  
The Press-Enterprise

Record low levels at Lake Mead threaten hydropower generation that brings electricity to Southern California, including several Inland cities, and moves drinking water for millions of residents and farms.

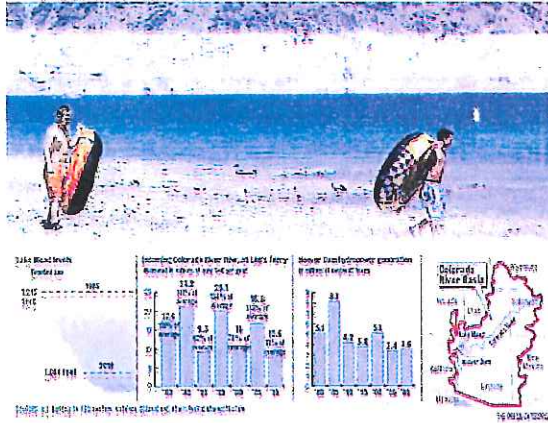
The man-made lake formed by Hoover Dam now stands at 39 percent capacity, largely because of an 11-year drought on the Colorado River. It is only the third time Lake Mead has been this low since it was filled in the 1930s.

Hoover, which straddles Arizona and Nevada, is one of the Southwest's cheapest and cleanest sources of power. Electricity production at the dam has dropped along with Mead's volume. Losing that supply wouldn't leave California in the dark, but it would send utilities searching for other, more expensive sources, the cost of which would be passed on to consumers.

[Story continues below](#)

## DROUGHT CURTAILING POWER FROM HOOVER DAM

Lake Mead has reached its lowest September water level since it was first filled in the 1930s. As a result, power generation at Hoover Dam also has dropped. The Inland cities of Riverside, Banning and Colton are still at risk of water shortages.



[Click to enlarge](#)

In the meantime, the U.S. **Bureau of Reclamation**, which manages the dam, is working on new equipment that would allow Hoover to operate at lower levels.

Lake Mead now stands at 1,083.6 feet above sea level, just 8 feet shy of the point that would trigger the first-ever water shortage declaration and force reduced deliveries to Nevada and Arizona. A continued drop, to 1,025 feet, would hit supplies for California, which has rights to the largest share of the river.

According to projections from the Bureau of Reclamation, the lake will continue to drop in October before levels begin climbing next month; it will remain at an average 1,105 feet over the next 30 years.

But some scientists say natural drought cycles will collide with population growth and **climate change** and, if unabated, will kill any chance of ever filling the reservoir again.

"The amount of water coming down the river gets less and less, and you're already using all there is. You have to say, it's not going to last long," said **Tim Barnett**, a research marine geophysicist at Scripps Institution of Oceanography in San Diego who, with colleague David Pierce, released a study two years ago titled, "When Will Lake Mead Go Dry?"

According to their calculations, there is a 50 percent chance the reservoir will dry up by 2021.

### Power down, prices up

Electricity from Hoover covers peak demand for numerous cities, including Riverside, Banning and Colton, and helps Metropolitan Water District of Southern California pump supplies from Lake Havasu, through the 242-mile Colorado River Aqueduct, to Lake Mathews.

"It's been striking for quite a few years. They've reduced the output of the dam because of the low water level," said Steve Homer, project administrator for the Southern California Public Power Authority, a group of 12 municipal utilities that buys shares of power and transmission projects. "We are seeing the effects. There is less power available."

Electricity available from Hoover has declined 29 percent since 1980. That has local utilities buying power on the open market, where rates are up to four times higher. The cost has been passed on to consumers.

Electricity is divided up according to the Hoover Power Allocation Act of 1984, which gives 28.5 percent to Metropolitan, 15 percent to Los Angeles, 23 percent to Nevada, 18 percent to Arizona and most of the remainder to other California utilities.

That legislation expires in 2017. A bill to extend the contracts by 50 years and allot 5 percent for new customers, including Native American tribes, has passed [Congress](#) and is before the [Senate](#).

Hoover provides half of the energy wholesaler Metropolitan needs to move Colorado River water to agencies throughout Southern California. The loss of some of that power -- and increased prices for buying it elsewhere -- was one factor involved in rate hikes of 49 percent over three years, said Jon Lambeck, Metropolitan's manager of power resources.

While Hoover is an important source of clean, cheap energy, utilities would be able to replace the power if the generating facility was unable to operate, he said.

"The lights would not go out. You would still get water at the tap. The energy is available in the marketplace to replace Hoover; it's just a matter of cost," he said.

The utility is considering solar power generation projects at its water treatment facilities and buying power from utility-scale solar, wind and solar thermal projects proposed for the California desert.

### Utilities worried

Big operations like Metropolitan can spread cost increases across its customer base, but it's harder for smaller contractors, such as the city of Banning.

Last year, the city utility received 1,544 megawatts from Hoover, a drop from the 2,000 megawatts it got eight years ago, said Fred Mason, electric utility director. Hoover power costs about \$23.50 per megawatt at the summer peak, compared with \$58 per megawatt on the open market, he said.

Small losses can be replaced with power from the city's coal, nuclear and geothermal plants, "but if we were to lose the total and had to replace it with other sources, that would increase our costs by about \$50,000 a year," Mason said.

Officials at Riverside Public Utilities have watched their share from Hoover drop by 15 percent over the past couple of years, said Gary Nolff, assistant general manager.

### WORRIES GROW

"Just the fact that we're restricted now is enough to make us worry," he said.

Barnett and Pierce say there is a 50 percent chance that, within seven years, Lake Mead's levels will drop too low to produce electricity. The weight of the water is what turns the massive turbines; once the lake drops below 1,050 feet, bubbles are created that damage equipment.

The Bureau of Reclamation has ordered an upgraded turbine that would operate at lake levels as low as 1,000 feet. The new turbine is expected to be delivered in early 2012 and, if it is successful, several of the other 16 turbines would be replaced by 2016.

The Bureau also modified the gate system to increase flow and regain 88 megawatts of electricity that had been lost.

The government also is working to better equalize the storage in Mead and upper reservoir Lake Powell. Releases from Powell are triggered when the water reaches certain elevations at both lakes.

The decision is made April 1 and adjusted for snowmelt runoff, bureau spokesman Bob Walsh said.

If Mead gets too low or Powell has available supplies, then water is sent downstream.

"Right now it looks like that could happen next year," he said.

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



THIS PAGE  
HAS  
INTENTIONALLY  

---

BEEN LEFT  
BLANK  
FOR PAGINATION

[Chemical & Engineering News](#)

Serving the chemical, life sciences and laboratory worlds

[Latest News](#)

[Home](#) » [Latest News](#) » How To Define "Safe" Water?

**Advertisement**

A banner advertisement with a blue and red background. On the left, it says "C&EN WEBINARS" in white. In the center, "C&EN'S FALL WEBINAR CALENDAR" is written in large, bold, white letters. On the right, "REGISTER NOW!" is written in smaller white letters.

[Advertise Here](#)

September 23, 2010

DOI:10.1021/CEN091610144239

## How To Define "Safe" Water?

### Water Pollution: Southern California study highlights the limits of bacteria used as fecal indicators

[Steven C. Powell](#)



Stanley Grant

**GO WITH THE FLOW** Although treated wastewater flows out of discharge pipes free of fecal contamination, indicator bacteria are still abundant downstream.

People love to frolic in lakes and rivers, but unfortunately so do a lot of nasty microbes. A nearly 25-year-old national recreational water standard protects us from waterborne pathogens, especially those lurking in fecal

waste. But a new study in *Environmental Science & Technology* (DOI: [10.1021/es101092g](https://doi.org/10.1021/es101092g)) shows that the microbes used to flag fecal contamination can be unreliable.

Water quality depends on upstream inputs, such as urban runoff, agricultural runoff, or wastewater treatment discharges. Since 1986, the Environmental Protection Agency has relied on culturing *Escherichia coli* and *Enterococcus* bacteria to spot feces contamination in these waters. A positive test for feces usually indicates the presence of pathogens that cause illness, such as stomach disorders and respiratory infections.

But in recent years researchers have found that the gut bacteria used as feces indicators can survive outside of our digestive tracts in other environments. These "naturalized" bacteria could lead to false positives in culture tests and thus make them inaccurate fecal indicators.

[Stanley Grant](#), a professor of environmental engineering at the [University of California, Irvine](#), and colleagues wanted to develop a better quantitative understanding of how water quality markers—including fecal indicator bacteria—changed along inland urban waters. The team decided to study a wastewater treatment plant stream that feeds into the Santa Ana River in Southern California. During the dry season, the Santa Ana receives about 85% of its flow from disinfected wastewater.

They collected water samples at various spots, including directly from the wastewater discharge pipe and within the Santa Ana itself, both up- and downstream from where the wastewater flows into it.

The researchers cast a wide analytical net in assessing water quality, including the traditional culture test for *E. coli* and *Enterococcus*, quantitative polymerase chain reaction assays for *Enterococcus* and human-specific HF183 *Bacteroides*, and measurements of chemical markers for sewage and wastewater such as ethylenediaminetetraacetic acid.

While samples straight from the wastewater discharge pipe were very low in *Enterococcus* according to the standard EPA culture test, the levels rose as the water flowed downstream: "Water emerged from the wastewater plant disinfected, and then within 500 meters downstream the concentrations exceeded the regulatory criteria," Grant says.

The team concluded that the riverbed served as a source of naturalized *Enterococcus*. The bacteria essentially sounded the alarm for feces that weren't there, says Grant.

Ecologist [Richard L. Whitman](#) of the [U.S. Geological Survey](#) in Porter, Indiana, calls the study "really important work." A recent court order requires the EPA to revise its recreational water regulations by 2012. And this study adds important data for finding better standards, Whitman says, by better defining the disconnect between fecal indicators and actual human pathogens.

## More On This Topic

- [Treating Sewage For Drinking Water](#)
- [Viruses Infiltrate Municipal Wells](#)
- Related Journal: [Evaluation of Chemical, Molecular, and Traditional Markers of Fecal Contamination in an Effluent Dominated Urban Stream](#)  
[Environ. Sci. Technol.](#), DOI: [10.1021/es101092g](https://doi.org/10.1021/es101092g)

Chemical & Engineering News

ISSN 0009-2347

Copyright © 2010 American Chemical Society

THIS PAGE  
HAS  
INTENTIONALLY  

---

BEEN LEFT  
BLANK  
FOR PAGINATION

[Chemical & Engineering News](#)

Serving the chemical, life sciences and laboratory worlds

[Latest News](#)

[Home](#) » [Latest News](#) » Debunking The Detection Limit Myth

**Advertisement**[Advertise Here](#)

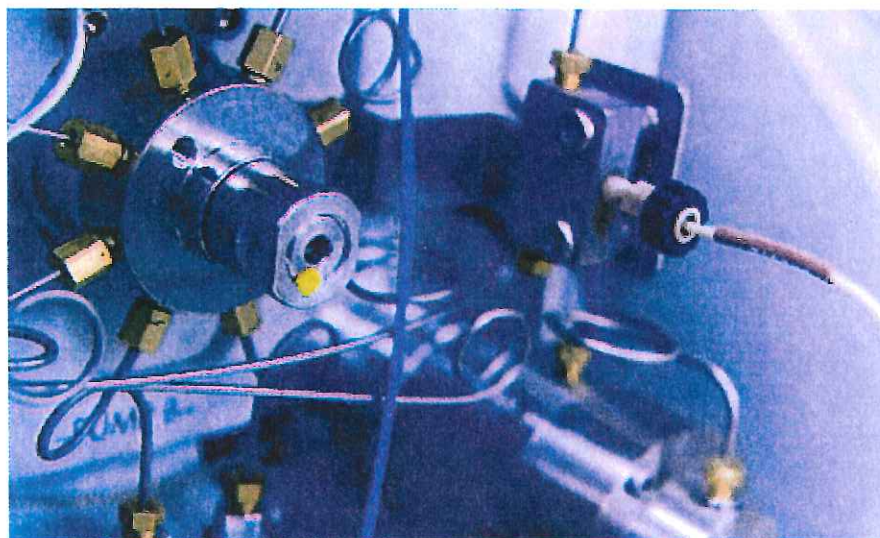
October 14, 2010

DOI: 10.1021/CEN100510130407

## Debunking The Detection Limit Myth

**Drinking Water: Better analytical methods do not lead to stricter contaminant regulations**

[Rebecca Renner](#)



Ja-Myung Kim, Kitack Lee,

Kyoungsoon Shin

AT THE LIMIT Advances in analytical chemistry bring down detection limits, but do not necessarily strengthen water quality standards.

Critics of environmental regulations often argue that as analytical methods become more precise, policymakers push for tougher regulations, because scientists can detect smaller and smaller contaminant concentrations.

But a new report concludes that this criticism, known as the "vanishing zero effect," is a myth—at least when it comes to U.S. drinking water regulations. Instead, the authors find that a better understanding of a chemical's toxicology appears to be the primary driver of changes in regulatory limits ([Environ. Sci. Technol., DOI: 10.1021/es101417u](#)).

Although people have invoked the vanishing zero effect for decades, no one had yet examined its validity. So engineers Ryan Calder and [Ketra Schmitt](#) of [Concordia University](#) in Montreal, decided to perform the first comprehensive analysis of the role that improved detection capabilities play in drinking water regulation

The pair of myth-busters examined three possible rationales for changing a specific contaminant's regulations: an improved detection technique, a better understanding of its toxicology, or a cheaper method to treat it. They specifically evaluated the evolution of the Safe Drinking Water Act of 1974, because those regulations undergo regular review.

"What we found surprised us," Schmitt says. The act regulates 67 chemical contaminants, but since it went into effect, the regulatory limits of only 15 chemicals have changed. "We were surprised that regulations aren't changing as quickly as we anticipated," she says. Even more surprising, regulations for seven of those 15 contaminants, including barium, selenium, and chromium, have become less stringent over time—the opposite direction predicted by the vanishing zero effect.

Still, regulations for six contaminants have stiffened. Of those six, only the regulatory limits on now banned pesticides, lindane and toxaphene, are now at their detection limits. Meanwhile, arsenic's regulatory limits are well above its detection limit and policymakers based that choice on toxicology—its cancer risk—tempered by treatment cost concerns. Toxicological information also drove the limits for cadmium and the pesticide methoxychlor.

Calder and Schmitt also found that toxicological information plays an important role in screening emerging contaminants for potential regulation. For example, regulators first considered perchlorate as a candidate for drinking water limits when an analytical breakthrough lowered its detection limit. But the current regulatory discussions focus on mitigating its health effects.

The paper shines light on a previously ignored topic, says engineering analyst [Patrick Gurian](#) at [Drexel University](#) in Philadelphia: "It's nice to see some critical thinking and evidence brought to bear on this common belief."

Gurian thinks that improved analytical methods have actually made regulatory decisions more complex. "Once we could simply regulate to a level we could detect," he says. "Now we have to face societal choices about how much to invest in risk reduction and how much risk we are willing to accept."

## More On This Topic

- [Role of Detection Limits in Drinking Water Regulation](#)  
[Environ. Sci. Technol., DOI: es101417u](#)

Chemical & Engineering News

ISSN 0009-2347

Copyright © 2010 American Chemical Society

THIS PAGE  
HAS  
INTENTIONALLY  

---

BEEN LEFT  
BLANK  
FOR PAGINATION

# SCIENTIFIC AMERICAN

Permanent Address: <http://www.scientificamerican.com/blog/post.cfm?id=what-is-stormwater-runoff-and-why-d-2010-10-21>

## What is stormwater runoff, and why does it matter?

By Anne Casselman Thursday, October 21, 2010 1



*Editor's Note: Expedition Blue Planet, led by Jacques Cousteau's granddaughter Alexandra Cousteau, is traveling 14,500 miles of road over 138 days to investigate and film some of North America's most pressing water-use and management stories. Expedition members will file dispatchs from the field for Scientific American until the expedition concludes on November 12 in Washington, D.C. This is their fourth blog post.*

Right from the start of our expedition, stormwater runoff has held center stage when it comes to water quality issues. It's a constant refrain: Tell us about the water quality issues that this watershed faces? Answer: Stormwater runoff.

More than three quarters of North Americans live in urban areas, and by 2030, 60 percent of the world's population is expected to live in them. Not only do these concrete jungles alter our watersheds and hydrological cycles, but they also shunt the runoff from impervious pavement and rooftops, into the water body at hand, whether it's a lake, creek, river or coastline.

"People think storm water is pristine," says Lou Di Gironimo, general manager for Toronto Water. "Well, it is when it comes out of the clouds but not when it hits an urban surface." Despite the fact that Toronto's stormwater does not meet the criteria for discharging it untreated, the bulk of it is collected in storm drains and funneled straight into the city's creeks, rivers and lakes, like in so many urban centers worldwide.

According to the Environmental Protection Agency, some 80,000 miles of streams and rivers are impaired by urbanization in the U.S. And the amount of impervious surface superimposed on the country's watersheds ranges between 12.5 percent and 30 percent—high enough to degrade aquatic habitats.

About 13 percent of U.S. rivers, 18 percent of lakes and 32 percent of estuaries are made unsafe for swimming or fishing thanks to stormwater, making it a leading source of water pollution. Just as an example, 75 percent of the toxic chemicals that arrive in Seattle's Puget Sound are carried by stormwater that slicks paved roads, rooftops, yards and other urban features.

"We all pollute the environment in one way or another, and the rainwater, all it does is it picks it up, mixes it all together, puts it in a pipe and we're having to deal with it somewhere," explains Di Gironimo.

Urban streams suffer from increased phosphorus concentrations due to the ubiquitous application of lawn and garden fertilizers. Urban areas also increase the nitrogen concentration in rivers for hundreds of miles. Then there are the metals, of which lead, zinc, chromium, copper, manganese, nickel and cadmium are the most common in runoff.

Brake linings, tires and engines contain nickel, chromium, lead, zinc, lead, manganese and copper, among others—all of which accumulate on parking lots and roads.



(One study found that the copper levels in stormwater runoff have the potential to increase mortality in salmon by way of compromising their sensory abilities and increasing the odds that they'll get plucked off by predators.)

Then there are pesticides, PCBs and the petroleum-hydrocarbons that drip off our cars. Drop by drop, oil stain by oil stain, it all adds up. By one estimate, the Los Angeles River alone contributes 1 percent of the annual world petroleum hydrocarbon input into the ocean.

The EPA is expected to enact stormwater regulations come 2012 but in the meantime, there are small steps that many urbanites are making already. In natural systems, rainwater never really traveled that far from where it fell. The soil and plants would soak it up.

Indeed, the best ways to deal with urban stormwater is to go back to that principle: use the rainwater where it falls.

"Capture that rainwater, put it in a rain barrel, put it in your garden and use that water," urges Di Gironimo.

"If you let it fall and hit your driveway or the road, it is now polluted and we're going to have to deal with it somehow."

*Photo: Mud Creek's path in Toronto near Yonge Street and Eglinton. Courtesy of Flickr.*

---

© 2010 Scientific American, a Division of Nature America, Inc.

All Rights Reserved.

# INLAND: Water districts betting on bacteria for cleanup

05:43 PM PDT on Tuesday, October 26, 2010

By JANET ZIMMERMAN  
The Press-Enterprise

Two Inland water agencies are in line for millions of dollars in federal funding to develop the nation's first systems that use naturally occurring bacteria to scrub drinking water of toxic contaminants.

The biological treatment method uses microorganisms that feed on nitrate and perchlorate, which have forced closure of numerous wells and installation of expensive treatment systems.

Using the harmless bacteria is less expensive and more environmentally friendly than other cleansing methods, water experts said. It also avoids adding salt back into the water that would later have to be removed, and it doesn't create waste that has to be disposed.

"It's a simple process, it's natural, it works well, and I think it will benefit a lot of people," said Jack Safely, director of water resources at Western Municipal Water District in Riverside.

Western and West Valley Water District in Rialto are developing the systems, which until now have only been used to clean water that is injected back into the soil to recharge underground basins. This would be the first to be served directly to customers, said Jess Brown, director of research and development at Carolla Engineering, the Walnut Creek company working with the agencies.

ON THE WEB
A federal science panel's report on health effects of perchlorate
Information on perchlorate in baby formula
California web page on Nitrate in drinking water

Story continues below



The Press-Enterprise  
Perchlorate is used in rocket fuel, munitions and fireworks and is believed to have leached into groundwater industrial use in north Rialto. Above, Rialto in 1955.

## ALREADY THERE

The bacteria already exist in soil and water. When the contaminated water is pumped into the treatment plant, it goes into a vessel with sand or granular activated carbon and concentrated vinegar, which makes the bacteria grow. The bugs digest the nitrate, perchlorate and volatile organic chemicals such as trichloroethylene, or TCE, and convert them to nitrogen gas, a harmless byproduct vented to the atmosphere, Brown said.

The bacteria are easily killed by chlorine, the primary disinfectant used in water treatment.

Western and West Valley have conducted pilot studies on the treatment for the state. Once their plants are running, they would have to prove that the process eliminates the

contaminants and produces water that meets drinking water standards before the state would issue a permit, said Ken August, spokesman for the Department of Public Health.

The standard method for removing nitrate is reverse osmosis, in which water is forced through a membrane that allows water molecules to pass through but blocks larger compounds. That process requires a lot of energy, Safely said. And ion exchange for perchlorate, which uses resin to change the chemical's properties, is expensive because filters have to be changed frequently with high levels of contamination.

**STARTUP EXPENSE**

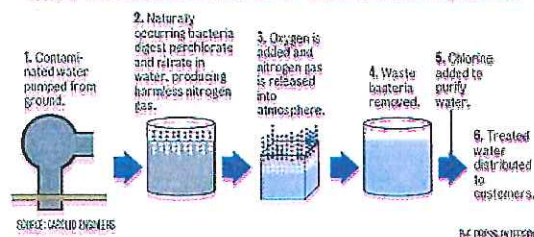
Though biological treatment is more expensive up front, about \$4.2 million vs. \$3.8 million for ion exchange, it saves money in the long run because it can treat high levels of contaminants and treats multiple chemicals in a single process. Biological treatment is about \$238 per acre-foot of water, compared to \$254 for ion exchange, according to a 2009 study by the Department of Defense.

On Tuesday, West Valley received a \$10 million grant from the state health department to build its treatment plant. Groundwater in the area is contaminated with perchlorate, which can disrupt the thyroid gland's ability to absorb iodide, needed to make the hormones that guide brain and nerve development in fetuses and babies.

[Story continues below](#)



**PURIFYING WATER WITH BACTERIA:** Water agencies in the Riverside area and Rialto plan to use natural bacteria to break down chemical contamination in groundwater.



[Click to enlarge](#)

Perchlorate is an ingredient in rocket fuel, munitions and fireworks and is believed to have leached into groundwater from decades of industrial use in north Rialto. The U.S. [Environmental Protection Agency](#) has declared the 160-acre area a Superfund cleanup site and will build wells to pump the water out and treat it with ion exchange before sending it to taps.

Construction on West Valley's project should start by March. After six months to a year of testing and pending approval by the state, the plant will be providing water for homes in two years, general manager Anthony Araiza said.

**ATTACKS NITRATE**

Western will use the technology to treat for nitrate, a byproduct of fertilizer that causes

oxygen deprivation in infants. The district received \$625,000 from the EPA to build a treatment system at the existing Arlington Desalter southwest of Riverside. Western is requesting \$5 million more in federal funds this year and will use revenue bonds to generate matching funds. The one-year construction project is expected to start in 2011.

The project would add 3.7 million gallons of water per day to the local supply and would benefit the cities of Riverside and Norco and unincorporated areas of Riverside County, Safely said.

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

THIS PAGE  
HAS  
INTENTIONALLY  

---

BEEN LEFT  
BLANK  
FOR PAGINATION