



CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

Thursday, September 8, 2011

9:00 a.m. – Appropriative Pool Meeting

11:00 a.m. – Non-Agricultural Pool Conference Call Meeting

1:00 p.m. – Agricultural Pool Meeting

AT THE CHINO BASIN WATERMASTER OFFICES

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



CHINO BASIN WATERMASTER

Thursday, September 8, 2011

9:00 a.m. – Appropriative Pool Meeting

11:00 a.m. – Non-Agricultural Pool Conference Call Meeting

1:00 p.m. – Agricultural Pool Meeting

AGENDA PACKAGES



**CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING**

9:00 a.m. – September 8, 2011

WITH

Mr. John Mura, Chair

Mr. Marty Zvirbulis, Vice-Chair

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 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 August 11, 2011 (Page 1)

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of July 2011 (Page 25)
2. Watermaster VISA Check Detail for the month of July 2011 (Page 41)
3. Combining Schedule for the Period July 1, 2010 through July 31, 2011 (Page 45)
4. Treasurer's Report of Financial Affairs for the Period July 1, 2011 through July 31, 2011 (Page 49)
5. Budget vs. Actual July 2010 through July 2011 (Page 53)

II. BUSINESS ITEMS

A. APPLICATION OF THE 85/15 RULE (For Information and Discussion) (Page 57)

B. PRESENTATION ON THE STATE OF THE BASIN REPORT (For Information Only)

C. GROUNDWATER MODEL UPDATE (For Information Only)

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Next hearing schedule and preparation
2. Restated Judgment Process

B. CEO/STAFF REPORT

1. Recharge Update
2. GE Injection Wells
3. 85/15 Rule

IV. INFORMATION

1. Cash Disbursements for August 2011 (Page 61)
2. Newspaper Articles (Page71)

V. POOL MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

1. Paragraph 31 Motion
- 2.

VIII. FUTURE MEETINGS

Thursday, September 8, 2011	9:00 a.m.	Appropriative Pool Meeting @ CBWM
Thursday, September 8, 2011	11:00 a.m.	Non-Agricultural Pool Conference Call Meeting
Thursday, September 8, 2011	1:00 p.m.	Agricultural Pool Meeting @ CBWM
Thursday, September 15, 2011	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
Thursday, September 15, 2011	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, September 15, 2011	10:30 a.m.	Land Subsidence Committee Meeting @ CBWM
Thursday, September 22, 2011	11:00 a.m.	Watermaster Board Meeting @ CBWM
Friday, September 30, 2011 (?)	10:30 a.m. (?)	Watermaster Court Hearing @ Chino Court

Meeting Adjourn

**CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL CONFERENCE CALL MEETING
11:00 a.m. – September 8, 2011
WITH**

*Mr. Bob Bowcock, Chair
Mr. Ken Jeske, Vice-Chair*

1-800-930-9525 PASS CODE: 917924

**Conference call can be taken at
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730**

AGENDA

CALL TO ORDER

ROLL CALL

AGENDA - ADDITIONS/REORDER

I. BUSINESS ITEMS

A. MINUTES

1. Minutes of the Agricultural Pool Meeting held August 11, 2011 (Page 11)

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of July 2011 (Page 25)
2. Watermaster VISA Check Detail for the month of July 2011 (Page 41)
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- 1. Cash Disbursements for August 2011 (Page 61)
- 2. Newspaper Articles (Page 71)

IV. POOL MEMBER COMMENTS

V. OTHER BUSINESS

VI. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

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Friday, September 30, 2011 (?)	10:30 a.m. (?)	Watermaster Court Hearing @ Chino Court

Meeting Adjourn

**CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING**

1:00 p.m. – September 8, 2011

WITH

Mr. Bob Feenstra, Chair

Mr. Jeff Pierson, Vice-Chair

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

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1. Minutes of the Agricultural Pool Meeting held August 11, 2011 (Page 15)

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Meeting Adjourn



CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Appropriative Pool Meeting held on August 11, 2011



Draft Minutes
CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING
August 11, 2011

The Appropriative Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on August 11, 2011 at 9:00 a.m.

APPROPRIATIVE POOL MEMBERS PRESENT WHO SIGNED IN

John Mura, Chair	City of Chino Hills
Mark Kinsey	Monte Vista Water District
Raul Garibay	City of Pomona
Mohamed El-Amamy	City of Ontario
Jo Lynne Russo-Pereyra	Cucamonga Valley Water District
Sheri Rojo	Fontana Water Company
Seth Zielke	Fontana Union Water Company
Tom Harder	Jurupa Community Services District
Charles Moorrees	San Antonio Water Company
Dave Crosley	City of Chino
Shaun Stone	City of Upland
Ben Lewis	Golden State Water Company

Watermaster Board Members Present

Bob Kuhn	Three Valleys Municipal Water District
Paula Lantz	City of Pomona

Watermaster Staff Present

Desi Alvarez	Chief Executive Officer
Joe Joswiak	Chief Financial Officer
Sherri Molino	Recording Secretary

Watermaster Consultants Present

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

Others Present Who Signed In

Scott Burton	City of Ontario
Justin Scott-Coe	Monte Vista Water District
Van Jew	Monte Vista Water District
Robert Tock	Jurupa Community Services District
Ryan Shaw	Inland Empire Utilities Agency
Geoff Kamansky	Niagara Bottling Company
David DeJesus	Three Valleys Municipal Water District
Rick Hansen	Three Valleys Municipal Water District
Eunice Ulloa	Chino Basin Water Conservation District

Chair Mura called the Appropriative Pool Meeting to order at 9:01 a.m.

AGENDA - ADDITIONS/REORDER

Chair Mura reordered Business Items 2B and 2C to take item 2C first.

Motion by El-Amamy second by Russo-Pereyra, and by unanimous vote
Moved to reorder Business Items 2B and 2C, as presented

I. CONSENT CALENDAR**A. MINUTES**

1. Minutes of the Appropriative Pool Meeting held July 14, 2011

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of June 2011
2. Watermaster VISA Check Detail for the month of June 2011
3. Combining Schedule for the Period July 1, 2010 through June 30, 2011
4. Treasurer's Report of Financial Affairs for the Period June 1, 2011 through June 30, 2011
5. Budget vs. Actual July 2010 through June 2011

C. SEMI-ANNUAL STATUS REPORT 2011-1

Motion by El-Amamy second by Russo-Pereyra, and by unanimous vote

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

II. BUSINESS ITEMS**A. RESOLUTION 11-05 RESOLUTION TO TAX DEFER MEMBER PAID CONTRIBUTIONS AND RESOLUTION 11-06 RESOLUTION FOR PAYING AND REPORTING THE VALUE OF EMPLOYER PAID MEMBER CONTRIBUTIONS**

Mr. Alvarez stated this is an item regarding CalPERS requirements and primarily relates to tax deferred contributions. The Chino Basin Watermaster pays for the contributions made on behalf of the employees for retirement benefits. What CalPERS is asking for is a resolution that recognizes the obligation. Mr. Alvarez stated staff had received a letter from CalPERS in 2008 regarding the resolution. A second letter was recently received reminding Watermaster again that this resolution was due; the resolutions are to that effect. The first resolution addresses an IRS ruling. The second resolution recognizes there are required contributions by members of either the Watermaster or by the employees and that these contributions are not subject to state and federal income taxes nor are they for social security/Medicare purposes. Mr. Alvarez stated the contributions being made are recognized as part of the whole salary compensation package. Mr. Alvarez stated these are basically administrative items to align Watermaster with CalPERS requirements. Mr. Garibay stated as he read these Resolutions they appear to be just a personnel issue and within the CEO's purview without the need to go through the Watermaster process. Mr. Alvarez stated these are Resolutions that need to be adopted by the Board through the process. Ms. Rojo asked for clarification as it was her recollection that in the past staff picked up a portion of their PERS, and inquired if this Resolution now says Watermaster is going to be picking up the full cost. Mr. Alvarez stated as of this fiscal year Watermaster is picking up the full cost of the PERS. Ms. Russo-Pereyra inquired what the employees picked up in the past. Mr. Alvarez stated 3%. Ms. Russo-Pereyra inquired when that change was made. Ms. Alvarez stated that was changed through the recent budget process. Mr. Alvarez stated it is his understanding that as of this fiscal year Watermaster pays 100% of the PERS contribution. Mr. Kuhn stated he is a Board member and on the Personnel Committee. Mr. Kuhn stated that this was an agreement which was made with staff a couple of years ago, that if the employees forgo their COLA the following year Watermaster would pick up the PERS. Ms. Russo-Pereyra asked if Watermaster employees were union or contracted employees. Mr. Kuhn stated they are not union or contracted employees. Ms. Russo-Pereyra asked for that agreement. Mr. Kuhn stated this was done by a handshake/gentlemen's agreement which was made with Watermaster employees and the CEO at that time. The Personnel Committee made the recommendation and it was approved by the Board. A lengthy discussion regarding this matter ensued. Mr. Alvarez stated staff is recommending approval for both Resolutions to be forwarded through the process, and ultimately to CalPERS. Ms. Russo-Pereyra stated it appears this was not clear when the budget process was going on and asked that in the future, if there are other changes like this, to make sure they are forwarded through the process for consideration. A discussion regarding staffs' increase in compensation ensued and it was noted Watermaster staff has not received a COLA in four years. Chair Mura stated he agreed with the Pool comments made today, including the need for transparency and having an active Personnel Committee looking at these types of transactions, which would then be put through

the entire Watermaster process. Ms. Russo-Pereyra offered final comments on what Cucamonga Valley Water District is doing for its employees presently.

Motion by Crosley second by Moorrees, and by unanimous vote

Moved to approve Resolution 11-05 to tax defer member paid contributions and Resolution 11-06 for paying and reporting the value of employer paid member contributions, as presented

Business Item IIB was reordered to take IIB after item IIC.

B. LOAN AGREEMENT WITH CHINO BASIN WATER CONSERVATION DISTRICT, CITY OF ONTARIO, AND JURUPA COMMUNITY SERVICES DISTRICT

Mr. Alvarez stated this item has to do with the financing of the replenishment water. Mr. Alvarez stated one of the items discussed was why Watermaster does not just purchase the water and noted that is a topic needs to be brought back at a future date. Mr. Alvarez stated it would be to discuss what Watermaster does when future opportunities present themselves like this. Mr. Alvarez stated since Watermaster was not set up for this purchase, one alternative is that Watermaster could acquire the funds through a loan arrangement. Mr. Alvarez stated in pursuing this option, the Chino Basin Water Conservation District (CBWCD) had stepped forward and stated they wanted to help in any way they could and informed Watermaster they had money available to loan. Mr. Alvarez stated the CBWCD board adopted specific terms for a loan for Watermaster. There have also been discussions with other parties who expressed their interest in purchasing the water now through a special assessment. Mr. Alvarez stated for those parties that would like to take care of their obligation now, the loan would be equivalent to the anticipated amount that they are going to be approximately assessed in three years. That would protect them from having to pay additional costs for this water. Mr. Alvarez stated the item before this Committee is to approve the generic terms of the Loan Agreement. This Loan Agreement would be the one Watermaster would enter into with CBWCD, JCSD, and the City of Ontario, which are the parties that expressed interest in loaning the money. Mr. Alvarez stated the terms of the Loan Agreement are that those parties are entitled to interest at a variable rate equal to LAIF plus 1.5%, and that interest payments would be made on a monthly basis. Mr. Alvarez stated funding for the interest would come out of the unrestricted reserves that Watermaster has and the interest would be recovered at the time of assessments to pay the loans. Mr. Alvarez stated staff is looking for direction on whether to move forward with the Loan Agreements or not. Mr. Alvarez stated the assessments will go out in 2014 and the payment is due in 2015, which is how the Loan Agreements will be structured. Mr. Alvarez stated another condition in these Loan Agreements is that once these Loan Agreements are approved through the Watermaster process, they will then be taken to the Judge for approval and acknowledgment that there will be a special assessment for the repayment of these loans. Mr. Alvarez stated the last caveat has to do with the priority of repayment of the loans, which is still in negotiations. Mr. Kinsey stated it appears that both JCSD and the City of Ontario are loaning Watermaster money equal to what they anticipate their obligation will be; it's a loan they don't anticipate getting repaid on with only small adjustments. Mr. El-Amamy stated that was his understanding. Mr. Kinsey stated this was mentioned during the last item in that all the parties agree that it is important to preserve individual agencies right to say, in lieu of money, here is water. A discussion regarding this matter ensued. Mr. Alvarez stated Watermaster is going to go to the court if these agreements go through the process, and then, there will be a priority and a commitment by Watermaster to do a special assessment to raise sufficient revenues to pay off the loans. Mr. Alvarez offered a worst case scenario as an example to this matter. Mr. El-Amamy stated a solution could be to extend the repayment date to 2016. Mr. Alvarez stated the only one that is set in stone is the loan agreement with CBWCD, who set very specific conditions. Mr. Kinsey stated it is his understanding that by approving this agreement, the parties are potentially waiving the ability to choose to provide either water or money. Mr. Alvarez stated that could potentially happen, and noted he had looked at all the numbers. A discussion regarding this matter ensued. Mr. Kinsey stated the cheapest way for Monte Vista Water District to secure water to meet its replenishment obligation, right now, is through in lieu replenishment. Mr. Kinsey offered further comments on this matter with regard to Monte Vista Water District. Mr. Kinsey stated the parties need to understand that if we move

forward with the agreement, it may limit the agencies flexibility until the terms of the agreement are paid off. Mr. Crosley questioned the ability of Watermaster to consider other Appropriators taking a similar action as the City of Ontario or JCSD. Mr. Alvarez stated that in the staff recommendation the parties recognize there may be other parties that might want to step forward and authorize Watermaster to negotiate that. Chair Mura inquired if the motion that was made on the previous action may eliminate the need to do this. Mr. Alvarez stated no, and the direction comes from how the parties direct staff. Ms. Russo-Pereyra stated she would make a motion to continue to proceed with the negotiations with the Muni's but also to direct staff to not proceed with the loan with CBWCD. A discussion regarding Ms. Russo-Pereyra's motion ensued. Mr. Alvarez inquired whether the parties were going to approve Watermaster entering into a Loan Agreements with CBWCD, the City of Ontario, JCSD, and possibly with other parties that may be interested in entering into a Loan Agreement. Mr. Alvarez offered comment on how this item would be dealt with by using both the Loan Agreements and the Storage Agreements. A lengthy discussion regarding agreements, scenarios, interest payments, the amount of water available, financing options, and a possible delta ensued. Mr. Alvarez stated the delta will be small and is very difficult to calculate. Mr. El-Amamy stated he will move the item as presented. Ms. Russo-Pereyra inquired as to why we are continuing with the CBWCD loan. Mr. El-Amamy stated we are pursuing all these options and are giving authorization to negotiate these agreements. Mr. Alvarez stated we are going through the process, all the parties understand what is going on and this will come back to the Advisory Committee, and then finally, the Board. A discussion regarding the loan with CBWCD and the costs of the loans ensued. Mr. Kinsey inquired if there was a second made to the motion. It was noted there was not a second. Mr. Kinsey stated it is obvious the parties have differences as to what the best deal is, and the best deal for the majority of the agencies is in lieu replenishment. Mr. Kinsey offered comment on his concerns and noted he does not want to approve this and preclude other options. Mr. Kinsey stated Watermaster needs to figure out how to prepare for these types of activities in the future. Mr. Alvarez offered further comment on the history of this item. Mr. Shaw inquired whether both Business Items B and C were approved, and if that means the parties are going to give direction as a priority list. Mr. Kinsey asked if the maker of the motion considered some conditionality of approval, which could possibly be to recommend finalization of the agreement for forwarding to the Advisory Committee with the understanding that Watermaster would come back and seek approval on actually beginning to recharge water under the terms of the agreement. Mr. El-Amamy stated he would amend his motion accordingly. Mr. Kinsey inquired if Watermaster would maintain first come, first served. Mr. Alvarez stated it is replenishment water and it is going to be done through a storage account for the Muni's and/or acquisitions on behalf of the greater good. Watermaster acquires the water and borrows the money, which allows all the parties to participate in the financing. Mr. Alvarez stated the recommendation before this Committee today is to also consider that these three agreements are not all exclusive, that there may be some additional parties that may want to enter into similar Loan Agreements. A lengthy discussion regarding this matter ensued. Mr. Alvarez stated nothing here precludes the in lieu acquisition of water and that is a separate entity. The commitment is that in 2014 there will be a repayment of the loan, or in 2015 in terms of the Storage Agreements. There needs to be a commitment that at some point in time Watermaster is going to call for the water, and this has been discussed with the Muni's. Mr. Alvarez stated there will be a commitment in those Storage Agreements that the water will be called for, and that it is not an indefinite period of time. Counsel Fife stated he wanted to clarify some things in terms of the responses to the questions and also with the priority. Counsel Fife stated it is his understanding if the parties approve this item, the overall structure for purchase of the 50,000 acre-feet is that FWC and Niagara have committed to purchasing 26,000 acre-feet of that. The next step will be a loan, which right now CBWCD, the City of Ontario, and JCSD have been identified as the loaning parties. There is a cap under the Judgment as to how much Watermaster can borrow so the loan can't be inflated indefinitely as more parties come in. The loan amount will purchase approximately the next 15,000 acre-feet of the water, and if there is remainder then that will be through the Storage Agreement with the Muni's. Mr. Kinsey inquired about individual agencies purchase of in lieu replenishment water. Counsel Fife stated that is separate, as Mr. Alvarez stated. Counsel Fife stated the Loan Agreements are for a certain amount of money which will enable the purchase of a certain amount of water, and there may be additional water that is recharged from MWD that goes beyond the FWC and Niagara purchase. A discussion

regarding Counsel Fife's comments ensued. Mr. Alvarez stated nothing precludes the in lieu; Watermaster is trying to make the commitment to pay for the wet water recharge and the in lieu will be above and beyond that, and will be a separate agreement. Mr. Kinsey offered comment on storage losses. Mr. Kinsey stated he is concerned about incurring costs to meet his agencies replenishment obligation for the desalters now, and having to incur costs again because of revenue constraints. Mr. Crosley stated the unrestricted reserve has been mentioned a few times and those reserves are going to be used to make the interest payments on the loans. The parties are curious as to how much each of the parties has contributed over the years into those unrestricted reserves and how that compares with what the parties anticipated being their portion of the loan finance cost. Mr. Alvarez stated the computation of the individual contributions to the unrestricted reserves is more than a difficult task. It should be recognized that the unrestricted reserves are there in the aggregate and that everyone has made some contribution to it. Mr. Kinsey stated it would be easy to prorate percentage of production over the last five years and break up the shares accordingly. Mr. Alvarez offered comment on the reserve break down. Chair Mura stated there is a motion and a second and called for the question.

Motion by El-Amamy second by Rojo, and by majority vote – Mura, Kinsey, and Russo-Pereyra voted no

Moved by a majority vote to authorize staff to work on the loan agreements with the Chino Basin Water Conservation District in an amount not to exceed \$5,000,000.00, with the City of Ontario in an amount not to exceed \$2,125,000, with Jurupa Community Services District in an amount not to exceed \$1,000,000 and other interested Appropriators with the condition that Watermaster would obtain Advisory Committee approval before executing the agreements, as presented

Business Item IIC was reordered to take item IIC prior to item IIB.

C. STORAGE AGREEMENT WITH INLAND EMPIRE UTILITIES AGENCY AND THREE VALLEYS MUNICIPAL WATER DISTRICT

Mr. Alvarez stated this item is regarding the preemptive replenishment water which Watermaster began taking on May 16, 2011. Mr. Alvarez stated the availability of the replenishment water was unplanned. Therefore, when Watermaster decided it would be a worthwhile investment, it was not a previously budgeted item and now terms need to be complete as to how the water is going to be paid for. Mr. Alvarez stated approximately 50% of the water has been paid for through preemptive replenishment purchases that is being done by Appropriators who need replenishment water, and that water is being put into storage accounts that are limited for replenishment purposes only. Mr. Alvarez stated in September Watermaster needs to start making provisions for how the remainder is going to be paid for. Mr. Alvarez stated there are two options available to accomplish that task; 1) For Watermaster to obtain financing and pay for the water directly through loans, or 2) The water would be acquired by other regional agencies and be put into storage accounts. Mr. Alvarez stated this item has to do with the potential storage accounts with Inland Empire Utilities Agency (IEUA) and Three Valleys Municipal Water District (TVMWD). Mr. Alvarez stated the proposal before this Committee is for extending a potential storage agreement to the regional agencies, and that the water put into storage would be for preemptive replenishment of the desalter obligations which start accruing in 2013. Mr. Alvarez stated the cost of the water would be \$409 an acre-foot, plus \$12 acre-foot for an IEUA surcharge for delivering water to the basin, and an additional cost of \$42 an acre-foot for that water that's being recharged through direct injection. The actual acquisition cost is approximately \$420.34 per acre-foot. Mr. Alvarez stated once the storage agreements are entered into there would be a condition that the water would be called for desalter replenishment at such time as necessary, and the storage agreements would be subject to not only the limitation that the water is there for preemptive replenishment but that Watermaster would pay for the acquisition costs plus the carrying costs. The carrying costs would be the finance costs for the agencies as well as the annual losses and storage losses at 2%. The anticipated base price for the water in 2014 is \$473.62. Mr. Alvarez stated staff is suggesting that Watermaster pay no more than the anticipated MWD replenishment rate at that

point in time. Mr. Alvarez stated staff is recommending storage agreements with respective agencies that are interested, and to authorize negotiations with those agencies. Mr. Alvarez stated in the event that Watermaster pays more for the actual cost of the water, staff's recommendation is that a condition be put in to the agreement that the difference in revenue between the actual cost and the actual amount paid be reserved solely for investments in the Chino Basin to be mutually agreed to between the agency and Watermaster. Mr. Garibay stated this item has changed over the past few weeks from when it was first being discussed and offered comment on the participants to date. Mr. Garibay inquired about hitting the mark of 50,000 acre-feet and the possibility of falling short for the entities that purchased the water preemptively. Mr. Alvarez stated that originally the water was split into two portions, and because of the financing arrangement that 50% of the water would be available for preemptive replenishment for the accounts that truly has to acquire replenishment water every year. Then the other 50% was going to be preemptive replenishment for the desalter. The issue became how to finance that water, and Mr. Alvarez reviewed the history on the financing of this water further. Mr. Garibay stated he understands the process; however, there are more players now involved regarding the remainder of water after the purchase from Niagara Bottling Company and Fontana Water Company (FWC) and how will that play out if the 50,000 acre-feet is not accomplished - it's basically short on the spreading and how will that then be allocated amongst those parties. Mr. Alvarez stated that whatever amount is recharged, the idea is a 50/50 split, so 26,000 acre-feet may not be what Niagara and Fontana end up with. Mr. Alvarez stated the other 50% will go towards the desalter replenishment account, and what the actual amounts will be are dependent on the decisions that the parties agree to and the direction given to staff in how to proceed. Mr. Alvarez stated that if Watermaster has financing available then that is going to pay for a significant amount of water. That water would be purchased by Watermaster for an augmentation for the overdraft account. The remaining water would be purchased by IEUA, TVMWD, or whomever a Storage Agreement is entered into with. The actual numbers will be floating on what the total amounts are. Mr. Kinsey offered comments regarding options and issues, and noted the questions are how do we do this and how do we pay for it because there are several different approaches. Mr. Kinsey stated feedback needs to come from IEUA and TVMWD on the terms of the storage deal. Mr. Alvarez stated the proposal that is being recommended by staff is to go back and work with them on the structure the storage deal. A lengthy discussion regarding this matter ensued. Mr. Kinsey stated he is hesitant to having his hands tied as to how he can meet his replenishment obligation, offered further comment on this matter, and noted the parties want flexibility. Mr. Kinsey stated there is a difference of opinion whether the Non-Agricultural Pool has a desalter replenishment obligation. There is no question that the Agricultural Pool does not have any obligation, so as this moves forward the question would be is it appropriate for all three of the Pools to give an approval or not on an obligation that may vested with one or two Pools. Mr. Kinsey stated in going through the conditions for IEUA, they should be afforded more flexibility as to how the water would be used because they don't want to be stuck with this water in storage and be unable to recover their investment because everyone is using their own water in storage to do this. Mr. El-Amamy asked to clarify the City of Ontario's position. Ontario is trying to meet their obligation with minimal costs at whatever vehicle is available to them. Mr. El-Amamy offered comment on costs. A discussion regarding costs ensued. Mr. Tock offered comment on the CDA draw schedule, and noted it would be helpful if the parties had an actual year-to-date or year projection, which might be helpful to see the pace of production and when this assessment is going to happen. Mr. Tock stated one of the key items on the Chino Basin Water Conservation loan was no storage losses would be assessed and this would be directly add to the bucket of non-assessed production. To see a storage account with 2% losses is surprising to Jurupa Community Services District. Mr. Tock stated his most significant concern was the repayment plan. Mr. Alvarez stated the production schedules can be revisited. Mr. Alvarez explained the storage losses of 2% in detail. Mr. Crosley inquired as to the financing of the 24,000 acre-feet of water that the parties want to purchase. Mr. Alvarez stated the financing approach and the amount of water purchased are to be determined on the direction that is provided by the Pools, Advisory, and Board. Mr. Alvarez stated that 100% of that water could go into Storage Agreements because the decision could be parties are not interested in the financing mechanisms. Mr. Alvarez stated in the event there is financing, it is anticipated that it will be common across the board and that everyone will have the same terms with the exception of one, the Chino Basin Water Conservation District

(CBWCD) did ask that they take priority in the repayment of any money that is borrowed from them. Mr. Crosley stated there was a second part of his question which related to FWC and Niagara's amounts of water purchased regarding the possibility that it be prorated into some lesser number depending on what was actually purchased and put into the ground. Mr. Alvarez stated they can be prorated and the agreement with both of those agencies states that it is "up to" that amount. Ms. Russo-Pereyra inquired if IEUA and TVMWD are comfortable purchasing the remainder amount minus the 26,000 acre-feet. Mr. Shaw stated IEUA is comfortable with that, and IEUA needs to know sooner rather than later depending on the purchase amount. Mr. Hansen stated TVMWD is willing to help out and staff recognizes the flexibility that the parties need. However, TVMWD is looking at this as a business perspective financially. Ms. Russo-Pereyra stated both of those agencies are willing to help and noted she is not sure why Watermaster does not just go with this offer since they are providing some flexibility. A lengthy discussion regarding going with IEUA and TVMWD for the loans and the terms of the agreements ensued. Mr. Alvarez stated staff needs direction as to what the parties are comfortable with in terms of what should go into the Storage Agreements. The proposal is the total amount of water that is going to go into that agreement is to be determined depending on financing arrangements, and the terms which are being suggested is the replenishment rate as published by MWD and is subject to final negotiations. Mr. Kinsey stated what he is hearing is that Watermaster defined terms as of today. It is a good starting point but still needs refinement. Mr. Kinsey inquired if this can be moved forward now knowing that the final terms are going to be negotiated. Mr. Kinsey inquired from legal if this Committee can approve this subject to finalization of terms that could be brought back to the Advisory Committee. Counsel Fife stated that given there is no term sheet and legal counsel has not been involved in this process so far, that would really be the only way at this point to move it forward. Counsel Fife stated since IEUA and TVMWD are already talking it should not be that difficult to put together a term sheet to be able to bring back to the Advisory Committee next week. Mr. Kinsey stated it is those who are actually obligated to acquire the water to offset the desalter replenishment obligations that are impacted by the storage losses. Mr. Kinsey also stated there has to be some mechanism where all or a portion can be stuffed into that same bucket that avoids storage losses. Ms. Rojo stated she agrees with Mr. Kinsey's comments and would agree if he made that into a motion. Ms. Russo-Pereyra inquired if a few Appropriators would sit in on those negotiations because if it is going to go straight to the Advisory Committee this will allow for input. Mr. Kinsey stated he has a recommendation for a motion which is to move staff recommendation, with additional items for consideration as to finalizing terms of the Storage Agreement, for consideration by the Advisory Committee at next week's meeting, and that FWC representatives and CVWD representatives participate in the negotiation process. Mr. Tock stated it looks like wherever it goes it is going to have a 2% storage loss. Mr. Tock stated that perhaps it would be cleaner if the Appropriators were asked if they want to purchase this for their storage account. Mr. Tock offered further comments on this matter. A discussion regarding Mr. Tock's comments ensued. Mr. Alvarez stated from the beginning one of the conditions that needed to be certified was that this is replenishment water that is being purchased for replenishment purposes, so all the restraints have always tried to adhere to that requirement. Ms. Russo-Pereyra asked that Mr. Kinsey repeat his proposed motion. Mr. Kinsey stated it is to move staff's recommendations, adding the conditions that Watermaster staff, TVMWD, and IEUA negotiate final terms of the Storage Agreement for consideration at the next Advisory Committee meeting, and that FWC and CVWD participate in that process on behalf of the Appropriative Pool. Mr. Crosley stated it is his understanding that the interests of the City of Ontario and Jurupa Community Services District to enter into this form of a loan agreement would then eliminate them from having to pay any of the financing costs that the Watermaster may incur as it purchases the remainder of water that's desired, and that would be known in approximately the year 2014, and inquired if his understanding was correct. Mr. Alvarez stated what they are trying to do is keep their costs to a bare-bone minimum, so they are anticipating what their assessment would be in 2014 and covering that assessment today by loaning Watermaster that money. Watermaster would still need to go through the assessment formula at the time this obligation is incurred, and then that assessment would be approximately equal to the loan amount that is there. Mr. Alvarez stated there is a specific formula for assessing for the desalter replenishment and the assessment is 50% of that incurred obligation, whatever that number is, spread out over the operating safe yield, and the other 50% of that obligation is

spread out over the previous year's production; all will be assessed. Mr. Crosley stated the numbers that are being described here are an attempt to estimate what that unknown future is. Mr. Alvarez stated that is correct. Mr. Crosley offered final comments on this matter and noted there might be Appropriators that want to transfer water instead of transferring money to pay for their share of the assessment. Ms. Rojo stated what she understands is there is a set formula to assess for the desalter over production and then if a party has water they want to contribute it needs to be kept separate. Watermaster could buy water out of storage at the same rate that Watermaster is assessing the party; effectively it would be a wash but in two separate transactions. Mr. Alvarez stated that is correct and the parties will be paying with water but will still be assessed, and then the two basically cancel each other out. Mr. Crosley stated the City of Chino would like to express appreciation to the municipal agencies and the Conservation District for stepping forward and lending a hand.

Motion by Kinsey second by Russo-Pereyra, and by majority vote – Tock voted no

Moved by a majority vote to authorize staff to work on the loan agreements with the Chino Basin Water Conservation District in an amount not to exceed \$5,000,000.00, with the City of Ontario in an amount not to exceed \$2,125,000, with Jurupa Community Services District in an amount not to exceed \$1,000,000 and other interested Appropriators with the condition that Watermaster would obtain Advisory Committee approval before executing the agreements, as presented

D. PRESENTATION ON THE STATE OF THE BASIN REPORT (For Information Only)

Mr. Alvarez stated this is more than a five minute presentation and inquired if the parties want to take the time to see this presentation or hold off until next month. It was noted this presentation will be given at the next Appropriative Pool meeting in September.

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. September 30, 2011 Hearing

Counsel Fife stated there is a hearing scheduled for September 30, 2011 for the CDA Resolution and the Restated Judgment. Counsel Fife stated counsel is in the process of preparing all those materials and there will also be witnesses at the hearing which will provide the Judge more information on the Desalters; like the hearings that were done for Judge Wade a few years ago. Counsel Fife stated as materials are presented they will be circulated.

2. Restated Judgment

Counsel Fife stated that Phase I has been posted to the Watermaster ftp site and the only comment received back so far was that there was an appendix to the land use conversion amendment which was supposed to be part of the Judgment. An electronic copy was created and posted on the ftp site. A database was also created of all of the prior orders of the court going back to 1978. Counsel Fife stated no other comments were received and a conference call or meeting will be scheduled to make sure all the parties are comfortable with the materials. If there is no objection that will be included as part of the agenda for the September 30th hearing which will conclude that part of the project.

B. CEO/STAFF REPORT

1. Recharge Update

Mr. Alvarez stated approximately 18,000 acre-feet has been recharged and water recharge has regained some of the capabilities. If we stay at this rate the goal of 50,000 acre-feet estimate might be accomplished.

2. Water Activity Reports (WAR) Reminder

Mr. Alvarez stated it is that time of the year when Water Activity Reports are sent out and due back to Watermaster as quickly as possible. After they are received the assessment process can begin.

Added Comment:

Mr. Alvarez stated this is a reminder of an upcoming activity in which Non-Agricultural Pool has the ability to make water available every year. They have indicated this year they will probably make water available. Mr. Alvarez stated how this normally proceeds is the Pool lets Watermaster know that water will be made available, including the amount, by December 31st. Watermaster will then notify all the parties; the acquisition of that water is pegged to 92% of the MWD rate in 2012.

IV. INFORMATION

- 1. Cash Disbursements for July 2011
No comment was made.
- 2. Newspaper Articles
No comment was made.

V. POOL MEMBER COMMENTS

No comment was made.

VI. OTHER BUSINESS

No comment was made.

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

No confidential session was called.

VIII. FUTURE MEETINGS

Thursday, August 11, 2011	9:00 a.m.	Appropriative Pool Meeting @ CBWM
Thursday, August 11, 2011	11:00 a.m.	Non-Agricultural Pool Conference Call Meeting
Thursday, August 11, 2011	1:00 p.m.	Agricultural Pool Meeting @ CBWM
Thursday, August 18, 2011	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
Thursday, August 18, 2011	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, August 18, 2011	10:30 a.m.	Land Subsidence Committee Meeting @ CBWM
Thursday, August 25, 2011	11:00 a.m.	Watermaster Board Meeting @ CBWM
Friday, September 30, 2011	10:30 a.m.	Watermaster Court Hearing @ Chino Court

The Appropriative Pool Committee meeting was dismissed by Chair Mura at 11:04 a.m.

Secretary: _____

Minutes Approved: _____

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CHINO BASIN WATERMASTER

I. BUSINESS ITEM

A. MINUTES

1. Non-Agricultural Pool Conference Call Meeting held on August 11, 2011



Draft Minutes
CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL CONFERENCE CALL MEETING
August 11, 2011

The Non-Agricultural Pool Conference Call Meeting was held via conference call using the Chino Basin Watermaster conference call number on August 11, 2011 at 11:00 a.m.

NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL

Bob Bowcock, Chair	Vulcan Materials Company (Calmat Division)
Ken Jeske, Vice-Chair	California Steel Industries
Dennis Poulsen, Alternate	California Steel Industries
Brian Geye	Auto Club Speedway
Tom O'Neill, Alternate	City of Ontario Non-Agricultural Pool
David Penrice	Aqua Capital Management LP
Bob Lawhn	Genon Electric

NON-AGRICULTURAL POOL MEMBERS PRESENT AT WATERMASTER

Scott Burton	City of Ontario Non-Agricultural Pool
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WATERMASTER BOARD MEMBER PRESENT AT WATERMASTER

Bob Kuhn	Three Valleys Municipal Water District
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Watermaster Staff Present at Watermaster

Desi Alvarez	Chief Executive Officer
Joe Joswiak	Chief Financial Officer
Janine Wilson (first 12 minutes)	Recording Secretary
Sherri Molino	Recording Secretary

Watermaster Board Counsel Present at Watermaster

Michael Fife	Brownstein, Hyatt, Farber & Schreck
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Chair Bowcock called the Non-Agricultural Pool Conference Call meeting to order at 11:04 a.m.

ROLL CALL

Janine Wilson called roll call.

AGENDA - ADDITIONS/REORDER

No additions or reorders were made to the agenda.

I. BUSINESS ITEMS

A. MINUTES

1. Minutes of the Non-Agricultural Pool Conference Call Meeting held July 14, 2011

Motion by Jeske second by Geye, and by unanimous vote
Moved to approve July 14, 2011 minutes

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of June 2011
2. Watermaster VISA Check Detail for the month of June 2011

3. Combining Schedule for the Period July 1, 2010 through June 30, 2011
4. Treasurer's Report of Financial Affairs for the Period June 1, 2011 through June 30, 2011
5. Budget vs. Actual July 2010 through June 2011

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

Moved to Receive and File Watermaster Financial Reports without approval

C. SEMI-ANNUAL STATUS REPORT 2011-1

Mr. Joswiak gave a report on this item.

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

Moved to Receive and File

D. RESOLUTION 11-05 RESOLUTION TO TAX DEFER MEMBER PAID CONTRIBUTIONS AND RESOLUTION 11-06 RESOLUTION FOR PAYING AND REPORTING THE VALUE OF EMPLOYER PAID MEMBER CONTRIBUTIONS

Mr. Joswiak gave a report on this item.

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

Moved to direct the chairs to support at the Advisory Committee and Watermaster Board meetings subject to changes which they determine to be appropriate

E. LOAN AGREEMENT WITH CHINO BASIN WATER CONSERVATION DISTRICT, CITY OF ONTARIO, AND JURUPA COMMUNITY SERVICES DISTRICT

Mr. Alvarez gave a report on this item.

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

Moved to direct the chairs to support at the Advisory Committee and Watermaster Board meetings subject to changes which they determine to be appropriate if a satisfactory deal is presented

F. STORAGE AGREEMENT WITH INLAND EMPIRE UTILITIES AGENCY AND THREE VALLEYS MUNICIPAL WATER DISTRICT

Mr. Alvarez gave a report on this item.

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

Moved to approve staff recommendation and that the representative attending the Watermaster Board Meeting is directed to support the Executive Officer.

G. PRESENTATION ON THE STATE OF THE BASIN REPORT (For Information Only)

It was noted this presentation will be given at the next meeting in September.

H. REVIEW OF PHYSICAL SOLUTION TRANSFER PROCEDURES PURSUANT TO JUDGMENT EXHIBIT "G" PARAGRAPH 9(d) - (For Information Only)

Mr. Alvarez gave a report on this item.

II. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. September 30, 2011 Hearing
Counsel Fife gave a report on this item.

2. Restated Judgment
Counsel Fife gave a report on this item.

B. CEO/STAFF REPORT

- 1. Recharge Update
Mr. Alvarez gave a report on this item.
- 2. Water Activity Reports (WAR) Reminder
Mr. Alvarez gave a report on this item.

III. INFORMATION

- 1. Cash Disbursements for July 2011
No comment was made.
- 2. Newspaper Articles
No comment was made.

IV. POOL MEMBER COMMENTS

No comment was made.

V. OTHER BUSINESS

No comment was made.

VI. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

No confidential session was called.

VII. FUTURE MEETINGS

Thursday, August 11, 2011	9:00 a.m.	Appropriative Pool Meeting @ CBWM
Thursday, August 11, 2011	11:00 a.m.	Non-Agricultural Pool Conference Call Meeting
Thursday, August 11, 2011	1:00 p.m.	Agricultural Pool Meeting @ CBWM
Thursday, August 18, 2011	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
Thursday, August 18, 2011	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, August 18, 2011	10:30 a.m.	Land Subsidence Committee Meeting @ CBWM
Thursday, August 25, 2011	11:00 a.m.	Watermaster Board Meeting @ CBWM
Friday, September 30, 2011	10:30 a.m.	Watermaster Court Hearing @ Chino Court

The Non-Agricultural Pool Committee meeting was dismissed by Chair Bowcock at 11:50 a.m.

Secretary: _____

Minutes Approved: _____

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Agricultural Pool Meeting held on August 11, 2011



Draft Minutes
CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING

August 11, 2011

The Agricultural Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on August 11, 2011 at 1:00 p.m.

Agricultural Pool Members Present Who Signed In

Bob Feenstra, Chair	Dairy
John Huitsing	Dairy
Gene Koopman	Milk Producers Council
Rob Vanden Heuvel	Milk Producers Council
Glen Durrington	Crops
Jeff Pierson	Crops
Pete Hall	State of California, CIM
Jennifer Novak	State of California, Dept. of Justice, CIM

Watermaster Board Member Present

Paul Hofer	Crops
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Watermaster Staff Present

Desi Alvarez	Chief Executive Officer
Joe Joswiak	Chief Financial Officer
Sherri Molino	Recording Secretary

Watermaster Consultants Present

Michael Fife	Brownstein, Hyatt, Farber & Schreck
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Others Present Who Signed In

Tracy Egoscue	Paul Hastings
Dave Crosley	City of Chino
Richard Reef	State of California, Dept. of Justice, CIM
Paul Deutsch	Geomatrix
Bob Gluck	City of Ontario
Marsha Westropp	Orange County Water District
Gil Aldaco	City of Chino

Chair Feenstra called the Agricultural Pool meeting to order at 1:10 p.m.

Chair Feenstra apologized to the committee members, Watermaster staff, and parties present for the late start on the meeting.

AGENDA - ADDITIONS/REORDER

Mr. Alvarez noted the State of the Basin Report will be given at the September meeting. Chair Feenstra stated there will be a closed session today.

Chair Feenstra welcomed Ms. Egoscue to her first official Agricultural Pool meeting.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Agricultural Pool Meeting held July 14, 2011

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of June 2011
2. Watermaster VISA Check Detail for the month of June 2011
3. Combining Schedule for the Period July 1, 2010 through June 30, 2011
4. Treasurer's Report of Financial Affairs for the Period June 1, 2011 through June 30, 2011
5. Budget vs. Actual July 2010 through June 2011

C. SEMI-ANNUAL STATUS REPORT 2011-1

Motion by Durrington, second by Novak, and by unanimous vote

Moved to approve Consent Calendar items A through C with one change provided by Ms. Novak to the Recording Secretary on the July 14, 2011 minutes, as presented

II. BUSINESS ITEMS**A. RESOLUTION 11-05 RESOLUTION TO TAX DEFER MEMBER PAID CONTRIBUTIONS AND RESOLUTION 11-06 RESOLUTION FOR PAYING AND REPORTING THE VALUE OF EMPLOYER PAID MEMBER CONTRIBUTIONS**

Mr. Alvarez stated this item is a pick up item to take care of clarifying the tax status of certain benefits. The tax code allows agencies to designate certain contributions as being picked up by the employer and treated as employer contributions for tax purposes. Mr. Alvarez stated the item before this Committee has to do with those types of issues. Currently the Watermaster reports to CalPERS all of the member contributions on a tax deferrable basis and in order to comply with both the internal revenue code and CalPERS regulations, staff needs to have a resolution adopted by the Watermaster Board that recognizes that and the two resolution that are before you address those issues. Mr. Alvarez stated CalPERS originally contacted Watermaster in 2008 asking for such resolutions and that was not done at that time; this action would take care of this matter. Staff is recommending this Committee adopt them to move them forward to the Advisory Committee and ultimately the Watermaster Board.

Motion by Pierson, second by Vanden Heuvel, and by unanimous vote

Moved to approve Resolution 11-05 to tax defer member paid contributions and Resolution 11-06 for paying and reporting the value of employer paid member contributions, as presented

B. LOAN AGREEMENT WITH CHINO BASIN WATER CONSERVATION DISTRICT, CITY OF ONTARIO, AND JURUPA COMMUNITY SERVICES DISTRICT

Mr. Alvarez stated this item has to do with the financing of the replenishment water. Mr. Alvarez stated one of the items that was discussed, was why Watermaster does not just purchase the water and noted that is a topic that needs to be brought back with some sort of a straw man at a future date. Mr. Alvarez stated it would be to discuss what Watermaster does when future opportunities present themselves like this. Mr. Alvarez stated since Watermaster was not set up for this purchase, one alternative is that Watermaster could acquire funds through a loan arrangement. Mr. Alvarez stated in pursuing this option, the Chino Basin Water Conservation District (CBWCD) had stepped forward and stated they wanted to help in any way they could and informed Watermaster they had money available to loan Watermaster. Mr. Alvarez stated the CBWCD board did adopt specific terms for a loan for Watermaster and there have also been discussions with other parties who expressed at previous meetings their interest in purchasing the water now through a special assessment. Mr. Alvarez stated for those parties that would like to take care of their obligation now, they would loan the money equivalent to the anticipated amount that they are going to be approximately assessed in three years and then that would protect them in the event of having to pay additional costs for this water. Mr. Alvarez stated the item before this Committee is to approve the generic terms of a Loan Agreement and this Loan Agreement would be the one Watermaster would enter into with the CBWCD, JCSD, and the City of Ontario, which are the parties that expressed interest in loaning the money. Mr. Alvarez stated the terms of the Loan Agreement are that those parties are entitled to interest at a variable rate equal to LAIF plus 1.5% and that interest payments would be made on

a monthly basis. Mr. Alvarez stated funding for the interest would come out of the unrestricted reserves that Watermaster has and the interest would be recovered at the time of assessments to pay the loans; all is depending on the direction given to Watermaster. Mr. Alvarez stated staff is looking for direction whether to move forward with the Loan Agreements. Mr. Alvarez stated the loans will be paid off in January 2015; the water will be called for in 2014 and the assessments will go out in 2014, and the payment is due in 2015 which is how the Loan Agreements will be structured. Mr. Alvarez stated another condition in these Loan Agreements is that once these Loan Agreements are approved through the Watermaster process, they will then be taken to the Judge for his approval and acknowledgment that there will be a special assessment for the repayment of these loans. Mr. Alvarez stated the last caveat has to do with the priority of repayment of the loans which is still in negotiations; however, CBWCD has placed a condition on their loan by stating they would have a priority in the repayment; meaning having added a priority clause in the agreement with CBWCD that may not be in the other agreements. Mr. Durrington inquired about CBWCD excess finances to loan Watermaster the money for this particular transaction and why banks have not come forward to loan Watermaster money. A discussion regarding the CBWCD available funds and potential banks ability to loan Watermaster money ensued. Mr. Koopman inquired about Niagara's purchase of the replenishment water. Mr. Alvarez stated both Niagara and Fontana Water Company has true replenishment requirements each year. Mr. Koopman inquired about losses. Mr. Alvarez stated they are not subject to losses and the reason is the water that is being purchased by Watermaster is basin augmentation which is recharged just as storm water is and that is not subject to any losses directly; However, indirectly it is because every four or five years when the safe yield is calculated, then in that determination its accounted for. Mr. Koopman offered comment on losses. Mr. Pierson inquired if the \$5M agreement was rolling. Mr. Alvarez stated the amount of money that is required to buy all the water that was committed in taking the full 50,000 acre-feet is approximately \$10M and this request is for approximately half of the full amount needed. Mr. Alvarez offered further comment on the loans Watermaster is looking at. Chair Feenstra offered comment the vast snow melt for this year and encouraged staff to set up some financing mechanism for Watermaster to purchase water in the future. A discussion regarding Inland Empire Utilities Agency (IEUA) offering to loan Watermaster money ensued. Mr. Koopman offered comment on IEUA's position on loaning Watermaster money for the purchase of the replenishment water.

Motion by Koopman, second by Pierson, and by unanimous vote

Moved to approve the Loan Agreement with Chino Basin Water Conservation District, City of Ontario, and Jurupa Community Services District, as presented

C. STORAGE AGREEMENT WITH INLAND EMPIRE UTILITIES AGENCY AND THREE VALLEYS MUNICIPAL WATER DISTRICT

Mr. Alvarez stated this item is regarding taking in the replenishment water this year which began on May 16, 2011; this is preemptive replenishment. Mr. Alvarez stated the availability of the replenishment water was unplanned and therefore when Watermaster decided it would be a worthwhile investment, it was not a previously budgeted item and terms need to be completed as to how the water is going to be paid for. Mr. Alvarez stated approximately 50% of the water has been paid for through preemptive replenishment purchases that is being done by Appropriators who need replenishment water and water is being put into storage accounts that are limited for replenishment purposes only. Mr. Alvarez stated in September, Watermaster needs to start making provisions for how the remainder is going to be paid for by Watermaster. Mr. Alvarez stated there are two options available to accomplish that task; 1) For Watermaster to obtain financing and pay for the water directly through loans, or 2) The water would be acquired by other regional agencies and be put into a storage account. Mr. Alvarez stated this item has to do with the potential storage accounts with Inland Empire Utilities Agency (IEUA) and Three Valleys Municipal Water District (TVMWD) has shown interest in participating in a storage account also. Mr. Alvarez stated the proposal before this Committee is for extending a potential storage agreement to the regional agencies and that the water put into storage would be for preemptive replenishment of the desalter obligations which start accruing in 2013. Mr. Alvarez

stated the cost of the water would be the actual cost of the water which is \$409 plus \$12 an acre-foot for an IEUA surcharge for delivering water to the basin and then an additional cost of \$42 an acre-foot for that water that's being recharged through direct injection; actual acquisition cost is approximately \$420.34 per acre-foot. Mr. Alvarez stated once the storage agreements are entered there would be a condition that the water would be called for desalter replenishment at such time as necessary and the storage agreements would be subject to not only the limitation that the water is there for preemptive replenishment but that Watermaster would pay for the acquisition costs plus the carrying costs. The carrying costs would be the finance costs for the agencies as well as the annual losses and storage losses at 2%; anticipated base price for the water in 2014 is \$473.62. Mr. Alvarez stated staff is suggesting that Watermaster would pay no more than the anticipated MWD replenishment rate at that point in time. Mr. Alvarez stated staff is recommending storage agreements with respective agencies that are interested and to authorize negotiations with those agencies. Mr. Alvarez stated in the event that Watermaster pays more for actual cost of the water, staff's recommendation is that a condition be put in to the agreement that the difference in revenue between the actual cost and the actual amount paid, be reserved solely for investments in the Chino Basin to be mutually agreed to between the agency and Watermaster. Mr. Koopman stated there may not be a replenishment rate from MWD at the time of the call and offered comment on the costs outlined by Mr. Alvarez. Mr. Alvarez stated the intent is that the base rate that water would be purchased at the time of the call would be to cover all the expenses and the number in the report is an estimate based on what the projected finance costs may be. A discussion regarding the rate, costs, and this matter ensued. Mr. Pierson offered comment on all the extra charges being put upon the IEUA loan and noted he was uncomfortable with them seemingly making some sort of a profit on this transaction. A lengthy discussion regarding IEUA's loan, loan concerns, future mechanism for Watermaster to make water purchases in the future, and future replenishment needs ensued. Mr. Alvarez stated Watermaster did put together a Recharge Master Plan (RMP) which is a big picture document and there must be implementation of that plan, and part of the issues identified in the RMP is to acquire some water and do some recharge to take care of the Desalter obligations; however, we are a long way from there. Chair Feenstra asked if the agreement could be reviewed by this Committee prior to it being finalized. Mr. Pierson inquired if the Chino Desalter Authority (CDA) has ever been looked at as a purchaser. Mr. Alvarez stated the CDA made a commitment to invest in the facilities with a condition that they would not be responsible for the actual replenishment and noted this was not a worthwhile endeavor for them. A lengthy discussion regarding the CDA and this matter ensued. Mr. Alvarez stated there is an agreement that part of Peace II states the desalter replenishment obligation is going to be paid for by a special assessment.

Motion by Durrington, second by Pierson, and by unanimous vote

Moved to approve authorizing Watermaster CEO to execute a Storage Agreement with Inland Empire Utilities Agency and with Three Valleys Municipal Water District, and to waive the thirty day notice period and the twenty-one day consideration period for applications for Local Storage Agreements with IEUA and TVMWD to store desalter replenishment water, as presented

D. PRESENTATION ON THE STATE OF THE BASIN REPORT (For Information Only)

It was noted the State of the Basin Report will be given at the September meeting.

Added Item:

Chair Feenstra asked that Watermaster staff provide a place in the reports section for their new general counsel, Tracy Egoscue, to give a report on Agricultural Pool legal issues. Mr. Alvarez stated that would not be a problem to add that to the agendas.

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. September 30, 2011 Hearing**

Counsel Fife stated this hearing is still on calendar; however, there has been talk about the need to possibly push the date back although that has not officially happened yet. The main subject of the hearing will be on the CDA Resolution which was adopted by the Watermaster Board in October, 2010. A meeting took place recently with the CDA parties in order to begin the process of preparing for the hearing. A pleading is being drafted presently and there will be witnesses at the hearing. This hearing will be similar, in format, to the ones in front of Judge Wade in order to give Judge Reichert more Watermaster educational background during the hearing as requested. For a while each hearing will offer the Judge more educational information until he is up to speed on issues instead of holding separate informational hearings as Judge Wade had requested. Counsel Fife stated when the preparation is done for the hearing it will be done in an open process where parties can come and see what is going to be presented to the Judge and offer comment. Counsel Fife stated one of the issues for the Agricultural Pool is that in the Watermaster Resolution there are some issues that affect some individual Agricultural Pool parties. Counsel Fife stated during the Desalter expansion it had been identified what is being called the Zone of Influence which is the new Chino Creek Wellfield and is anticipated to impact some agricultural wells. Those wells have been identified and the well owners have been contacted at some level; however, they are not aware of this process nor are they aware about the potential of going to court. Before going to court, as part of the process of being open and transparent, Watermaster wants to contact the well owners, and staff is seeking assistance from the Agricultural Pool in performing this task. Counsel Fife stated he has spoken to Ms. Egoscue directly prior to this meeting and noted it was the first time she had heard of this matter. Counsel Fife noted the CDA group met last Thursday and thought it would be appropriate and helpful to bring this matter up to the Agricultural Pool and enlist its help. Counsel Fife stated the scope of that help is unknown at this time and counsel would like to work with the Agricultural Pool counsel and Chair on how to accomplish this task. Counsel Fife stated the issue is known regarding desalter production having an impact on agricultural wells and this has been a big issue in the past and was a huge issue when Desalter I first went on line; these types of concerns need to be addressed in advance. Chair Feenstra thanked counsel for the detailed report and asked that Watermaster legal counsel be in contact with the Agricultural Pool counsel without delay as to the activities on this important issue regarding court hearings or any related discussions or happenings. Chair Feenstra reinforced the point of without delay for counsels' communications with this matter. Ms. Novak stated she has a vague recollection of some of these discussions from last year. Ms. Novak stated part of what is being discussed is how to address any legal remedies that water rights owners and producers within this basin have if they are adversely affected by the CDA, which is an important issue to address. Ms. Novak stated she recalls, at that time, there were some concerns and there was going to be some sort of plan worked on; however, she does not recall if she was ever told what the plan was and noted it is certainly not in front of this Committee today for consideration. Ms. Novak stated it is about 45 days until the hearing which is not a lot of time for consideration of plans or for contacting individual well owners. Ms. Novak stated she also recalls the Zone of Influence being established at that time, which may or may not be the true amount of people who are going to be adversely affected by this situation. Ms. Novak offered comment on state wells which were considered to be outside the Zone of Influence even though the state wells are essentially across the street from the desalters and arguably the state's water would be affected in the future by the Desalter drawdown. Ms. Novak stated she has some real concerns, not only because of the situation, but because there is not a clear recognition of who was contacted, if all who needed to be contacted was, and on what level they were contacted. Ms. Novak stated she clearly remembers being told the owners who were believed to be affected were being contacted, and her concern is if the owners even knew what was coming so that they could or should speak out, or whether they were just inadvertently waiving their rights while not even knowing their rights even existed.

Ms. Novak stated she believes she was assured at that time that those affected well owners were indeed contacted; however, nothing has been discussed or information provided since that time. Ms. Novak stated it appears this Committee will be advised what the court is going to be told; however, it is not known what the court is going to be asked for, a pleading is not available today for review, the people don't know whether or not they should be speaking up to protect themselves, and it is not just the people who are present today, it is individuals who would not normally attend these meetings, or they may or may not see that there is yet another hearing scheduled and know the importance of attending that hearing to protect themselves. Ms. Novak stated she does not have a problem with counsel/staff keeping this Committee notified in advance of what is going on; the problem is it appears the people who are going to be adversely affected are not being given the opportunity to be educated as to what is going on, what the history is, or even why they should be concerned, nor do they attend these meetings to be able to give their opinions or ask questions, and all of this is anticipated to be done by September 30th – this raises a number of concerns. Chair Feenstra stated the Agricultural Pool is going to be active in everything as well as being prepared for everything as previously stated and will be continued to be stated. Chair Feenstra offered comment on the history of Desalter drawdown and the serious situations it caused. Counsel Fife stated the entire purpose of bringing this information today to this Committee was to request the assistance of Agricultural Pool's involvement, and to get aid in contacting the individual well owners, and to also engage the Agricultural Pool's legal counsel in this process. Counsel Fife stated he wanted to reiterate if he was not clear in his report that if the timing of the scheduled hearing did not work out for this undertaking, then the hearing can and will be rescheduled. Ms. Novak stated she cannot stress enough it is almost mandated to reschedule the hearing to allow adequate time for this process to be properly completed from start to finish while giving the individuals the protection needed, to have their voices clearly heard by this Committee or others who need to hear their opinions by September 30th. Chair Feenstra inquired if Ms. Egoscue knew of last Thursday's meeting and she acknowledged she was not aware of the meeting and was brought up to speed on this issue only minutes before this meeting started today. Mr. Koopman stated 45 days is not adequate time for preparation and there is only one more Agricultural Pool meeting before September 30th. Mr. Koopman offered history on drawdown when the first Desalter came on line and noted all we can do is learn from history. Mr. Koopman stated this Committee needs to know what are the individual wells that are in that area and maybe even further out than the original Zone of Influence as to completely be covering all affected wells, and if there is going to be a problem, what is actually going to be done and how soon is it going to be done because if they have cattle they need assistance now and not in a week or so; farming is a little different but a solid plan must be in place and he noted he has not seen such a plan. Mr. Koopman acknowledged 45 days is not enough time for all that must be done and noted this Committee needs to review the plan prior to it going to the court. A lengthy discussion regarding this matter ensued. Mr. Hofer stated he remembers what happened to several people when the Desalters came on line and noted it was not only animals that were in danger, it was during hotter weather and crops were depending on water daily, and by the time things were sorted out it was a bad situation overall. Mr. Hofer offered comment on cattle health restrictions set by the Health Department and noted if those restrictions are violated then they are out of compliance and that is a big issue. Mr. Hofer stated as a reminder when the Judgment was first put into place and agricultural gave up their rights to the water, the court stated with giving up those rights the parties will be protected and the other users will take care of whatever the agricultural water problems are. Mr. Hofer stated he does not know how it will be handled this time when drawdown does occur and causes animals/farms to be out of water and those parties will need it now and not in days or weeks. Mr. Hofer stated last time, as it has been stated more than once, everybody was assured the Desalter would not affect any existing wells; that was not the case. Ms. Novak offered comment regarding the prisons and human rights and potential law suits. A lengthy discussion regarding the plan, drawdown, potential legal issues, and protection for people/animals/crops ensued. Counsel Fife reminded the parties this discussion is on the court process and the plan has already been drafted as part of IEUA's

Environmental Impact Report for the project and right now this is just the court approval of everything. Mr. Koopman stated the plan has never been to the Agricultural Pool nor does he remember any details coming to the board of IEUA. It was noted the Committee members want more details. Ms. Novak stated she understood a plan was being worked on but not that it was finished and noted it did not come through the process for review. Ms. Novak stated this Committee not only needs to see the plan but an analysis of who it affects and how, including a presentation on the complete history inclusive of all the details so that it is clear what information was or was not provided and a record of what was actually approved by this Committee. Chair Feenstra offered history on a situation on two of the wells which collapsed after turning on the Desalter and the well owner's actions after eleven hours of no water. Chair Feenstra stated this board is about agricultural and about this entire basin and this board will not hear about things that happened in this basin a week later. Mr. Durrington stated he remembers telling people that the Desalter was going to affect wells and he was assured it wouldn't and offered further comment on drawdown in wells. Chair Feenstra stated he was told personally several months ago there was a water problem; however, this board was never told which is serious. Mr. Pierson stated he believes everybody knew that when the Desalter was turned on that there was going to be drawdown and there is an obligation to every single person that has a well that is pumping and he noted he does not remember seeing an EIR or an SEIR or whatever documents that identify the mitigation required, but if there is an impact by the CDA to a private properties owners assets, it needs to be mitigated prior to putting these wells operational. Mr. Pierson stated the impacts need to be fairly well identified and if they are, then wells need to sink deeper or do whatever is necessary prior to the switch being turned on. Mr. Pierson stated this Committee always seems to be the last to hear what is going on and are only given bits and pieces of information, and we can't make private property owner decisions and acknowledged yes this is only talking to the court but its talking to the court with the presumption that we know what we are talking about and that we're in lockstep with these Zone of Influence people; we know there is an impact but nobody has talked to us about what is going to happen and who it is impacting and when that mitigation is going to take place. Mr. Pierson stated he is not going to vote for anything until he knows the method and the plan in which we are going to mitigate all the people in the Zone of Influence so we don't have the problem that we had before. Ms. Egoscue stated she serves this fine body of the Agricultural Pool Committee and has an ethical duty as the appointed counsel and she needs to clearly understand the process for not just the Agricultural Pool helping with the educating process of the Zone of Influence property owners but of what is being filed with the court and possibly a commitment for her to be able to meet with this Committee in advance and discuss what the pleadings say because it is her understanding they are different and separate and distinct from staff requesting education and outreach from this Pool. Ms. Egoscue asked for clarification for this Committee what the intentions are and then indicate if in light of those intentions if this Committee would have additional time for review/comment. Ms. Egoscue stated pleadings which are going to be presented to the court need to be digested, analyzed, and then expressed and communicated to the Agricultural Pool Committee members. Ms. Novak stated especially if this Committee needs to take its own action in responding to that pleading in any way. Counsel Fife stated in terms of what is being asked today, this is for assistance in contacting the land owners and making sure they have notice of this. Counsel Fife stated how this is going to be accomplished is unknown at this time which is why it is being brought up and to make this Committee aware; this was only brought up last week and counsel/staff could see immediately that the Agricultural Pool needed to be engaged on this endeavor and counsel/staff wants to start working on this right away. Counsel Fife stated the history at Watermaster regarding pleadings is that when pleadings like this are filed, they are circulated to everybody first for their review and then the pleading is not filed until the Watermaster Board gives direction and normally it goes through the entire Watermaster process first for review and comment. Counsel Fife stated it appears the September 30th date is cutting it short and it will be looked into to move the date out. Chair Feenstra offered final comments regarding this matter and acknowledged the Agricultural Pool wants to be

involved in all that this subject entails. Ms. Novak commented on moving the court hearing out and wanted to be assured this change would not affect any dealings with the RWQCB or the CDA. Counsel Fife stated at this point in time counsel is not aware of any deadline that would be missed by moving the date of the hearing and noted he will check on that and report it back to this Committee if there is going to be any conflicts.

2. Restated Judgment

Counsel Fife stated the first phase of the Restated Judgment has been posted to the Watermaster ftp site. Counsel Fife stated only one comment has been received regarding a missed 1995 appendix and that was found and also put on the ftp site; no other comments have been received. Counsel Fife stated a database with all the court orders going back to 1978 has also been included in that suite of documents. Chair Feenstra inquired if the Restated Judgment is on track. Mr. Alvarez stated it is on track; however, that depends on how many comments come in.

B. CEO/STAFF REPORT

1. Recharge Update

Mr. Alvarez stated approximately 18,000 acre-feet has been recharged and water recharge has regained some of the capabilities. If we stay at this rate the goal of 50,000 acre-feet estimate might be accomplished.

Added Comment:

Chair Feenstra stated recently he had gone to Mr. Joswiak regarding some financial questions regarding a past report on the Agricultural Pool's funds and it is his understanding the report on that item is on the CEO's desk. Mr. Alvarez stated he has the report that Mr. Joswiak has put together of the complete history of this matter and it is still being reviewed and will be forthcoming.

Added Comment:

Chair Feenstra stated he has sent Ms. Egoscue documents on the TMDL matter from SAWPA, a report from Mr. Brommenschenkel on his attendance on those issues, and he believes he had Ms. Egoscue speak with Mr. Koopman regarding the Desalters – and the Chair welcomed Ms. Egoscue to her first official Agricultural Pool meeting. Ms. Egoscue stated it is an honor to represent this Pool and she appreciates the opportunity. Ms. Egoscue stated in response to Chair Feenstra's requests, she has reached out to Celeste Cantu of SAWPA and has introduced herself as the new Agricultural Pool's general counsel. Ms. Egoscue noted she has a relationship with Ms. Cantu which precedes this assignment and they will be scheduling a meeting in the near future to discuss the TMDL issues. Ms. Egoscue stated she has also retained Mr. Brommenschenkel as a consultant who is retained under the Paul Hastings contract and is now moving forward and discussions have already taken place. Ms. Egoscue stated she has met with Cliff McFarland of the ABGL Group and have had discussion with him on the plume situation and will report further on that discussion during closed session. Ms. Egoscue stated she has also had several opportunities to speak with the Agricultural Pool Chair and the deputy in preparation of this meeting. Chair Feenstra inquired if Ms. Egoscue had an opportunity to review the presentation prepared by the ABGL Group and Ms. Egoscue stated she has seen the presentation with Mr. McFarland.

IV. INFORMATION

1. Cash Disbursements for July 2011

No comment was made.

2. Newspaper Articles

No comment was made.

V. POOL MEMBER COMMENTS

Mr. Durrington stated it appears people in the valley using agricultural water for commercial business. Mr. Durrington offered examples on how that agricultural water is being used. Mr. Durrington offered further comment on this situation. Chair Feenstra stated he has shared this concern with the City of Ontario and is waiting to schedule a meeting with Mohamed El-Amamy. A lengthy discussion regarding this matter ensued.

Mr. Hofer stated he is a board member here at Watermaster as a representative of the Agricultural Pool and noted he is also an elected board member for the Chino Basin Water Conservation District. Mr. Hofer stated when he voted for the \$5M loan to Watermaster for the Replenishment Water purchase he abstained from the vote as advised by the CBWCD counsel and asked for some clarification on this matter. A discussion regarding Mr. Hofer's comments ensued. Counsel Fife stated under Watermaster's Conflict Rules, that would not be a conflict and noted there are very narrow conflict rules that state there is only a conflict when the person is personally affected by a decision. Counsel Fife stated the Conflict Rules recognize that this is an interest based organization and that an entity that one represents may have an interest in an issue that comes before the Board and that does not constitute a conflict so under the Watermaster rules a person would not be required to abstain; however, how that ties to anything that CBWCD has would be up to Mr. Brunick.

VI. OTHER BUSINESS

No comment was made.

The regular open Agricultural Pool meeting was convened to hold its confidential session at 2:35 p.m.

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

The confidential session concluded at 3:24 p.m.

No action was taken.

VIII. FUTURE MEETINGS

Thursday, August 11, 2011	9:00 a.m.	Appropriative Pool Meeting @ CBWM
Thursday, August 11, 2011	11:00 a.m.	Non-Agricultural Pool Conference Call Meeting
Thursday, August 11, 2011	1:00 p.m.	Agricultural Pool Meeting @ CBWM
Thursday, August 18, 2011	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
Thursday, August 18, 2011	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, August 18, 2011	10:30 a.m.	Land Subsidence Committee Meeting @ CBWM
Thursday, August 25, 2011	11:00 a.m.	Watermaster Board Meeting @ CBWM
Friday, September 30, 2011	10:30 a.m.	Watermaster Court Hearing @ Chino Court

Chair Feenstra dismissed the Agricultural Pool Committee meeting at 3:25 p.m.

Secretary: _____

Minutes Approved: _____

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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR (App & Ag Pool)

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of July 2011
2. Watermaster VISA Check Detail for the month of July 2011
3. Combining Schedule for the Period July 1, 2011 through July 31, 2011
4. Treasurer's Report of Financial Affairs for the Period July 1, 2011 through July 31, 2011
5. Budget vs. Actual July 2010 through June 2011

I. BUSINESS ITEM (Non-Ag Pool)

B. FINANCIAL REPORTS

11. Cash Disbursements for the month of July 2011
2. Watermaster VISA Check Detail for the month of July 2011
3. Combining Schedule for the Period July 1, 2011 through July 31, 2011
4. Treasurer's Report of Financial Affairs for the Period July 1, 2011 through July 31, 2011
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CHINO BASIN WATERMASTER

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DESI ALVAREZ, PE
Chief Executive Officer

STAFF REPORT

DATE: September 8, 2011
TO: Committee Members
SUBJECT: Cash Disbursement Report – Financial Report B1

SUMMARY

Issue – Record of cash disbursements for the month of July 2011.

Recommendation – Staff recommends the Cash Disbursements for July 2011 be received and filed as presented.

Fiscal Impact – Funds disbursed were included in the FY 2011-2012 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 July 2011 were \$409,013.74. The most significant expenditures during the month were Wildermuth Environmental, Inc. in the amount of \$177,936.55 (check number 15261 dated July 14, 2011), MWH Laboratories in the amount of \$34,444.00 (check number 15280 dated July 25, 2011) and the Inland Empire Utilities Agency in the amount of \$14,723.03 (check number 15290 dated July 29, 2011).

Actions:

September 8, 2011 Appropriative Pool –
September 8, 2011 Non-Agricultural Pool –
September 8, 2011 Agricultural Pool –
September 15, 2011 Advisory Committee –
September 22, 2011 Watermaster Board –

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	07/05/2011	15201	ARROWHEAD MOUNTAIN SPRING WATER	0023230253	1012 - Bank of America Gen'l Ckg	26.91
Bill	06/28/2011	0023230253		Office Water Bottle - June 2011	6031.7 - Other Office Supplies	26.91
TOTAL						
Bill Pmt -Check	07/05/2011	15202	DIRECTV	019447404	1012 - Bank of America Gen'l Ckg	86.99
Bill	06/28/2011	019447404		Monthly Service 6/19/11-7/18/11	6031.7 - Other Office Supplies	86.99
TOTAL						
Bill Pmt -Check	07/05/2011	15203	ELIE, STEVEN	6/23/11 Board Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	06/23/2011	6/23 Board Mtg		6/28/11 Administrative Meeting	6311 - Board Member Compensation	125.00
Bill	06/28/2011	6/28 Admin Mtg			6311 - Board Member Compensation	250.00
TOTAL						
Bill Pmt -Check	07/05/2011	15204	GUARANTEED JANITORIAL SERVICE, INC.	28522	1012 - Bank of America Gen'l Ckg	865.00
Bill	06/16/2011	28522		Janitorial Service - June 2011	6024 - Building Repair & Maintenance	865.00
TOTAL						
Bill Pmt -Check	07/05/2011	15205	HAUGHEY, TOM	6/23/2011 Board Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	06/23/2011	6/23 Board Mtg		6/23/11 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						
Bill Pmt -Check	07/05/2011	15206	HOGAN LOVELLS	1973415	1012 - Bank of America Gen'l Ckg	2,521.96
Bill	06/01/2011	1973415		Non-Ag Legal Services May 2011	8567 - Non-Ag Legal Service	2,521.96
TOTAL						
Bill Pmt -Check	07/05/2011	15207	KUHN, BOB	6/02/11 Appropriative Pool Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	06/02/2011	6/02 Appro Pool Mtg		6/16/11 Advisory Committee Meeting	6311 - Board Member Compensation	125.00
Bill	06/16/2011	6/16 Advisory Comm		6/23/11 Board Meeting	6311 - Board Member Compensation	125.00
Bill	06/23/2011	6/23 Board Mtg		6/24/11 Administrative Meeting	6311 - Board Member Compensation	125.00
Bill	06/24/2011	6/24 Admin Mtg			6311 - Board Member Compensation	500.00
TOTAL						
Bill Pmt -Check	07/05/2011	15208	LANTZ, PAULA	6/23/2011 Board Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	06/23/2011	6/23 Board Mtg		6/23/11 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						
Bill Pmt -Check	07/05/2011	15209	LARRY W. WARD, ASSESSOR	9801	1012 - Bank of America Gen'l Ckg	49.38
Bill	06/23/2011	9801		parcel owner data	7101.5 - Prod Monitor-Sup&Repair	49.38
TOTAL						
Bill Pmt -Check	07/05/2011	15210	NORDBAK'S PROMOTIONAL PRODUCTS	061711	1012 - Bank of America Gen'l Ckg	152.98
Bill	06/28/2011	061711		Jackets, work shirts for staff	6154 - Uniforms	152.98
TOTAL						

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	07/05/2011	15211	PUMP CHECK		1012 - Bank of America Gen'l Ckg	112.50
Bill	06/28/2011	4301		4301	7102.5 - In-line Meter-Computer	190.00
Bill	06/28/2011	4302		4302	7102.8 - In-line Meter-Calib & Test	158.54
Bill	06/28/2011	4303		4303	7102.8 - In-line Meter-Calib & Test	190.00
Bill	06/28/2011	4304		4304	7102.8 - In-line Meter-Calib & Test	158.54
Bill	06/28/2011	4304		4304	7102.8 - In-line Meter-Calib & Test	190.00
TOTAL						1,348.12
Bill Pmt -Check	07/05/2011	15212	PURCHASE POWER		1012 - Bank of America Gen'l Ckg	2,336.40
Bill	06/28/2011	8000909000168851		8000909000168851 fed ex shipments/postage	6042 - Postage - General	2,336.40
TOTAL						
Bill Pmt -Check	07/05/2011	15213	SAN BERNARDINO COUNTY ASSESSOR		1012 - Bank of America Gen'l Ckg	261.49
Bill	06/29/2011			parcel owner data (fixed) & (per parcel)	7101.5 - Prod Monitor-Sup&Repair	261.49
TOTAL						
Bill Pmt -Check	07/05/2011	15214	SANTA ANA WATERSHED PROJECT AUTHORITY 8601		1012 - Bank of America Gen'l Ckg	10,342.00
Bill	06/16/2011	8801		Middle Santa Ana River Pathogen TMDL Task Force 8471 - Ag Pool Expense		10,342.00
TOTAL						
Bill Pmt -Check	07/05/2011	15215	STAPLES BUSINESS ADVANTAGE		1012 - Bank of America Gen'l Ckg	191.36
Bill	06/22/2011	8018839736		Copy paper	8031.1 - Copy Paper	191.36
Bill	06/28/2011	8018897700		12 pk disposable duster	8031.7 - Other Office Supplies	91.30
TOTAL						282.66
Bill Pmt -Check	07/05/2011	15216	THE LAWTON GROUP		1012 - Bank of America Gen'l Ckg	824.00
Bill	06/29/2011	1VC070000017165		Week Ending 6/19/2011	6017 - Temporary Services	824.00
TOTAL						
Bill Pmt -Check	07/05/2011	15217	UNITED HEALTHCARE		1012 - Bank of America Gen'l Ckg	486.89
Bill	06/16/2011	C0024488961		Dental insurance premium	60182.2 - Dental & Vision Ins	486.89
TOTAL						
Bill Pmt -Check	07/05/2011	15218	VANDEN HEUVEL, GEOFFREY		1012 - Bank of America Gen'l Ckg	125.00
Bill	06/23/2011	6/23 Board Mtg		6/23/11 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						
Bill Pmt -Check	07/05/2011	15219	VISION SERVICE PLAN		1012 - Bank of America Gen'l Ckg	52.93
Bill	07/01/2011	001017890001		00-101789-0001 Vision Insurance Premium - July 2011	60182.2 - Dental & Vision Ins	52.93
TOTAL						
Bill Pmt -Check	07/05/2011	15220	WILLIS, KENNETH		1012 - Bank of America Gen'l Ckg	

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/22/2011	6/22 Admin Mtg		6/22/11 Administrative Meeting	6311 - Board Member Compensation	125.00
Bill	06/23/2011	6/23 Board Mtg		6/23/11 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	07/05/2011	15221	JESKE, KEN	6/23/2011 Board Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	06/23/2011	6/23 Board Mtg		6/23/2011 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	07/05/2011	15222	PARK PLACE COMPUTER SOLUTIONS, INC.	452	1012 - Bank of America Gen'l Ckg	3,075.00
Bill	06/30/2011	452		IT Contracted Services - June 2011	6052.1 - Park Place Comp Solutn	3,075.00
TOTAL						3,075.00
Bill Pmt -Check	07/08/2011	15223	GRAINGER	9570183120	1012 - Bank of America Gen'l Ckg	13.77
Bill	06/30/2011	9570183120		9570183120	7103.6 - Grdwtr Qual-Supplies	13.77
TOTAL						13.77
Bill Pmt -Check	07/08/2011	15224	POWERS ELECTRIC PRODUCTS CO.	7103.5	1012 - Bank of America Gen'l Ckg	1,898.60
Bill	06/30/2011	40324		40324	7104.6 - Grdwtr Level-Supplies	1,898.60
TOTAL						1,898.60
Bill Pmt -Check	07/08/2011	15225	VERIZON	012519116950792103	1012 - Bank of America Gen'l Ckg	472.83
Bill	06/30/2011	012519116950792103		012519116950792103	6022 - Telephone	472.83
Bill	06/30/2011	012561121521714508		012561121521714508	7405 - PE4-Other Expense	171.72
TOTAL						644.55
General Journal	07/09/2011	07/09/2011	Payroll and Taxes for 06/26/11-07/09/11	Payroll and Taxes for 06/26/11-07/09/11	1012 - Bank of America Gen'l Ckg	7,489.45
			Payroll Taxes for 06/26/11-07/09/11	Direct Deposits for 06/26/11-07/09/11	1014 - Bank of America P/R Ckg	15,679.99
			Checks for 06/26/11-07/09/11		1014 - Bank of America P/R Ckg	5,963.82
TOTAL						29,133.26
Bill Pmt -Check	07/13/2011	15226	CITISTREET	Payroll and Taxes for 06/12/11-06/25/11	1012 - Bank of America Gen'l Ckg	1,863.30
General Journal	06/26/2011	06/25/2011	CITISTREET	457 Employee Deductions for 06/12/11-06/25/11	2000 - Accounts Payable	1,863.30
TOTAL						1,863.30
Bill Pmt -Check	07/13/2011	15227	COMPUTER NETWORK	81714	1012 - Bank of America Gen'l Ckg	785.00
Bill	06/30/2011	81714		External hard drive	6055 - Computer Hardware	785.00
TOTAL						785.00
Bill Pmt -Check	07/13/2011	15228	DE BOOM, NATHAN	AG Pool Member Meeting Compensation	1012 - Bank of America Gen'l Ckg	25.00
Bill	06/30/2011	5/12 Ag Pool Meeting		5/12/2011 Ag Pool Meeting	8411 - Compensation	100.00
				AG Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	125.00
TOTAL						250.00
Bill Pmt -Check	07/13/2011	15229	DURRINGTON, GLEN		1012 - Bank of America Gen'l Ckg	125.00

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of

Type	Date	Num	Name	July 2011	Memo	Account	Paid Amount
Bill	06/30/2011	4/14 Ag Pool Meeting		4/14/11 Ag Pool Meeting		8411 - Compensation	25.00
Bill	06/30/2011	5/12 Ag Pool Mtg		AG Pool Member Meeting Compensation		8470 - Ag Meeting Attend -Special	100.00
Bill	06/30/2011	6/09 Ag Pool Mtg		5/12/11 Ag Pool Meeting		8411 - Compensation	25.00
				AG Pool Member Meeting Compensation		8470 - Ag Meeting Attend -Special	100.00
				6/09/11 Ag Pool Meeting		8411 - Compensation	25.00
				AG Pool Member Meeting Compensation		8470 - Ag Meeting Attend -Special	100.00
TOTAL							375.00
			FEENSTRA, BOB				
Bill Pmt -Check	07/13/2011	15230		4/12/11 Budget Workshop		1012 - Bank of America Gen'l Ckg	125.00
Bill	06/30/2011	4/12 Budget Wkshp		4/14/11 Ag Pool Meeting		8470 - Ag Meeting Attend -Special	125.00
Bill	06/30/2011	4/14 Ag Pool Mtg		4/28/11 Board Meeting		8470 - Ag Meeting Attend -Special	125.00
Bill	06/30/2011	4/28 Board Mtg		5/12/11 Ag Pool Meeting		8470 - Ag Meeting Attend -Special	125.00
Bill	06/30/2011	5/12 Ag Pool Mtg		5/19/11 Advisory Committee Meeting		8470 - Ag Meeting Attend -Special	125.00
Bill	06/30/2011	5/19 Advisory Comm		5/19/11 Budget Workshop		8470 - Ag Meeting Attend -Special	125.00
Bill	06/30/2011	5/19 Budget Wkshp		5/26/11 Board Meeting		8470 - Ag Meeting Attend -Special	125.00
Bill	06/30/2011	5/26 Board Meeting		5/09/11 Administrative Meeting		8470 - Ag Meeting Attend -Special	125.00
Bill	06/30/2011	5/09 Admin Mtg		6/09/11 Ag Pool Meeting		8470 - Ag Meeting Attend -Special	125.00
Bill	06/30/2011	6/09 Ag Pool Mtg		6/16/11 Advisory Committee Meeting		8470 - Ag Meeting Attend -Special	125.00
Bill	06/30/2011	6/16 Advisory Comm		6/23/11 Board Meeting		8470 - Ag Meeting Attend -Special	125.00
Bill	06/30/2011	6/23 Board Mtg					1,375.00
TOTAL							1,375.00
			GREAT AMERICA LEASING CORP.				
Bill Pmt -Check	07/13/2011	15231		11081251		1012 - Bank of America Gen'l Ckg	2,788.53
Bill	06/30/2011	11081251		Invoice		6043.1 - Ricoh Lease Fee	282.14
				Usage for Black Copies		6043.2 - Ricoh Usage & Maintenance Fee	321.64
				Usage for Color Copies		6043.2 - Ricoh Usage & Maintenance Fee	3,392.31
TOTAL							440.71
			GROOMAN'S PUMP & WELL DRILLING, INC.				
Bill Pmt -Check	07/13/2011	15232		12789		1012 - Bank of America Gen'l Ckg	440.71
Bill	06/30/2011	12789		12789		7102.7 - In-line Meter	440.71
TOTAL							2,926.38
			HOGAN LOVELLS				
Bill Pmt -Check	07/13/2011	15233		1979943		1012 - Bank of America Gen'l Ckg	2,926.38
Bill	06/30/2011	1979943		Non-Ag Legal Services - June 2011		8567 - Non-Ag Legal Service	2,926.38
TOTAL							25.00
			HUITSING, JOHN				
Bill Pmt -Check	07/13/2011	15234		4/14/2011 Ag Pool Meeting		1012 - Bank of America Gen'l Ckg	25.00
Bill	06/30/2011	4/14 Ag Pool Mtg		Ag Pool Member Compensation		8411 - Compensation	100.00
Bill	06/30/2011	5/12 Ag Pool Mtg		5/12/2011 Ag Pool Meeting		8470 - Ag Meeting Attend -Special	25.00
Bill	06/30/2011	6/09 Ag Pool Mtg		Ag Pool Member Compensation		8470 - Ag Meeting Attend -Special	100.00
Bill	06/30/2011	6/09 Ag Pool Mtg		6/09/2011 Ag Pool Meeting		8411 - Compensation	25.00
				Ag Pool Member Compensation		8470 - Ag Meeting Attend -Special	100.00
TOTAL							375.00

CHINO BASIN WATERMASTER

Cash Disbursements For The Month of

July 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	07/13/2011	15235	JAMES JOHNSTON	235	1012 - Bank of America Gen'l Ckg	810.00
Bill	06/30/2011	235		Website Services - June 2011	6052.3 - Website Consulting	810.00
TOTAL						
Bill Pmt -Check	07/13/2011	15236	KOOPMAN, GENE	4/14/2011 Ag Pool Meeting	1012 - Bank of America Gen'l Ckg	25.00
Bill	06/30/2011	4/14 Ag Pool Mtg		AG Pool Member Meeting Compensation	8411 - Compensation	100.00
Bill	06/30/2011	5/12 Ag Pool Mtg		AG Pool Member Meeting Compensation	8411 - Compensation	25.00
Bill	06/30/2011	6/09 Ag Pool Mtg		AG Pool Member Meeting Compensation	8411 - Compensation	100.00
Bill	06/30/2011	6/09 Ag Pool Mtg		AG Pool Member Meeting Compensation	8411 - Compensation	25.00
Bill	06/30/2011	6/09 Ag Pool Mtg		AG Pool Member Meeting Compensation	8411 - Compensation	100.00
TOTAL						
Bill Pmt -Check	07/13/2011	15237	PIERSON, JEFFREY	4/14/11 Ag Pool Meeting	1012 - Bank of America Gen'l Ckg	25.00
Bill	06/30/2011	4/14 Ag Pool Mtg		AG Pool Member Meeting Compensation	8411 - Compensation	100.00
Bill	06/30/2011	4/21 Advisory Comm		4/21/11 Advisory Committee Meeting	8411 - Compensation	25.00
Bill	06/30/2011	5/12 Ag Pool Mtg		4/21/11 Advisory Committee Meeting	8411 - Compensation	100.00
Bill	06/30/2011	5/19 Advisory Comm		5/12/11 Ag Pool Meeting	8411 - Compensation	25.00
Bill	06/30/2011	5/19 Advisory Comm		5/12/11 Ag Pool Meeting	8411 - Compensation	100.00
Bill	06/30/2011	5/19 Budget Wkshp		5/19/11 Advisory Committee Meeting	8411 - Compensation	25.00
Bill	06/30/2011	5/19 Budget Wkshp		5/19/11 Advisory Committee Meeting	8411 - Compensation	100.00
Bill	06/30/2011	5/26 Board Mtg		5/19/11 Budget Workshop	8411 - Compensation	25.00
Bill	06/30/2011	6/09 Ag Pool Mtg		5/26/11 Board Meeting	8411 - Compensation	100.00
Bill	06/30/2011	6/09 Ag Pool Mtg		5/26/11 Board Meeting	8411 - Compensation	25.00
Bill	06/30/2011	6/16 Advisory Comm		6/09/11 Ag Pool Meeting	8411 - Compensation	100.00
Bill	06/30/2011	6/23 Board Mtg		6/09/11 Ag Pool Meeting	8411 - Compensation	25.00
Bill	06/30/2011	6/23 Board Mtg		6/16/11 Advisory Committee Meeting	8411 - Compensation	100.00
Bill	06/30/2011	6/23 Board Mtg		6/16/11 Advisory Committee Meeting	8411 - Compensation	25.00
Bill Pmt -Check	07/13/2011	15238	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	7,577.59
General Journal	06/25/2011	06/25/2011	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS retirement for 06/12/11-06/25/11	2000 - Accounts Payable	7,577.59
TOTAL						
Bill Pmt -Check	07/13/2011	15239	STAPLES BUSINESS ADVANTAGE	8018954522	1012 - Bank of America Gen'l Ckg	643.84
Bill	06/30/2011	8018954522		Copy paper	6031.1 - Copy Paper	81.41
Bill	06/30/2011	8018954522		Misc. supplies, white out, glue	6031.7 - Other Office Supplies	725.25
TOTAL						
Bill Pmt -Check	07/13/2011	15240	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	824.00
Bill	06/30/2011	1VC070000017193		Week Ending 6/29/2011	6017 - Temporary Services	

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						824.00
Bill Pmt - Check	07/13/2011	15241	VANDEN HEUVEL, ROB		1012 - Bank of America Gen'l Ckg	
Bill	06/30/2011	4/14 Ag Pool Mtg		4/14/2011 Ag Pool Meeting	8411 - Compensation	25.00
Bill	06/30/2011	5/12 Ag Pool Mtg		AG Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
Bill	06/30/2011	6/09 Ag Pool Mtg		5/12/2011 Ag Pool Meeting	8411 - Compensation	25.00
Bill	06/30/2011	6/16 Advisory Comm		AG Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
Bill	06/30/2011			6/09/2011 Ag Pool Meeting	8411 - Compensation	25.00
Bill	06/30/2011			AG Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
Bill	06/30/2011			9/16/11 Advisory Committee Meeting	8411 - Compensation	25.00
Bill	06/30/2011			AG Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
TOTAL						500.00
Bill Pmt - Check	07/13/2011	15242	AMERICAN WATER WORKS ASSOCIATION		1012 - Bank of America Gen'l Ckg	
Bill	07/12/2011	7000357554		7000357554 membership dues - D. Maurizio (9/01/11-8/31/12)	6111 - Membership Dues	231.00
TOTAL						231.00
Bill Pmt - Check	07/13/2011	15243	APPLIED COMPUTER TECHNOLOGIES		1012 - Bank of America Gen'l Ckg	
Bill	06/30/2011	2016		2016 Database Services - June 2011	6052.2 - Applied Computer Technol	1,728.70
TOTAL						1,728.70
Bill Pmt - Check	07/13/2011	15244	COMPUTER NETWORK		1012 - Bank of America Gen'l Ckg	
Bill	07/07/2011	81779		81779 Replace hard drive for Senior Engineer laptop	6055 - Computer Hardware	134.69
TOTAL						134.69
Bill Pmt - Check	07/13/2011	15245	HSEC BUSINESS SOLUTIONS		1012 - Bank of America Gen'l Ckg	
Bill	06/30/2011	7003730910002744A		7003-7309-1000-2744A Miscellaneous office and meeting supplies	6031.7 - Other Office Supplies	377.74
TOTAL						377.74
Bill Pmt - Check	07/13/2011	15246	MIJAC ALARM		1012 - Bank of America Gen'l Ckg	
Bill	07/01/2011	302876		302876 Alarm monitoring from 7/01/11-9/30/11	6026 - Security Services	147.00
TOTAL						147.00
Bill Pmt - Check	07/13/2011	15247	PAYCHEX		1012 - Bank of America Gen'l Ckg	
Bill	06/30/2011	2011063000		Payroll Services - June 2011	6012 - Payroll Services	251.12
Bill	06/30/2011	2011063000		Payroll Services - July 2011	6012 - Payroll Services	124.06
TOTAL						375.18
Bill Pmt - Check	07/13/2011	15248	PREMIERE GLOBAL SERVICES		1012 - Bank of America Gen'l Ckg	
Bill	06/30/2011	08123490		08123490 Monthly fee	6022 - Telephone	14.95
Bill	06/30/2011	08123490		Non-Ag meeting call	8512 - Meeting Expense	169.30
Bill	06/30/2011	08123490		Service fee	6022 - Telephone	4.75
TOTAL						189.00
Bill Pmt - Check	07/13/2011	15249	SAFEGUARD DENTAL & VISION		1012 - Bank of America Gen'l Ckg	
Bill	07/13/2011	3816296		3816296		

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	07/01/2011	3816296		Dental insurance premium - July 2011	60182.2 - Dental & Vision Ins	7.91
TOTAL						7.91
Bill Pmt -Check	07/13/2011	15250	SANTA ANA WATERSHED PROJECT AUTHORITY 9012		1012 - Bank of America Gen'l Ckg	11,655.00
Bill	07/01/2011	9012		FY11/12 Basin Monitoring Program Task Force	6903 - OBMP SAWPA Group	11,655.00
TOTAL						201.60
Bill Pmt -Check	07/13/2011	15251	SPAM SOAP, INC		1012 - Bank of America Gen'l Ckg	201.60
Bill	07/01/2011	55981		Semi-annual billing-spam software licenses	6054 - Computer Software	201.60
TOTAL						484.40
Bill Pmt -Check	07/13/2011	15252	THE LAWTON GROUP		1012 - Bank of America Gen'l Ckg	484.40
Bill	06/30/2011	1VC070000017220		Week of 6/30/11 (3 days paid-June 27, 29 & 30)	6017 - Temporary Services	164.80
Bill	07/01/2011	1VC070000017220		Week of 7/01/11 - 1 day paid, July 1st	6017 - Temporary Services	659.20
TOTAL						283.79
Bill Pmt -Check	07/13/2011	15253	UNION 76		1012 - Bank of America Gen'l Ckg	283.79
Bill	06/30/2011	300732989		Fuel - June 2011	6175 - Vehicle Fuel	283.79
TOTAL						19.95
Bill Pmt -Check	07/13/2011	15254	VERIZON BUSINESS		1012 - Bank of America Gen'l Ckg	19.95
Bill	06/30/2011	07144471		Internet dialed charges service 6/01/11-6/30/11	9053 - Internet Expense	1,517.90
Bill	07/15/2011	07144471		Service period 8/01/11-8/31/11	9053 - Internet Expense	1,537.85
TOTAL						28.88
Bill Pmt -Check	07/13/2011	15255	WESTERN DENTAL SERVICES, INC.		1012 - Bank of America Gen'l Ckg	28.88
Bill	07/12/2011	002483		Dental insurance premium - August 2011	60182.2 - Dental & Vision Ins	28.88
TOTAL						142.88
Bill Pmt -Check	07/13/2011	15256	YUKON DISPOSAL SERVICE		1012 - Bank of America Gen'l Ckg	142.88
Bill	07/01/2011	08-K2 213849		Service for July 2011	6024 - Building Repair & Maintenance	142.88
TOTAL						50.00
Bill Pmt -Check	07/14/2011	15257	CUCAMONGA VALLEY IAAP		1012 - Bank of America Gen'l Ckg	50.00
Bill	07/13/2011			July 20, 2011 Cucamonga Valley IAAP Chapter Mtg	6192 - Training & Seminars	50.00
Bill				Fee for Wilson & Molino-July 20, 2011 IAAP Mtg		50.00
TOTAL						20.07
Bill Pmt -Check	07/14/2011	15258	GRAINGER		1012 - Bank of America Gen'l Ckg	20.07
Bill	06/30/2011	9573776821			7103.6 - Grdwtr Qual-Supplies	48.21
Bill	06/30/2011	9573776839			7103.6 - Grdwtr Qual-Supplies	68.28
TOTAL						65.07
Bill Pmt -Check	07/14/2011	15259	PETTY CASH		1012 - Bank of America Gen'l Ckg	65.07
Bill	06/30/2011			Breakfast for new CEO meeting	6141.3 - Admin Meetings	258.29
				Conf. reimbursement-Molino, travel-Alvarez to WA	6191 - Conferences - General	

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
				Mileage reimbursement for Molino - Ag Pool Mtg	6173 - Mileage Reimbursements	16.83
				Supplies for 5/19 and 6/16 DYY meetings	7604 - PE8&9-Supplies	19.75
				Supplies for 5/19 & 6/16 Advisory Committee Mtgs	6212 - Meeting Expense	19.75
				Lunch-Ben Pak & Andy Campbell-Recharge Issues	7204 - Comp Recharge-Supplies	34.25
				Misc. office supplies - cleaning supplies for office	6031.7 - Other Office Supplies	69.70
				Groundwater level supplies	7104.6 - Grdwtr Level-Supplies	11.95
TOTAL						495.59

Bill Pmt -Check	07/14/2011	15260	VERIZON		1012 - Bank of America Gen'l Ckg	
Bill	01/31/2011	012519116950792103		012519116950792103	6022 - Telephone	424.56
Bill	01/31/2011	012561121521714508		012561121521714508	7405 - PE4-Other Expense	158.01
TOTAL						582.57

Bill Pmt -Check	07/14/2011	15261	WILDERMUTH ENVIRONMENTAL INC		1012 - Bank of America Gen'l Ckg	
Bill	05/31/2011	2011178		2011178 - OBMP Engineering Services	6906 - OBMP Engineering Services	7,312.28
Bill	05/31/2011	2011179		2011179 - OBMP Engineering Services	6906 - OBMP Engineering Services	1,766.95
Bill	05/31/2011	2011180		2011180 - OBMP Engineering Services	6906 - OBMP Engineering Services	510.05
Bill	05/31/2011	2011181		2011181 - OBMP Engineering Services	6906 - OBMP Engineering Services	5,723.75
Bill	05/31/2011	2011182		2011182 - OBMP Engineering Services	6906 - OBMP Engineering Services	468.75
Bill	05/31/2011	2011183		2011183 - OBMP Engineering Services	6906 - OBMP Engineering Services	3,422.50
Bill	05/31/2011	2011184		2011184 - Grdwtr Qual-Engineering	7103.3 - Grdwtr Qual-Engineering	312.50
Bill	05/31/2011	2011185		2011185 - Grdwtr Qual-Engineering	7103.3 - Grdwtr Qual-Engineering	4,462.50
Bill	05/31/2011	2011186		2011186 - Grdwtr Level-Engineering	7104.3 - Grdwtr Level-Engineering	225.00
Bill	05/31/2011	2011187		2011187 - Grdwtr Level-Engineering	7104.3 - Grdwtr Level-Engineering	75.00
Bill	05/31/2011	2011188		2011188 - Grdwtr Level-Engineering	7104.3 - Grdwtr Level-Engineering	4,198.22
Bill	05/31/2011	2011189		2011189 - Grdwtr Level-Engineering	7104.3 - Grdwtr Level-Engineering	818.75
Bill	05/31/2011	2011190		2011190 - Grdwtr Level-Engineering	7104.3 - Grdwtr Level-Engineering	2,512.50
Bill	05/31/2011	2011191		2011191 - Grdwtr Level-Engineering	7104.3 - Grdwtr Level-Engineering	9,018.75
Bill	05/31/2011	2011192		2011192 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	750.00
Bill	05/31/2011	2011193		2011193 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	600.00
Bill	05/31/2011	2011194		2011194 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	10,238.80
Bill	05/31/2011	2011195		2011195 - Grd Level-Cap Equip Exte	7107.8 - Grd Level-Cap Equip Exte	1,851.66
Bill	05/31/2011	2011196		2011196 - Grd Level-Contract Svcs	7107.6 - Grd Level-Contract Svcs	18,032.90
Bill	05/31/2011	2011197		2011197 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	4,125.00
Bill	05/31/2011	2011198		2011198 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	862.50
Bill	05/31/2011	2011199		2011199 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	8,170.74
Bill	05/31/2011	2011200		2011200 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	875.00
Bill	05/31/2011	2011201		2011201 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	468.75
Bill	05/31/2011	2011202		2011202 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	175.00
Bill	05/31/2011	2011203		2011203 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	545.20
Bill	05/31/2011	2011204		2011204 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	93.75
Bill	05/31/2011	2011205		2011205 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	343.75
Bill	06/31/2011	2011206		2011206 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	487.50
Bill	05/31/2011	2011207		2011207 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	19,307.50
Bill	05/31/2011	2011208		2011208 - PE3&5-Engineering	7303 - PE3&5-Engineering	1,215.00

CHINO BASIN WATERMASTER

Cash Disbursements For The Month of July 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/31/2011	2011209		2011209 - PE4-Engineering	7402 - PE4-Engineering	3,300.00
Bill	05/31/2011	2011210		2011210 - PE4-Engineering	7402 - PE4-Engineering	1,500.00
Bill	06/31/2011	2011211		2011211 - PE6&7-Engineering	7502 - PE6&7-Engineering	967.50
Bill	05/31/2011	2011212		2011212 - OBMP - Watermaster Model Update	6906.1 - OBMP - Watermaster Model Update	18,085.00
Bill	05/31/2011	2011213		2011213 - OBMP - Watermaster Model Update	6906.1 - OBMP - Watermaster Model Update	36,725.00
Bill	05/31/2011	2011214		2011214 - OBMP - Watermaster Model Update	6906.1 - OBMP - Watermaster Model Update	8,387.50
TOTAL						177,936.55
Bill Pmt -Check	07/20/2011	15262	BANK OF AMERICA	XXXX-XXXX-XXXX-9341 Travel expenses for D. Alvarez to Wash. D.C.	1012 - Bank of America Gen'l Ckg	1,613.79
Bill	06/30/2011	XXXX-XXXX-XXXX-9341		Truck ramps, turbidometer & buffer solution	6191 - Conferences - General	1,456.31
				Work shirts, jackets for staff	7103.6 - Grdwtr Qual-Supplies	643.43
				Tech support	6154 - Uniforms	118.43
				Lunch for 6/23 Board meeting	6057 - Computer Maintenance	328.00
TOTAL						4,161.96
Bill Pmt -Check	07/20/2011	15263	REID & HELLNER	175929	1012 - Bank of America Gen'l Ckg	302.50
Bill	06/30/2011	175929		175929 - Ag Pool Legal Services	8467.1 - Frank B. & Associates	302.50
TOTAL						302.50
Bill Pmt -Check	07/20/2011	15264	CALPERS	1741	1012 - Bank of America Gen'l Ckg	5,431.25
Bill	07/20/2011	1741		CalPERS Medical Premium - August 2011	60182.1 - Medical Insurance	5,431.25
TOTAL						5,431.25
Bill Pmt -Check	07/20/2011	15265	CITISTREET	Payroll and Taxes for 06/26/11-07/09/11	1012 - Bank of America Gen'l Ckg	1,863.30
General Journal	07/09/2011	07/09/2011	CITISTREET	457 Retirement Deductions for 06/26/11-07/09/11	2000 - Accounts Payable	1,863.30
TOTAL						1,863.30
Bill Pmt -Check	07/20/2011	15266	CORELOGIC INFORMATION SOLUTIONS	80247117	1012 - Bank of America Gen'l Ckg	62.50
Bill	06/30/2011	80247117		80247117	7103.7 - Grdwtr Qual-Computer Svc	62.50
				80247117	7101.4 - Prod Monitor-Computer	125.00
TOTAL						125.00
Bill Pmt -Check	07/20/2011	15267	CUCAMONGA VALLEY WATER DISTRICT	Lease Due August 1, 2011	1012 - Bank of America Gen'l Ckg	5,844.00
Bill	07/19/2011			Lease Due August 1, 2011	1422 - Prepaid Rent	5,844.00
TOTAL						5,844.00
Bill Pmt -Check	07/20/2011	15268	ESRI	Quotation #25472736	1012 - Bank of America Gen'l Ckg	2,804.64
Bill	07/20/2011	Quotation #25472736		ESRI maintenance	6054 - Computer Software	2,804.64
TOTAL						2,804.64
Bill Pmt -Check	07/20/2011	15269	GUARANTEED JANITORIAL SERVICE, INC.	28549	1012 - Bank of America Gen'l Ckg	865.00
Bill	07/20/2011	28549		Janitorial Service - July 2011	6024 - Building Repair & Maintenance	865.00
TOTAL						865.00

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	07/20/2011	15270	PAK, BEN	100	1012 - Bank of America Gen'l Ckg	
Bill	07/20/2011	100		Engineering Consulting Services	6901 - WM Staff Salaries	10,000.00
TOTAL						10,000.00
Bill Pmt -Check	07/20/2011	15271	PITNEY BOWES CREDIT CORPORATION	6684246	1012 - Bank of America Gen'l Ckg	
Bill	07/13/2011	6684246		Lease charges	6044 - Postage Meter Lease	551.37
TOTAL						551.37
Bill Pmt -Check	07/20/2011	15272	PRE-PAID LEGAL SERVICES, INC.	111802	1012 - Bank of America Gen'l Ckg	
Bill	07/20/2011	111802		July 2011	60194 - Other Employee Insurance	51.80
TOTAL						51.80
Bill Pmt -Check	07/20/2011	15273	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	
General Journal	07/09/2011	07/09/2011	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 08/26/11-07/09/11	2000 - Accounts Payable	6,804.22
TOTAL						6,804.22
Bill Pmt -Check	07/20/2011	15274	STAULA, MARY L		1012 - Bank of America Gen'l Ckg	
Bill	07/31/2011				60182.4 - Retires Medical	136.61
TOTAL						136.61
Bill Pmt -Check	07/20/2011	15275	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	
Bill	07/20/2011	1VC070000017247		Week Ending 7/10/11	6017 - Temporary Services	659.20
TOTAL						659.20
Bill Pmt -Check	07/20/2011	15276	VERIZON WIRELESS	0992015645	1012 - Bank of America Gen'l Ckg	
Bill	07/20/2011	0992015645		Monthly service	6022 - Telephone	344.54
TOTAL						344.54
General Journal	07/23/2011	07/23/2011	Payroll and Taxes for 07/10/11-07/23/11	Payroll and Taxes for 07/10/11-07/23/11	1012 - Bank of America Gen'l Ckg	
				Payroll Taxes for 07/10/11-07/23/11	1014 - Bank of America P/R Ckg	7,746.79
				Payroll Taxes for 07/10/11-07/23/11	1014 - Bank of America P/R Ckg	-14.30
				Payroll Taxes for 07/10/11-07/23/11	1014 - Bank of America P/R Ckg	347.86
				Payroll Taxes for 07/10/11-07/23/11	1014 - Bank of America P/R Ckg	214.65
				Checks for 07/10/11-07/23/11	1014 - Bank of America P/R Ckg	5,972.71
				Direct Deposits for 07/10/11-07/23/11	1014 - Bank of America P/R Ckg	17,733.69
TOTAL						32,001.40
Bill Pmt -Check	07/25/2011	15277	BROWN & CALDWELL	19264	1012 - Bank of America Gen'l Ckg	
Bill	07/15/2011	19264		Place ad for Senior Environmental Engineer	6016 - New Employee Search Costs	200.00
TOTAL						200.00
Bill Pmt -Check	07/25/2011	15278	DGO AUTO DETAILING		1012 - Bank of America Gen'l Ckg	
Bill	08/30/2011			Wash 3 trucks	6177 - Vehicle Repairs & Maintenance	75.00
Bill	07/20/2011			Wash 3 trucks	6177 - Vehicle Repairs & Maintenance	75.00
TOTAL						150.00

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
July 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						11.95
Bill Pmt -Check	07/29/2011	15282	COMPUTER NETWORK	81892	1012 - Bank of America Gen'l Ckg	99.00
Bill	07/26/2011	81892		Service and labor to repair color printer 1TB Server Hard Drive	6057 - Computer Maintenance 6055 - Computer Hardware	398.68 497.68
TOTAL						3,509.60
Bill Pmt -Check	07/29/2011	15283	DC LAW	13175	1012 - Bank of America Gen'l Ckg	86.99
Bill	06/30/2011	13175		13175 - Ag Pool Legal Services	8467 - Ag Legal & Technical Services	86.99
TOTAL						196.71
Bill Pmt -Check	07/29/2011	15284	DIRECTV	019447404	1012 - Bank of America Gen'l Ckg	196.71
Bill	07/26/2011	019447404		Monthly service for 7/19/11-8/18/11	6031.7 - Other Office Supplies	196.71
TOTAL						2,095.25
Bill Pmt -Check	07/29/2011	15285	GLOBAL PRESENTER.COM	52589	1012 - Bank of America Gen'l Ckg	793.10
Bill	07/26/2011	52589		Polycom Power Supply - spare parts	6055 - Computer Hardware	793.10
TOTAL						2,095.25
Bill Pmt -Check	07/29/2011	15286	INLAND EMPIRE UTILITIES AGENCY	1800001924	1012 - Bank of America Gen'l Ckg	793.10
Bill	06/30/2011	1800001924		Support services for Turner Basin/Guasti Park	7202 - Comp Recharge-Engineering	793.10
TOTAL						399.10
Bill Pmt -Check	07/29/2011	15287	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	399.10
Bill	07/26/2011	1VC070000017272		Week Ending 7/17/11	6017 - Temporary Services	399.10
TOTAL						55.05
Bill Pmt -Check	07/29/2011	15288	UNITED HEALTHCARE	0024802914	1012 - Bank of America Gen'l Ckg	55.05
Bill	07/26/2011	0024802914		Dental insurance premium - August 2011	60182.2 - Dental & Vision Ins	55.05
TOTAL						14,723.03
Bill Pmt -Check	07/29/2011	15289	VISION SERVICE PLAN	00-101789-0001	1012 - Bank of America Gen'l Ckg	14,723.03
Bill	07/26/2011	001017890001		Vision insurance premium - August 2011	60182.2 - Dental & Vision Ins	14,723.03
TOTAL						225.00
Bill Pmt -Check	07/29/2011	15290	INLAND EMPIRE UTILITIES AGENCY	1800001928	1012 - Bank of America Gen'l Ckg	1,900.00
Bill	06/30/2011	1800001928		Supp. Env. Project (SEP) Cost Share-Water Softene	6909 - OBMP Other Expenses	1,900.00
TOTAL						2,125.00
Bill Pmt -Check	07/29/2011	15291	PUMP CHECK	4311	1012 - Bank of America Gen'l Ckg	225.00
Bill	07/11/2011	4311		4311 In-line Meter-Computer 4311 In-line Meter-Callib & Test	7102.5 - In-line Meter-Computer 7102.8 - In-line Meter-Callib & Test	1,900.00 2,125.00
TOTAL						14,723.03
General Journal	07/31/2011	07/31/2011	Wage Works Direct Debits for July 2011	Wage Works Direct Debits for July 2011	1012 - Bank of America Gen'l Ckg	14,723.03

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of

Type	Date	Num	Name	Memo	Account	Paid Amount
				July 2011		
				Wage Works Direct Debits for July 2011	1012 - Bank of America Gen'l Ckg	495.40
				Wage Works Direct Debits for July 2011	1012 - Bank of America Gen'l Ckg	76.25
TOTAL						571.65
Total Disbursements:						<u>409,013.74</u>

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DESI ALVAREZ, PE
Chief Executive Officer

STAFF REPORT

DATE: September 8, 2011
TO: Committee Members
SUBJECT: VISA Check Detail Report – Financial Report B2

SUMMARY

Issue – Record of VISA credit card payment disbursed for the month of July 2011.

Recommendation – Staff recommends the VISA Check Detail Report for July 2011 be received and filed as presented.

Fiscal Impact – Funds disbursed were included in the FY 2011-2012 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 July 2011 was \$4,161.96. The monthly charges for July 2011 were for routine and customary expenditures and properly documented with receipts.

Actions:

September 8, 2011 Appropriative Pool –
September 8, 2011 Non-Agricultural Pool –
September 8, 2011 Agricultural Pool –
September 15, 2011 Advisory Committee –
September 22, 2011 Watermaster Board –

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CHINO BASIN WATERMASTER
 VISA Check Detail Report
 July 2011

Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	15262	07/20/2011	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	XXXX-XXXX-XXXX-9341	06/30/2011		Travel expenses for D. Alvarez to Wash. D.C.	6191 · Conferences - General	1,613.79
				Purchase truck ramps, turbidometer and buffer solution for gw quality	7103.6 · Grdwtr Qual-Supplies	1,458.31
				Purchase work shirts w/logo, jackets w/logo for staff	6154 · Uniforms	643.43
				Tech support	6057 · Computer Maintenance	118.43
				Lunch for 6/23 Board meeting	6312 · Meeting Expenses	328.00
				Total Disbursements:		4,161.96

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DESI ALVAREZ, PE
Chief Executive Officer

STAFF REPORT

DATE: September 8, 2011
TO: Committee Members
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2011 through July 31, 2011 - Financial Report B3

SUMMARY

Issue – Record of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2011 through July 31, 2011.

Recommendation – Staff recommends the Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2011 through July 31, 2011 be received and filed as presented.

Fiscal Impact – Funds disbursed were included in the FY 2011-2012 Watermaster Budget.

BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Working Capital for the period July 1, 2011 through July 31, 2011 is provided to keep all members apprised of the FY 2011/2012 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:

September 8, 2011 Appropriative Pool –
September 8, 2011 Non-Agricultural Pool –
September 8, 2011 Agricultural Pool –
September 15, 2011 Advisory Committee –
September 22, 2011 Watermaster Board –

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CHINO BASIN WATERMASTER
 COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL
 FOR THE PERIOD JULY 1, 2011 THROUGH JULY 31, 2011

	WATERMASTER ADMINISTRATION / MANAGEMENT	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS		GROUNDWATER OPERATIONS		EDUCATION FUNDS	GRAND TOTALS	BUDGET 2011-2012
			POOL APPROPRIATIVE	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT			
Administrative Revenues:									
Administrative Assessments									\$6,097,177
Interest Revenue									150,010
Mutual Agency Project Revenue	111,000							111,000	411,000
Grant Income									0
Miscellaneous Income									0
Total Revenues	111,000							111,000	6,658,187
Administrative & Project Expenditures:									
Watermaster Administration	87,974							87,974	425,107
Watermaster Board-Advisory Committee	17,767							17,767	155,297
Pool Administration		4,026	10,026	6,666				20,718	503,822
Optimum Basin Mgmt Administration	120,389							120,389	1,161,401
OBMP Project Costs	312,087							312,087	4,186,221
Debt Service	556,431							556,431	450,964
Education Funds Use									375
Mutual Agency Project Costs									10,000
Total Administrative/OBMP Expenses	1,094,647	4,026	10,026	6,666				1,115,365	6,873,187
Net Administrative/OBMP Expenses	(1,094,647)								
Allocate Net Admin Expenses To Pools	1,094,647	752,735	304,550	37,362					
Allocate Net OBMP Expenses To Pools									
Allocate Debt Service to App Pool									
Agricultural Expense Transfer*		314,576	(314,576)						
Total Expenses	1,071,337			44,028				1,115,365	6,873,187
Net Administrative Income	(960,337)			(44,028)				(1,004,365)	(215,000)
Other Income/(Expense)									0
Replenishment Water Assessments									0
Non-Ag Stored Water Purchases									0
Interest Revenue									0
MWD Water Purchases									0
Non-Ag Stored Water Purchases									0
MWD Water Purchases									0
Groundwater Replenishment									0
Net Other Income									0
Net Transfers To/(From) Reserves	(1,004,365)	(960,337)		(44,028)				(1,004,365)	(215,000)
Working Capital, July 1, 2011		6,933,949	475,807	282,721	10,580	158,251	630	7,861,937	
Working Capital, End Of Period		5,973,612	475,807	238,693	10,580	158,251	630	6,857,572	6,857,572
09/10 Assessable Production		78,733,238	31,854,766	3,907,911				114,495,915	
09/10 Production Percentages		68.765%	27.822%	3.413%				100.000%	

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

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DESI ALVAREZ, PE
Chief Executive Officer

STAFF REPORT

DATE: September 8, 2011
TO: Committee Members
SUBJECT: Treasurer's Report of Financial Affairs for the Period July 1, 2011 through July 31, 2011 - Financial Report B4

SUMMARY

Issue – Record of increases or decreases in the cash position, assets and liabilities of Watermaster for the Period of July 1, 2011 through July 31, 2011.

Recommendation – Staff recommends the Treasurer's Report of Financial Affairs for the Period July 1, 2011 through July 31, 2011 be received and filed as presented.

Fiscal Impact – Funds disbursed were included in the FY 2011-2012 Watermaster Budget.

BACKGROUND

A Treasurer's Report of Financial Affairs for the Period July 1, 2011 through July 31, 2011 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:

September 8, 2011 Appropriative Pool –
September 8, 2011 Non-Agricultural Pool –
September 8, 2011 Agricultural Pool –
September 15, 2011 Advisory Committee –
September 22, 2011 Watermaster Board –

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**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
JULY 1 THROUGH JULY 31, 2011**

DEPOSITORIES:		
Cash on Hand - Petty Cash	\$	500
Bank of America		
Governmental Checking-Demand Deposits	\$	1,272,533
Zero Balance Account - Payroll	\$	-
Local Agency Investment Fund - Sacramento		
TOTAL CASH IN BANKS AND ON HAND		7/31/2011
TOTAL CASH IN BANKS AND ON HAND		6/30/2011
	\$	8,319,528
		7,174,172
PERIOD INCREASE (DECREASE)	\$	1,145,356

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets:		
Accounts Receivable	\$	1,443,119
Assessments Receivable		-
Prepaid Expenses, Deposits & Other Current Assets		30,808
Accounts Payable		666,097
Accrued Payroll, Payroll Taxes & Other Current Liabilities		9,696
Transfer to/(from) Reserves		(1,004,365)
PERIOD INCREASE (DECREASE)	\$	1,145,356

SUMMARY OF FINANCIAL TRANSACTIONS:

	Petty Cash	Govt'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 6/30/2011	\$ 500	\$ 141,906	\$ -	\$ 7,031,766	\$ 7,174,172
Deposits	-	1,539,641	-	14,729	1,554,369
Transfers	-	(70,824)	70,824	-	-
Withdrawals/Checks	-	(338,190)	(70,824)	-	(409,014)
Balances as of 7/31/2011	\$ 500	\$ 1,272,533.41	\$ -	\$ 7,046,495	\$ 8,319,528
PERIOD INCREASE OR (DECREASE)	\$ -	\$ 1,130,627	\$ -	\$ 14,729	\$ 1,145,356

**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
JULY 1 THROUGH JULY 31, 2011**

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
7/15/2011	Interest	L.A.I.F	\$ 14,729				

TOTAL INVESTMENT TRANSACTIONS
\$ 14,729

* The earnings rate for L.A.I.F. is a daily variable rate; 0.48% was the effective yield rate at the Quarter ended June 30, 2011.

**INVESTMENT STATUS
July 31, 2011**

Financial Institution	Principal Amount	Number of Days	Interest Rate	Maturity Date
Local Agency Investment Fund	\$ 7,046,495			
TOTAL INVESTMENTS	<u>\$ 7,046,495</u>			

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

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

Respectfully submitted,

Joseph S. Joswiak
Chief Financial Officer
Chino Basin Watermaster



CHINO BASIN WATERMASTER

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DESI ALVAREZ, PE
Chief Executive Officer

STAFF REPORT

DATE: September 8, 2011
TO: Committee Members
SUBJECT: Budget vs. Actual Report for the Period July 1, 2011 through July 31, 2011 - Financial Report - B5

SUMMARY

Issue – Record of revenues and expenses of Watermaster for the Period of July 1, 2011 through July 31, 2011.

Recommendation – Staff recommends the Budget vs. Actual Report for the Period July 1, 2011 through July 31, 2011 be received and filed as presented.

Fiscal Impact – Funds disbursed were included in the FY 2011-2012 Watermaster Budget.

BACKGROUND

A Budget vs. Actual Report for the period July 1, 2011 through July 31, 2011 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.

There were no budget transfers for the month of July 2011.

For the Year-To-Date (YTD) one month period ending July 31, 2011 of the fiscal year, all categories were at or below the projected budget, including category 6900 (Optimum Basin Mgmt Plan).

If you recall during the Budget Workshops, the Watermaster legal expenses are now being allocated to the specific areas of activity. For example, the legal meeting expenses related to the Appropriative, Agricultural, and Non-Agricultural Pools as well as the Advisory Committee and Board are shown in those specific areas. General ledger accounts have been created and the expenses are appropriately categorized. This provides a clearer picture of the actual costs associated with each individual group.

Also, a new category for Watermaster Legal Services (6070) was established for fiscal year 2011/2012. These expenses are associated with administrative legal services for Watermaster. The detail of account 6070 is listed below:

	Jul '11 - Jul' 11	Budget	\$ Over Budget	% of Budget
6070 - Watermaster Legal Services				
6071 - BHFS Legal - Court Coordination	0.00	3,258.37	-3,258.37	0.0%
6072 - BHFS Legal - Restated Judgment	8,153.16	10,400.00	-2,246.84	78.4%
6073 - BHFS Legal - Personnel Matters	0.00	822.88	-822.88	0.0%
6074 - BHFS Legal - Interagency Issues	0.00	2,858.37	-2,858.37	0.0%
6075 - BHFS Legal - Replenishment Water	8,871.30	0.00	8,871.30	100.0%
6078 - BHFS Legal - Miscellaneous	4,307.50	4,740.00	-432.50	90.88%
Total 6070 - Watermaster Legal Services	21,331.96	22,079.62	-747.66	96.61%

OBMP Engineering Services and Legal Costs:

Within the category 6900 (Optimum Basin Mgmt Plan) are the remaining Watermaster's legal expenses. Within the legal expense category, some individual line item activities were above the budget (\$957) while the majority of line item activities were below the budget (\$10,662). Above the budget line item was the South Archibald Plume (formerly known as the Ontario Airport Plume) of \$957. The individual legal projects/activities that were below budget for the Y-T-D period were the Chino Airport Plume of (\$773), the Desalter Negotiations of (\$2,762), the Santa Ana River Water Rights Application of (\$1,736), the Paragraph 31 Motion of (\$2,132), the Regional Water Quality Control Board of (\$1,146) and the Recharge Master Plan of (\$2,113). For the one month period, the cumulative Y-T-D budget was \$21,697 and actual legal expenses totaled \$11,992 which resulted in an (Under) budget variance of (\$9,705) or 44.7%.

	Jul '11 - Jul' 11	Budget	\$ Over Budget	% of Budget
6900 - Optimum Basin Mgmt Plan				
6901 - WM Staff Salaries	21,298.24	18,082.63	3,215.61	117.78%
6903 - OBMP SAWPA Group	11,655.00	11,655.00	0.00	100.0%
6906 - OBMP Engineering Services				
6906.1 - OBMP - Watermaster Model Update	54,188.09	51,002.53	3,185.56	106.25%
6906 - OBMP Engineering Services - Other	13,912.50	21,350.75	-7,438.25	65.16%
Total 6906 - OBMP Engineering Services	68,100.59	72,353.28	-4,252.69	94.12%
6907 - OBMP Legal Fees				
6907.3 - WM Legal Counsel				
6907.30 - Peace II - CEQA	0.00	0.00	0.00	0.0%
6907.31 - S. Archibald Plume-Formerly OIA	3,009.15	2,052.12	957.03	146.64%
6907.32 - Chino Airport Plume	1,366.20	2,139.62	-773.42	63.85%
6907.33 - Desalter Negotiations	2,856.60	5,618.75	-2,762.15	50.84%
6907.34 - Santa Ana River Water Rights	357.88	2,093.75	-1,735.87	17.09%
6907.35 - Paragraph 31 Motion	4,401.90	6,533.35	-2,131.45	67.38%
6907.36 - Santa Ana River Habitat	0.00	0.00	0.00	0.0%
6907.37 - Water Auction	0.00	0.00	0.00	0.0%
6907.38 - Reg. Water Quality Cntrl Board	0.00	1,145.87	-1,145.87	0.0%
6907.39 - Recharge Master Plan	0.00	2,113.37	-2,113.37	0.0%
6907.3 - WM Legal Counsel - Other	0.00	0.00	0.00	0.0%
Total 6907.3 - WM Legal Counsel	11,991.73	21,696.83	-9,705.10	55.27%
Total 6907 - OBMP Legal Fees	11,991.73	21,696.83	-9,705.10	55.27%
6909 - OBMP Other Expenses				
6909.1 - OBMP Meetings	171.81	0.00	171.81	100.0%
6909.4 - Printing	0.00	0.00	0.00	0.0%
6909.5 - Ad Hoc Litigation Committee	0.00	0.00	0.00	0.0%
6909 - OBMP Other Expenses - Other	0.00	2,083.37	-2,083.37	0.0%
Total 6909 - OBMP Other Expenses	171.81	2,083.37	-1,911.56	8.25%
Total 6900 - Optimum Basin Mgmt Plan	113,217.37	125,871.11	-12,653.74	89.95%

The OBMP Implementation Projects (accounts 7100's – 7700's) were all under budget as of July 31, 2011.

Other Income and Expense:

At the time of the July financial closing, the July 2011 invoicing for the MWD replenishment water from the Inland Empire Utilities Agency had not yet been received by Watermaster. After the close of July's accounting period, the invoices for \$3,587,956.10 or 8,497.30 AF of replenishment water was received and billings to Niagara Bottling and Fontana Water Company were issued. These charges from IEUA and invoices to Niagara Bottling and Fontana Water Company will be reflected in the August 2011 financials.

With the exceptions previously noted, there were no other unusual or significant transactions or events during the month of July. Looking ahead, the month of August should provide positive financial results with the categories being at or below budget.

Actions:

- September 8, 2011 Appropriative Pool –
- September 8, 2011 Non-Agricultural Pool –
- September 8, 2011 Agricultural Pool –
- September 15, 2011 Advisory Committee –
- September 22, 2011 Watermaster Board –



CHINO BASIN WATERMASTER

II. BUSINESS ITEM (App & Ag Pool)

A. 85/15 RULE – HISTORY AND APPLICATION

I. BUSINESS ITEM (Non-Ag Pool)

D. 85/15 RULE – HISTORY AND APPLICATION





CHINO BASIN WATERMASTER

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DESI ALVAREZ, PE
Chief Executive Officer

STAFF REPORT

DATE: September 8, 2011
TO: Committee Members
SUBJECT: Application of the 85/15 Rule

SUMMARY

Issue – Historical and future application of the 85/15 Rule within the Assessment Package.

Fiscal Impact – None to Watermaster's budget, but individual Appropriative Pool Parties that are subject to the 85/15 Rule are affected.

BACKGROUND

The adjudication of the Chino Basin resulted in a judgment which allocated water rights amongst three distinct classes of pumpers; the Agricultural, Non-Agricultural, and Appropriative Pools. Although the judgment allocated specific water rights amongst the pools and to all parties within the pools it recognized that the parties may require more water than their water rights allowed and made provisions to allow all parties to rely on the basin regardless of the total extraction allowed. The judgment clearly provided much flexibility in allowing overproduction from the basin as long as the amount of overproduction is made up through replenishment on a one for one basis the year following overproduction.

Given this framework, the question arises as to who pays for the replenishment water to make up for the overproduction, the party responsible for the over production or all the parties. The judgment addresses this differently for each of the three pools. In the case of the Agricultural Pool, replenishment water is paid for through a gross pump tax levied equally amongst all the pool members. In the case of the Non-Agricultural pool, replenishment water is paid through a net pump tax assessed on each member of the pool based on the member's overproduction. In the case of the Appropriative pool, there were arguments for both a gross and a net pump tax.

At the time the judgment was entered into, there were more parties in the Appropriative Pool that overproduced than not. The overproducers argued that since the individual amounts of overproduction varied from year to year, it was best that the cost of replenishment water purchased the following year be equally divided amongst all parties, ie. a gross pump tax. The rationale being that all the parties enjoy the benefit of overproduction and all should participate in remediating the effects of overproduction. The parties that did not overproduce felt that they should not be responsible for paying for replenishment water that was not required by their behavior. They argued for a net pump tax so that in effect an overproducing party would pay the cost of the replenishment water they caused to be purchased and in so doing would minimize the amount of overproduction and the stress it caused to the basin. In the end this disagreement in approach resulted in a hybrid assessment methodology and creation of the 85/15 Rule. The 85/15 Rule provides that a net pump tax be born by each overproducer to pay for 85% of its costs of replenishment water and that a gross pump tax be paid by all appropriators to cover 15% of the cost of replenishment water.

The intent of the 85/15 Rule is to lessen the burden on Appropriative Pool overproducers that were original Parties to the Judgment. The 85/15 Rule is addressed in Section 7 of "Exhibit 'H' Appropriative Pool Pooling Plan" to the Judgment:

7. Replenishment Assessment. *The cost of replenishment water required to replace production from Chino Basin in excess of Operating Safe Yield in the preceding year shall be allocated and recovered as follows:*
- (a) *For production, other than for increased export, within CBMWD or WMWD:*
 - (1) Gross Assessment. *15% of such replenishment water costs shall be recovered by a uniform assessment against all production of each appropriator producing in said area during the preceding year.*
 - (2) Net Assessment. *The remaining 85% of said costs shall be recovered by a uniform assessment on each acre-foot of production from said area by each such appropriator in excess of his allocated share of Operating Safe Yield during said preceding year.*
 - (b) *For production which is exported for use outside Chino Basin in excess of maximum export in any year through 1976, such increased export production shall be assessed against the exporting appropriator in an amount sufficient to purchase replenishment water from CBMWD or WMWD in the amount of such excess.*
 - (c) *For production within SBVMWD or PVMWD:*
By an assessment on all production in excess of an appropriator's share of Operating Safe Yield in an amount sufficient to purchase replenishment water through SBVMWD or MWD in the amount of such excess.

The Judgment excludes certain Parties from the requirements of the 85/15 Rule, namely Marygold Mutual Water Company and the City of Pomona. They will not ever receive a benefit of the 85/15 Rule, nor will they ever pay into it. In addition, Appropriators that are not original Parties to the Judgment, but intervened without water rights, are excluded from the 85/15 Rule provisions and therefore pay 100-percent of their water transfers and replenishment obligation. The current list of the Parties who are and are not subject to the 85/15 Rule is provided in the Table 1.

TABLE 1
85/15 Rule Participation

Parties subject to the 85/15 Rule	Parties not subject to the 85/15 Rule
Chino Hills, City of	Arrowhead Mountain Spring Water Company
Chino, City of	Fontana, City of
Cucamonga Valley Water District	Marygold Mutual Water Company
Fontana Union Water Company	Niagara Bottling LLC
Fontana Water Company	Norco, City of (Exceeding Export Right)
Golden State Water Company	Pomona, City of
Jurupa Community Services District	
Monte Vista Irrigation Company	
Monte Vista Water District	
Nicholson Trust	
Norco, City of (Within Export Right)	
Ontario, City of	
San Antonio Water Company	
San Bernardino Shooting Park	
Santa Ana River Water Company	
Upland, City of	
West End Consolidated Water District	
West Valley Water District	

Application of the 85/15 Rule

The 85/15 Rule applies to any overproducer that is a Party subject to the 85/15 Rule. The rule applies to both water transfers, if done to prevent or minimize overproduction, and to the replenishment assessment charged by Watermaster through the Assessment Package. In either case, 85-percent of the cost of the water is paid by the overproducer and the remaining 15-percent of the cost is paid by all Parties subject to the 85/15 Rule (including the overproducer itself).

When the 85/15 Rule is applied toward a replenishment obligation, it is straightforward. It is applied to that exact amount which a Party overproduced, and the 15-percent of the cost of the replenishment water is allocated to the Parties that are subject to the 85/15 Rule.

In the case of water transfers, the Rule has been applied to the entire water transfer if any portion of the water transfer is used to offset a replenishment obligation. A summary of the application of the 85/15 Rule to water transfers that were made to offset overproduction is provided in Table 2 of water transfers in which the 85/15 Rule was applied are shown below.

TABLE 2
Application of the 85/15 Rule in Recent Assessment Packages

Assessment Year	Production Year	To	From	Date of Submittal	Transfer Amount (Acre-Feet)	\$/AF	Overproduction After Transfer(s) (AF)	Underproduction After Transfer(s) (AF)
2010/2011	2009/2010	FWC	Nicholson Trust	06/23/10	6.082	\$400.00	2,787.571	
			Upland, City of	06/29/10	10,000.000	\$400.00		
2009/2010	2008/2009	FWC	MVIC	04/05/10	2,000.000	\$390.00	1,406.635	
			Upland, City of	06/15/10	1,000.000	\$390.00		
			CVWD	10/06/08	4,265.000	\$214.61		
2008/2009	2007/2008	FWC	Nicholson Trust	05/21/09	5.619	\$295.00	8,168.866	
			JCSD	02/02/09	1,000.000	\$244.00		
			SARWC	02/02/09	1,000.000	\$244.00		
2007/2008	2006/2007	FWC	Pomona, City of	05/11/09	3,500.000	\$295.00	18,277.293	
			SAWCO	03/24/08	2,000.000	\$245.00		
2006/2007	2005/2006	FWC	Nicholson Trust	04/30/08	8.185	\$222.30	1,924.016	
			CVWD	01/22/07	2,500.000	\$222.30		
			Nicholson Trust	03/15/07	7.694	\$222.30		
			Upland, City of	05/07/07	10,000.000	\$225.00		
			WVWD	02/12/07	1,000.000	\$210.00		
			JCSD	06/28/07	2,000.000	\$233.00		
			SARWC	06/28/07	2,000.000	\$233.00		
2005/2006	2004/2005	FWC	MVIC	08/14/06	1,300.000	\$225.00	2,343.538	
			Injection Surcharge	06/30/07	98.011	\$340.00		
			WVWD	10/31/06	500.000	\$220.00		
			CVWD	05/11/06	2,500.000	\$217.80		
			Nicholson Trust	04/14/06	8.623	\$217.80		
			SAWCO	06/26/06	5,000.000	\$225.00		
			WVWD	04/07/06	2,000.000	\$210.00		
2004/2005	2003/2004	FWC	JCSD	06/30/06	2,000.000	\$233.00	4,792.806	
			SARWC	06/30/06	2,000.000	\$233.00		
			MVIC	07/20/05	1,050.000	\$238.00		
2003/2004	2002/2003	FWC	Chino Hills, City of	10/18/05	5,000.000	\$214.20	2,288.671	
			MVIC	07/20/05	1,050.000	\$238.00		
2002/2003	2001/2002	FWC	Ontario, City of	08/01/05	16,000.000	\$222.50	7,859.429	
			Upland, City of	08/01/05	16,000.000	\$222.50		
2001/2002	2000/2001	FWC	CVWD	05/27/05	2,500.000	\$217.80	17,617.291	
			Nicholson Trust	06/09/05	5.458	\$217.80		
			WVWD	05/27/11	1,000.000	\$210.00		
			JCSD	03/11/05	1,600.000	\$233.00		
			SARWC	03/11/05	1,600.000	\$233.00		
			MVIC	07/26/04	1,100.000	\$225.00		
2000/2001	1999/2000	FWC	Pomona	09/01/04	2,500.000	\$212.00	4,973.737	
			Ontario	4/20/2005	5,350.000	\$220.00		
1999/2000	1998/1999	FWC	Chino	4/20/2005	5,350.000	\$220.00	65.706	

NOTE: The only transfers that are listed are those which the 85/15 Rule was applied to.

The 85/15 Rule in the Appropriative Pool Pooling plan applies to water transfers purchased to make up overproduction for the previous year. Preemptive replenishment water that was bought this year to be used in the future will not be subject to the 85/15 Rule.

Actions:

- September 8, 2011 Appropriative Pool –**
- September 8, 2011 Non-Agricultural Pool –**
- September 15, 2011 Advisory Committee –**
- September 22, 2011 Watermaster Board –**



CHINO BASIN WATERMASTER

III. / IV. INFORMATION

1. Cash Disbursements for July 2011



Cash Disbursements For The Month of August 1, 2011 - August 26, 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	08/02/2011	15292	INLAND EMPIRE UTILITIES AGENCY	90008049	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2011	90008049		90008049	8456 - IEUA Readiness To Serve	397.18
				90008049	5011.8 - MWD Replenishment-Direct Water	2,190,298.26
				Injection-WFA	1420 - Prepaid Injected Water Purchase	99,037.74
TOTAL						2,289,733.18
Bill	08/02/2011	15293	ACWA SERVICES CORPORATION	00198	1012 - Bank of America Gen'l Ckg	
Bill	07/29/2011	00198		Prepayment - August 2011	1409 - Prepaid Life, BAD&D & LTD	116.12
				July 2011	60191 - Life & Disab.Ins Benefits	118.96
TOTAL						235.08
Bill	08/02/2011	15294	DE BOOM, NATHAN	AG Pool Member Meeting Compensation	1012 - Bank of America Gen'l Ckg	
Bill	07/14/2011	7/14 Ag Pool Meeting		7/14/11 Ag Pool Meeting	8411 - Compensation	25.00
				AG Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill	08/02/2011	15295	DURRINGTON, GLEN	AG POOL MEMBER COMPENSATION	1012 - Bank of America Gen'l Ckg	
Bill	07/14/2011	7/14 Ag Pool Mtg		7/14/11 Ag Pool Meeting	8411 - Compensation	25.00
				AG Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill	08/02/2011	15296	FEENSTRA, BOB	7/07/11 Restated Judgment Meeting	1012 - Bank of America Gen'l Ckg	
Bill	07/07/2011	7/07 Restated Judgmn		7/07/11 Restated Judgment Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/08/2011	7/08 Admin Mtg		7/08/11 Administrative Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/14/2011	7/14 Ag Pool Mtg		7/14/11 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/21/2011	7/21 Advisory Comm		7/21/11 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	07/27/2011	7/28/11 Board Mtg		7/28/11 Board Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						625.00
Bill	08/02/2011	15297	HALL, PETE*	7/14/11 Ag Pool Meeting	1012 - Bank of America Gen'l Ckg	
Bill	07/14/2011	7/14 Ag Pool Mtg		7/14/11 Ag Pool Meeting	8411 - Compensation	25.00
				AG Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
Bill	07/21/2011	7/21 Advisory Comm		7/21/11 Advisory Committee Meeting	8411 - Compensation	25.00
Bill	07/28/2011	7/28 Board Mtg		7/28/11 Board Meeting	8470 - Ag Meeting Attend -Special	100.00
				AG Pool Member Meeting Compensation	8411 - Compensation	25.00
TOTAL						375.00
Bill	08/02/2011	15298	HUITSING, JOHN	AG Pool Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	07/14/2011	7/14 Ag Pool Mtg		7/14/2011 Ag Pool Meeting	8411 - Compensation	25.00
				AG Pool Member Compensation	8470 - Ag Meeting Attend -Special	100.00
TOTAL						125.00

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/02/2011	15299	KOOPMAN, GENE		1012 - Bank of America Gen'l Ckg	
Bill	07/08/2011	7/08 Admin Mtg		7/08/11 Administrative Meeting	8411 - Compensation	25.00
Bill	07/14/2011	7/14 Ag Pool Mtg		AG Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
					8411 - Compensation	25.00
					8470 - Ag Meeting Attend -Special	100.00
TOTAL						250.00
Bill Pmt -Check	08/02/2011	15300	PIERSON, JEFFREY		1012 - Bank of America Gen'l Ckg	
Bill	07/07/2011	7/07 Restated Judgm		7/07/11 Restated Judgment Meeting	8411 - Compensation	25.00
Bill	07/14/2011	7/14 Ag Pool Mtg		7/07/11 Restated Judgment Meeting	8470 - Ag Meeting Attend -Special	100.00
Bill	07/21/2011	7/21 Advisory Comm		7/14/11 Ag Pool Meeting	8411 - Compensation	25.00
Bill	07/28/2011	7/28 Board Mtg		7/14/11 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
				7/21/11 Advisory Committee Meeting	8411 - Compensation	25.00
				7/21/11 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	100.00
				7/28/11 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						500.00
Bill Pmt -Check	08/02/2011	15301	BOWCOCK, ROBERT		1012 - Bank of America Gen'l Ckg	
Bill	07/05/2011	7/05 Finance Wkshp		7/05/11 Financing Workshop	6311 - Board Member Compensation	125.00
Bill	07/13/2011	S. Ont Plume Mtg		7/13/11 S. Ontario Plume Meeting	6311 - Board Member Compensation	125.00
Bill	07/28/2011	7/28 Board Mtg		7/28/11 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	08/02/2011	15302	ELJE, STEVEN		1012 - Bank of America Gen'l Ckg	
Bill	07/28/2011	7/28 Board Mtg		7/28/11 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	08/02/2011	15303	HAUGHEY, TOM		1012 - Bank of America Gen'l Ckg	
Bill	07/28/2011	7/28 Board Mtg		7/28/2011 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	08/02/2011	15304	KUHN, BOB		1012 - Bank of America Gen'l Ckg	
Bill	07/13/2011	7/13 S. Ontario Plum		7/13/11 S. Ontario Plume Meeting	6311 - Board Member Compensation	125.00
Bill	07/21/2011	7/21 Advisory Comm		7/21/11 Advisory Committee Meeting	6311 - Board Member Compensation	125.00
Bill	07/27/2011	7/27 Admin Mtg		7/27/11 Administrative Meeting	6311 - Board Member Compensation	125.00
Bill	07/28/2011	7/28 Board Mtg		7/28/11 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						500.00
Bill Pmt -Check	08/02/2011	15305	LANTZ, PAULA		1012 - Bank of America Gen'l Ckg	
Bill	07/07/2011	7/07 Restated Judg		7/07/11 Restated Judgment Meeting	6311 - Board Member Compensation	125.00
Bill	07/08/2011	7/08 Conference Call		7/08/11 Conference Call Meeting	6311 - Board Member Compensation	125.00
Bill	07/13/2011	7/13 S. Ontario Plum		7/13/11 S. Ontario Plume Meeting	6311 - Board Member Compensation	125.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 1, 2011 - August 26, 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	07/28/2011	7/208 Board Mtg		7/28/11 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						500.00
Bill Pmt -Check	08/02/2011	15306	VANDEN HEUVEL, GEOFFREY	6311	1012 - Bank of America Gen'l Ckg	125.00
Bill	07/13/2011	7/13 S. Ontario Plum		7/13/11 S. Ontario Plume Meeting	6311 - Board Member Compensation	125.00
Bill	07/14/2011	7/14 Ag Pool Mtg		7/14/11 Ag Pool Meeting	6311 - Board Member Compensation	125.00
Bill	07/28/2011	7/28 Board Mtg		7/28/11 Board Meeting	6311 - Board Member Compensation	375.00
TOTAL						
Bill Pmt -Check	08/02/2011	15307	WILLIS, KENNETH		1012 - Bank of America Gen'l Ckg	125.00
Bill	07/26/2011	7/26 Admin Mtg		7/26/11 Administrative Meeting	6311 - Board Member Compensation	125.00
Bill	07/28/2011	7/28 Board Mtg		7/28/11 Board Meeting	6311 - Board Member Compensation	250.00
TOTAL						
Bill Pmt -Check	08/02/2011	15308	R&D PEST SERVICES	0145597	1012 - Bank of America Gen'l Ckg	85.00
Bill	07/29/2011	0145597		Pest Control - July 2011	6024 - Building Repair & Maintenance	85.00
TOTAL						
Bill Pmt -Check	08/02/2011	15309	STANDARD INSURANCE CO.	Policy # 00-640888-0009	1012 - Bank of America Gen'l Ckg	503.24
Bill	07/29/2011	00640888-0009		Life & Disability Insurance Premium	60191 - Life & Disab.ins Benefits	503.24
TOTAL						
Bill Pmt -Check	08/02/2011	15310	STATE COMPENSATION INSURANCE FUND	1970970-11	1012 - Bank of America Gen'l Ckg	1,341.68
Bill	07/29/2011	1970970-11		July 2011	60183 - Worker's Comp Insurance	1,341.68
TOTAL						
Bill Pmt -Check	08/02/2011	15311	VERIZON	012561121521714508	1012 - Bank of America Gen'l Ckg	171.50
Bill	07/29/2011	012561121521714508		012561121521714508	7405 - PE4-Other Expense	171.50
TOTAL						
Bill Pmt -Check	08/04/2011	15312	CHARLES Z. FEDAK & COMPANY		1012 - Bank of America Gen'l Ckg	3,880.00
Bill	07/31/2011			Audit Services - July 2011	6062 - Audit Services	3,880.00
TOTAL						
Bill Pmt -Check	08/04/2011	15313	HSEC BUSINESS SOLUTIONS		1012 - Bank of America Gen'l Ckg	2,239.74
Bill	07/31/2011	7003730910002744		Miscellaneous office and meeting supplies	6031.7 - Other Office Supplies	2,239.74
Bill	07/31/2011	7003730910002744		Miscellaneous office and meeting supplies	6031.7 - Other Office Supplies	293.40
TOTAL						2,533.14
Bill Pmt -Check	08/04/2011	15314	JAMES JOHNSTON	239	1012 - Bank of America Gen'l Ckg	900.00
Bill	07/31/2011	239		Website Services - July 2011	6052.3 - Website Consulting	900.00
TOTAL						

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 1, 2011 - August 26, 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/04/2011	15315	PAYCHEX	2011072800	1012 - Bank of America Gen'l Ckg	403.34
Bill	07/31/2011	2011072800		July 2011	6012 - Payroll Services	403.34
TOTAL						
Bill Pmt -Check	08/04/2011	15316	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	7,425.07
General Journal	07/23/2011	07/23/2011	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 07/10/11-07/23/11	2000 - Accounts Payable	7,425.07
TOTAL						
Bill Pmt -Check	08/04/2011	15317	PURCHASE POWER	8000909000168851	1012 - Bank of America Gen'l Ckg	91.49
Bill	07/31/2011	8000909000168851		Fed ex shipments and postage	6042 - Postage - General	91.49
TOTAL						
Bill Pmt -Check	08/04/2011	15318	STATE COMPENSATION INSURANCE FUND	1970870-11	1012 - Bank of America Gen'l Ckg	3.83
Bill	07/31/2011	1970870-11		Deposit premium	60183 - Worker's Comp Insurance	3.83
TOTAL						
Bill Pmt -Check	08/04/2011	15319	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	824.00
Bill	07/31/2011	1VC07000017297		Week Ending 7/24/11	6017 - Temporary Services	824.00
TOTAL						
Bill Pmt -Check	08/04/2011	15320	VERIZON	012519116950792103	1012 - Bank of America Gen'l Ckg	496.47
Bill	07/31/2011	012519116950792103		012519116950792103	6022 - Telephone	496.47
TOTAL						
General Journal	08/06/2011	08/06/2011		Payroll and Taxes for 07/24/11-08/06/11	1012 - Bank of America Gen'l Ckg	7,351.61
				Payroll Taxes for 07/24/11-08/06/11	1012 - Bank of America Gen'l Ckg	17,015.49
				Direct Deposits for 07/24/11-08/06/11	1012 - Bank of America Gen'l Ckg	5,963.82
				Payroll Checks for 07/24/11-08/06/11	1012 - Bank of America Gen'l Ckg	30,330.92
TOTAL						
Bill Pmt -Check	08/09/2011	15321	INLAND EMPIRE UTILITIES AGENCY	90008143	1012 - Bank of America Gen'l Ckg	556,431.00
Bill	07/31/2011	90008143		GW Recharge Capital Cost Reimbursement	7690 - Recharge Improvement Debt Pymt	556,431.00
TOTAL						
Bill Pmt -Check	08/09/2011	15322	INLAND EMPIRE UTILITIES AGENCY	90008144	1012 - Bank of America Gen'l Ckg	180,656.82
Bill	07/31/2011	90008144		GW Recharge O&M Cost Reimbursement	7206 - Comp Recharge-O&M	180,656.82
TOTAL						
Bill Pmt -Check	08/11/2011	15323	ACWA SERVICES CORPORATION	00198	1012 - Bank of America Gen'l Ckg	156.90
Bill	08/09/2011	00198		Prepayment - September 2011	1409 - Prepaid Life, BAD&D & LTD	129.01
				Life Insurance - August 2011 Premium	60191 - Life & Disab. Ins Benefits	265.91
TOTAL						

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 1, 2011 - August 26, 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/11/2011	15324	APPLIED COMPUTER TECHNOLOGIES	2020	1012 - Bank of America Gen'l Ckg	
Bill	07/31/2011	2020		Database Services - July 2011	6052.2 - Applied Computer Technol	2,530.00
TOTAL						2,530.00
Bill Pmt -Check	08/11/2011	15325	AWWA	7000374039	1012 - Bank of America Gen'l Ckg	
Bill	08/09/2011	7000374039		8/07/2011 - 8/31/2012 Dues	6111 - Membership Dues	1,270.00
TOTAL						1,270.00
Bill Pmt -Check	08/11/2011	15326	CORELOGIC INFORMATION SOLUTIONS	80266516	1012 - Bank of America Gen'l Ckg	
Bill	07/31/2011	80266516		80266516	7103.7 - Grdwtr Qual-Computer Svc	62.50
				80266516	7101.4 - Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	08/11/2011	15327	DAN VASILE	New employee physical for Gerry Greene	1012 - Bank of America Gen'l Ckg	
Bill	07/29/2011				6016 - New Employee Search Costs	120.00
TOTAL						120.00
Bill Pmt -Check	08/11/2011	15328	GREAT AMERICA LEASING CORP.	11190871	1012 - Bank of America Gen'l Ckg	
Bill	07/31/2011	11190871		Invoice for leased copiers	6043.1 - Ricoh Lease Fee	2,788.53
				Usage for Black Copies	6043.2 - Ricoh Usage & Maintenance Fee	131.77
				Usage for Color Copies	6043.2 - Ricoh Usage & Maintenance Fee	304.05
TOTAL						3,224.35
Bill Pmt -Check	08/11/2011	15329	GUARANTEED JANITORIAL SERVICE, INC.	28580	1012 - Bank of America Gen'l Ckg	
Bill	08/09/2011	28580		Janitorial Service - August 2011	6024 - Building Repair & Maintenance	865.00
TOTAL						865.00
Bill Pmt -Check	08/11/2011	15330	HOGAN LOVELLS	1984303	1012 - Bank of America Gen'l Ckg	
Bill	07/31/2011	1984303		Non-Ag Legal Services - July 2011	8567 - Non-Ag Legal Service	4,603.32
TOTAL						4,603.32
Bill Pmt -Check	08/11/2011	15331	INLAND VALLEY DAILY BULLETIN		1012 - Bank of America Gen'l Ckg	
Bill	07/29/2011			Public Hearing Notice	6312 - Meeting Expenses	390.00
TOTAL						390.00
Bill Pmt -Check	08/11/2011	15332	J.R. OLSEN BONDS & INSURANCE BROKERS, IN 286906	286906	1012 - Bank of America Gen'l Ckg	
Bill	07/29/2011	286906			6086 - Position Bond Insurance	175.10
TOTAL						175.10
Bill Pmt -Check	08/11/2011	15333	PARK PLACE COMPUTER SOLUTIONS, INC.	453	1012 - Bank of America Gen'l Ckg	
Bill	07/29/2011	453		IT Services - July 2011	6052.1 - Park Place Comp Solutn	1,875.00
TOTAL						1,875.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 1, 2011 - August 26, 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/11/2011	15334	SAFEGUARD DENTAL & VISION	3869356	1012 - Bank of America Gen'l Ckg	
Bill	08/01/2011	3869356		Dental Insurance - August 2011	60182.2 - Dental & Vision Ins	7.91
TOTAL						7.91
Bill Pmt -Check	08/11/2011	15335	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	
Bill	07/31/2011	1VC 70000017323		Week Ending 7/31/11	6017 - Temporary Services	824.00
TOTAL						824.00
Bill Pmt -Check	08/11/2011	15336	UNION 76	300-732-989	1012 - Bank of America Gen'l Ckg	
Bill	07/31/2011	300732989		July 2011	6175 - Vehicle Fuel	126.00
TOTAL						126.00
Bill Pmt -Check	08/11/2011	15337	USA-FACT INC	1861960-IN	1012 - Bank of America Gen'l Ckg	
Bill	08/05/2011	1861960-IN		Background/credit check for Gerry Greene	6016 - New Employee Search Costs	224.26
TOTAL						224.26
Bill Pmt -Check	08/11/2011	15338	WATER FACILITIES AUTHORITY	11-98	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2011	11-98		WFA treatment charge	1420 - Prepaid Injected Water Purchase	7,791.00
TOTAL						7,791.00
Bill Pmt -Check	08/11/2011	15339	WESTERN DENTAL SERVICES, INC.	002483	1012 - Bank of America Gen'l Ckg	
Bill	08/09/2011	002483		Dental Insurance - September 2011	60182.2 - Dental & Vision Ins	28.88
TOTAL						28.88
Bill Pmt -Check	08/11/2011	15340	YUKON DISPOSAL SERVICE	08-K2 213849	1012 - Bank of America Gen'l Ckg	
Bill	08/09/2011	08-K2 213849		Service for Aug 2011	6024 - Building Repair & Maintenance	142.88
TOTAL						142.88
Bill Pmt -Check	08/12/2011	15341	BROWNSTEIN HYATT FARBER SCHRECK	442047	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2011	442047			6907.3 - WM Legal Counsel	23,051.36
Bill	06/30/2011	442048			6907.34 - Santa Ana River Water Rights	54.90
Bill	06/30/2011	442049			6907.31 - S. Archibald Plume-Formerly OIA	2,106.00
Bill	06/30/2011	442050			6907.32 - Chino Airport Plume	1,633.09
Bill	06/30/2011	442051			6907.33 - Desalter Negotiations	3,948.75
Bill	06/30/2011	442052			6907.35 - Paragaph 31 Motion	7,359.96
Bill	06/30/2011	442053			6907.36 - Santa Ana River Habitat	213.30
TOTAL						38,367.36
Bill Pmt -Check	08/12/2011	15342	WILDERMUTH ENVIRONMENTAL INC	2011241	1012 - Bank of America Gen'l Ckg	
Bill	06/30/2011	2011241			6906 - OBMP Engineering Services	5,358.99
Bill	06/30/2011	2011242			6906 - OBMP Engineering Services	2,960.00
Bill	06/30/2011	2011243			6906 - OBMP Engineering Services	375.00
Bill	06/30/2011	2011244			6906 - OBMP Engineering Services	37,216.25

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 1, 2011 - August 26, 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	06/30/2011	2011245		2011245	7103.3 - Grdwtr Qual-Engineering	645.00
Bill	06/30/2011	2011246		2011246	7103.3 - Grdwtr Qual-Engineering	675.00
Bill	06/30/2011	2011247		2011247	7103.3 - Grdwtr Qual-Engineering	18,731.25
Bill	06/30/2011	2011248		2011248	7104.3 - Grdwtr Level-Engineering	600.00
Bill	06/30/2011	2011249		2011249	7104.3 - Grdwtr Level-Engineering	7,808.44
Bill	06/30/2011	2011250		2011250	7104.3 - Grdwtr Level-Engineering	9,181.25
Bill	06/30/2011	2011251		2011251	7104.3 - Grdwtr Level-Engineering	24,225.00
Bill	06/30/2011	2011252		2011252	7104.8 - Grdwtr Level-Contracted Serv	2,810.00
Bill	06/30/2011	2011253		2011253	7107.2 - Grd Level-Engineering	150.00
Bill	06/30/2011	2011254		2011254	7107.2 - Grd Level-Engineering	5,871.30
Bill	06/30/2011	2011255		2011255	7107.5 - Grd Level-Cap Equip Exte	381.97
Bill	06/30/2011	2011256		2011256	7107.6 - Grd Level-Contract Svcs	6,636.25
Bill	06/30/2011	2011257		2011257	7107.6 - Grd Level-Contract Svcs	31,783.88
Bill	06/30/2011	2011258		2011258	7107.6 - Grd Level-Contract Svcs	15,500.00
Bill	06/30/2011	2011259		2011259	7108.3 - Hydraulic Control-Engineering	300.00
Bill	06/30/2011	2011260		2011260	7108.3 - Hydraulic Control-Engineering	13,821.21
Bill	06/30/2011	2011261		2011261	7108.3 - Hydraulic Control-Engineering	1,037.50
Bill	06/30/2011	2011262		2011262	7108.3 - Hydraulic Control-Engineering	1,943.75
Bill	06/30/2011	2011263		2011263	7108.3 - Hydraulic Control-Engineering	112.50
Bill	06/30/2011	2011264		2011264	7108.3 - Hydraulic Control-Engineering	1,666.72
Bill	06/30/2011	2011265		2011265	7108.3 - Hydraulic Control-Engineering	125.00
Bill	06/30/2011	2011266		2011266	7108.3 - Hydraulic Control-Engineering	31.25
Bill	06/30/2011	2011267		2011267	7108.3 - Hydraulic Control-Engineering	412.50
Bill	06/30/2011	2011268		2011268	7108.3 - Hydraulic Control-Engineering	276.05
Bill	06/30/2011	2011269		2011269	7108.3 - Hydraulic Control-Engineering	4,870.00
Bill	06/30/2011	2011270		2011270	7303 - PE3&5-Engineering	5,000.00
Bill	06/30/2011	2011271		2011271	7403 - PE4-Contract Svcs	953.75
Bill	06/30/2011	2011272		2011272	7502 - PE6&7-Engineering	26,782.69
Bill	06/30/2011	2011273		2011273	6906.1 - OBMP - Watermaster Model Update	39,007.50
Bill	06/30/2011	2011274		2011274	6906.1 - OBMP - Watermaster Model Update	800.00
						267,950.10
Bill Pmt -Check	08/22/2011	15343	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 - Bank of America Gen'l Ckg	56.85
Bill	07/31/2011	XXXX-XXXX-XXXX-9341		CEO mtg w/Feenstra and Koopman	8412 - Meeting Expenses	414.03
				Registration-CEO to Water Reuse Symposium	6191 - Conferencs - General	62.32
				Misc. office supplies	6031.7 - Other Office Supplies	28.70
				CEO mtg w/Ken Willis	6312 - Meeting Expenses	16.48
				CEO mtg w/Bob Kuhn	6312 - Meeting Expenses	66.85
				Public hearing notice in newspaper	6342 - Postage and Printing	228.64
				Lunch for July 28 Board mtg	6312 - Meeting Expenses	1,045.12
				Equipment for gw quality sampling	7103.6 - Grdwtr Qual-Supplies	81.16
				Lunch-July 14 water quality presentation meeting	7103.6 - Grdwtr Qual-Supplies	2,001.15

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TOTAL

TOTAL

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 1, 2011 - August 26, 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/22/2011	15344	CHINO HILLS, CITY OF*	1	1012 - Bank of America Gen'l Ckg	3,059.00
Bill	08/11/2011	1			7605 - PE889-Other Expenses	3,059.00
TOTAL						
Bill Pmt -Check	08/22/2011	15345	CITISTREET	Payroll and Taxes for 07/24/11-08/06/11	1012 - Bank of America Gen'l Ckg	1,863.30
General Journal	08/06/2011	08/06/11	CITISTREET	457 Employee deductions for 07/24/11-08/06/11	2000 - Accounts Payable	1,863.30
TOTAL						
Bill Pmt -Check	08/22/2011	15346	CUCAMONGA VALLEY WATER DISTRICT	Lease Due September 1, 2011	1012 - Bank of America Gen'l Ckg	5,844.00
Bill	08/16/2011			Lease Due September 1, 2011	1422 - Prepaid Rent	5,844.00
TOTAL						
Bill Pmt -Check	08/22/2011	15347	DC LAW	13557	1012 - Bank of America Gen'l Ckg	3,152.50
Bill	07/31/2011	13557		13557 - Ag Pool Legal Services	8467 - Ag Legal & Technical Services	3,152.50
TOTAL						
Bill Pmt -Check	08/22/2011	15348	DGO AUTO DETAILING	Wash 3 service trucks	1012 - Bank of America Gen'l Ckg	75.00
Bill	07/28/2011			Wash 3 service trucks	6177 - Vehicle Repairs & Maintenance	75.00
Bill	08/11/2011				6177 - Vehicle Repairs & Maintenance	150.00
TOTAL						
Bill Pmt -Check	08/22/2011	15349	PRE-PAID LEGAL SERVICES, INC.	111802	1012 - Bank of America Gen'l Ckg	51.80
Bill	08/15/2011	111802		August 2011	60194 - Other Employee Insurance	51.80
TOTAL						
Bill Pmt -Check	08/22/2011	15350	PREMIERE GLOBAL SERVICES	08694770	1012 - Bank of America Gen'l Ckg	17.80
Bill	07/31/2011	08694770		7/06 Appropriative Pool Agenda call	8312 - Meeting Expenses	17.80
				7/06 Non Ag Pool Agenda call	8512 - Meeting Expense	17.78
				7/06 Ag Pool Agenda call	8412 - Meeting Expenses	17.78
				7/07 Resiated Judgment call	6909.1 - OBMP Meetings	171.81
				7/08 South Ontario Plume call	7103.6 - Grdwtr Qual-Supplies	43.74
				7/13 South Ontario Plume call	7103.6 - Grdwtr Qual-Supplies	95.34
				7/14 Non Ag Pool Meeting call	8512 - Meeting Expense	126.98
				Monthly service fee	6022 - Telephone	14.95
				Moderator fee	6022 - Telephone	13.75
TOTAL						519.93
Bill Pmt -Check	08/22/2011	15351	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	7,054.35
General Journal	08/06/2011	08/06/2011	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 07/24/11-08/06/11	2000 - Accounts Payable	7,054.35
TOTAL						
Bill Pmt -Check	08/22/2011	15352	STAULA, MARY L		1012 - Bank of America Gen'l Ckg	

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
August 1, 2011 - August 26, 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	08/31/2011				60182.4 - Retiree Medical	136.61
TOTAL						136.61
Bill Pmt -Check	08/22/2011	15353	THE LAWTON GROUP	6017 Week Ending 8/07/11	1012 - Bank of America Gen'l Ckg 6017 - Temporary Services	824.00
Bill	08/11/2011	1VC070000017354				824.00
TOTAL						824.00
Bill Pmt -Check	08/22/2011	15354	VERIZON BUSINESS	08076697 Charges for service period 9/01/11 - 9/30/11	1012 - Bank of America Gen'l Ckg 6053 - Internet Expense	1,537.85
Bill	08/11/2011	08076697				1,537.85
TOTAL						1,537.85
Bill Pmt -Check	08/22/2011	15355	VERIZON WIRELESS	0992016645 Monthly service	1012 - Bank of America Gen'l Ckg 6022 - Telephone	399.81
Bill	08/11/2011	1000928455				399.81
TOTAL						399.81
Bill Pmt -Check	08/22/2011	15356	WATER FACILITIES AUTHORITY	12-10 WFA treatment charge	1012 - Bank of America Gen'l Ckg 1420 - Prepaid Injected Water Purchase	12,808.74
Bill	08/11/2011	12-10				12,808.74
TOTAL						12,808.74
Bill Pmt -Check	08/25/2011	15357	EL TORITO	Lunch for 8/25/11 Watermaster Board Meeting	1012 - Bank of America Gen'l Ckg	395.00
Bill	08/25/2011			Lunch for 8/25/11 Watermaster Board Meeting	6312 - Meeting Expenses	395.00
TOTAL						395.00
					Total Disbursements:	3,451,144.87

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CHINO BASIN WATERMASTER

III. / IV. INFORMATION

2. Newspaper Articles





Industry seeks to reverse ban by local agency of new water softeners in western S.B. County

Andrew Edwards, Staff Writer

Created: 08/26/2011 06:34:12 PM PDT

An industry group has asked the Inland Empire Utilities Agency to reverse its ban on new water softeners in western San Bernardino County.

The industry group has said the ban - designed to facilitate the region's use of recycled water - is unwarranted.

The agency says the salt in the waste water from water softeners threatens the district's expanded use of recycled water now being delivered locally to irrigate landscaping, parks and golf courses.

"They've kind of banned something that is really not contributing to the problem any more because of how efficient we made them," said Mike Mecca, product development director for Performance Water Products, a Buena Park-based water softener manufacturer.

Water softeners purge domestic water supplies of impurities which cause hard water buildup on pipes, faucets and showerheads.

Industry members want the agency to hold off from enforcing the law and craft a new one that does not ban their business from much of the Inland Empire.

The agency estimates 18,000 households within its service area use ion exchange water softeners.

During a special meeting June 15, the IEUA's governing board adopted the ban which affects an area stretching from Fontana to Montclair south into the Chino Valley.

As explained by the Salt Institute, common ion exchange water softeners work by passing water through a tank filled with "resin" beads that trade calcium and magnesium ions with

sodium ions that are bound to the beads.

It is the magnesium and calcium in domestic water that can prevent hard water stains, and those materials, along with salt water, gets flushed into the sewer system.

And that's a big problem, said Martha Davis, IEUA's executive manager for policy development.

"We've been salt-challenged for decades," she said.

Since the 1960s, the IEUA has built special "brine lines" to divert high-salinity industrial discharge out of the Chino groundwater basin, Davis said.

Residential water softeners release some 3,000 tons of salt a year into the local treatment system, according to the IEUA.

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The U.S. Environmental Protection Agency allows the IEUA to have less than 550 milligrams of salt per liter in the recycled water it delivers.

Current salt amounts are still at less than 500 milligrams per liter. If salt levels exceed the 550 mg level, the IEUA will not be able to send recycled water to customers, Davis said.

The agency estimates the salt that water softeners add to recycled water is about 25 mg per liter.

"The issue is what happens in the future, and if more people start using that equipment, and then we're in danger of crossing that line," she said.

The IEUA's ban would allow customers to use ion exchange water softeners if the equipment does not send wastewater into the sewage system.

Households could use "exchange tank" systems that would require them to hire a company to deliver salty wastewater to an approved location.

That kind of service can cost \$20 to \$30 per month, Davis said.

The IEUA's member agencies - cities and water districts in its territory - are responsible for passing their own laws to enforce the ordinance.

Davis acknowledged the IEUA's ban on new water softeners is unusual, but even it does not go as far as a measure that completely bans the devices. In Santa Clarita, a stricter ban requires homeowners to immediately remove the water softeners.

The Water Quality Association, which represents the water softener industry, warned that enforcement could lead to local officials filing search warrants to hunt for the now-illegal water softeners and fining and even jailing homeowners.

The WQA made that warning in a press release and in a Aug. 12 letter the association's Irvine-based law firm, Jones Day, sent to the IEUA.

Davis dismissed talk of search warrants and jail as "fear-mongering." In the worst case, she said, a city inspector finding a prohibited water softener would inform the homeowner of the agency's \$2,000 rebate plan to remove the device.

The IEUA and WQA had been in communication before the ban, but WQA government affairs director David Loveday said adopting the ban at a special meeting prevented opponents from having their say.

Davis said holding the hearing in the evening - the IEUA's board usually convenes for morning meetings -- was intended to allow more people to speak.

Nonetheless, the WQA's lawyers want the water agency to hold another hearing in September giving the ban's opponents a chance to speak before its board.

Loveday said he is confident an all-out ban is not the only solution to the agency's salt worries.

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program, a strong efficiency program," he said.
"We're more than willing to work with them to help them come to a solution over our (portion) of the problem."



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Published: Aug. 23, 2011 Updated: Aug. 24, 2011 7:36 a.m.

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Water agencies sue feds over Santa Ana sucker

Twelve water agencies contended in a federal lawsuit Tuesday that a million customers could see their water supply cut by a third to protect a tiny fish called the Santa Ana sucker.

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By PAT BRENNAN / ORANGE COUNTY REGISTER

Twelve water agencies contended in a federal lawsuit Tuesday that a million customers could see their water supply cut by a third to protect a tiny fish called the Santa Ana sucker.

The 12, mostly in Riverside and San Bernardino counties, say the U.S. Fish and Wildlife Service should reduce the size of the 9,331-acre "critical habitat" area that it designated for the threatened fish last year. The suit was filed in federal court in Santa Ana.



"We have new water-capture and recycled water projects along the Santa Ana River which would be impacted by this new, expanded habitat," said Douglas Headrick, general manager of the San Bernardino Valley Municipal Water District. "We're not against habitat. We just don't feel the science is there for this designation."

Most of a 767-acre stretch of habitat occurs on the Santa Ana River in Orange County. But an Orange County Water District official said his agency, though aware of the lawsuit, chose not to take part, and that he did not believe the critical habitat designation would affect Orange County's water supply.

He said the district takes part in efforts to restore habitat for the fish.

"We've been able to work collaboratively with the Fish and Wildlife Service," said Greg Woodside, the district's executive director of planning and natural resources. "We did not see this as a problem for us."

The fish, less than six inches long, survives on algae, invertebrates and bits of organic material, and requires cool water with pools, riffles and loose sand and gravel.

"Critical habitat" does not bar development or set aside acreage for protection. But it does add a layer of protection for threatened and endangered species by requiring potential developers to consult with the federal government to make sure habitat is not destroyed or modified beyond the species' tolerance, said Fish and Wildlife spokeswoman Jane Hendron.

It also does not impose restrictions retroactively, she said; it only applies to future projects.

Headrick said he is worried about, among other

things, the possibility that agencies would be required to move water at high velocities to help create gravel beds for the fish.

Moving water at high speed could result in the loss of supply, he said.

In a press release, he said he and officials at the other agencies were concerned about losing as much as 125,000 acre feet of water a year, a third of the supply for Riverside and San Bernardino County residents.

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It would have to be made up with costly imported water, he said.

Hendron said she could not comment on the specifics of the lawsuit.

Headrick said he wants a federal judge to roll back the critical habitat designation to the 8,305-acre level designated in 2005.

The wildlife agency has been buffeted by legal challenges, including from the environmental group, the Center for Biological Diversity, forcing revisions of the designations since an initial one of more than 21,000 acres in 2004.

The other suing agencies are the Bear Valley Mutual Water Company in Redlands, the Big Bear Municipal Water District, the cities of Redlands and Riverside, the San Bernardino Municipal Water Department, the East Valley Water District in Highland, the Riverside County Flood Control and Water Conservation District, the San Bernardino Valley Water Conservation District, the Western Municipal Water District in Riverside, the West Valley Water District in Rialto, and the Yucaipa Valley Water District.

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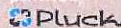


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9:12 AM on August 24, 2011

The Santa Ana Sucker (AKA the Delta Smelt South).

Of course the real suckers are those who try to find a compromise with the environmental extremists whose goal it is to stop all infrastructure projects and use these critters as tools and roadblocks to stop good projects.

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**NEWS****Water agencies file suit against Fish and Wildlife**[Print Page](#)

The agencies allege the federal agency recently expanded critical habitat areas for the endangered Santa Ana Sucker using "sloppy science"

Published: Tuesday, August 23, 2011 8:34 AM PDT

Water agencies file suit against Fish and Wildlife

Twelve water agencies filed suit Tuesday, Aug. 23, against the U.S. Fish and Wildlife Service over a critical habitat ruling that could cost 1 million Southern Californians a third of their water supply.

At issue is the Service's December 2010 ruling to double the critical habitat area for the Santa Ana Sucker, an endangered fish that lives in the Santa Ana River in western Riverside, San Bernardino and Orange counties.

"The expanded critical habitat area for the Sucker is unnecessary and will assuredly lead to increased water costs for our customers," said Patrick Milligan, president of San Bernardino Valley Municipal Water District, adding, "The decision was based on sloppy science and a flagrant disregard for the requirements of the Endangered Species Act and other federal laws."

"Western and neighboring districts are working very hard to expand local water sources while at the same time joining forces with other agencies to help protect endangered species by nurturing existing habitats," explained John Rossi, general manager of Western Municipal Water District in Riverside.

The collaborating water agencies believe that the Service violated several tenets of the Endangered Species Act (ESA), which requires the federal agency to consult with and work cooperatively with state and local agencies; to base its decisions on the best available science; and to balance the needs of endangered species with the needs of humans who are likely to be affected by critical habitat rulings.

But when it came to designating an expanded critical habitat area for the Sucker, the Service not only failed to consult with or work cooperatively with state and local agencies, but it based its decisions on unscientific survey data, unpublished reports that have not been peer reviewed as well as published reports that, ironically, contradict the Service's arguments.

According to the water agencies' complaint filed in U.S. District Court in Santa Ana, the Service ignored extensive written concerns submitted by public agencies, which warned that the expanded habitat area would not only threaten the water supplies of 3 million Southern California residents, but undermine the Inland Empire economy as well.

Indeed, the expanded habitat ruling superimposes federal restrictions that make it difficult to operate and maintain water collection, recycling and groundwater recharge operations in and along the Santa Ana River.

While the Santa Ana River supplies water to 3 million Southern California residents, these restrictions could translate into a net loss of 125,800 acre-feet of San Bernardino Mountain water each year, which amounts to one third of the water supply currently used by 1 million residents of Riverside and San Bernardino counties, cite the 12 water agencies. The ruling also impacts the ability of agencies, like the city of San Bernardino Municipal Water Department, to utilize recycled water currently discharged to the river.

If allowed to stand, these restrictions will pull the rug out from under efforts by Inland Southern California water agencies to reduce their dependence on water imports from the Sacramento-San Joaquin Delta, whose supplies are already constrained due to the Service's efforts to protect the Delta smelt.

Inland water agencies obtained additional Santa Ana River water rights from the State Water Resources Control Board in late 2009 to reduce the region's dependence on Delta water supplies. But the Service never participated in the water rights process, unlike the California Department of Fish and Game or the U.S. Forest Service, which both participated in the water rights process. Both reached agreements with water agencies that would protect natural resources and provide water for the Inland Empire.

The Service also ignored written comments from the U.S. Army Corps of Engineers, which warned that the new habitat designation could put millions of Southern Californians at risk by interfering with the operation of the Seven Oaks Dam as a flood control facility.

The Service previously established a critical habitat area for the Sucker in 2005, but decided to double the critical habitat area after being sued in 2007 by the Center for Biological Diversity (CBD), an Arizona-based group that frequently files suit against the Service to challenge its decisions.

"The Service never stated why its 2005 ruling was insufficient, nor has it provided any new scientific information to justify an expansion of critical habitat for the Sucker," Milligan said.

Water agencies believe the Service expanded the critical habitat area for the Sucker merely to pacify the CBD, even though the group has not been actively involved in efforts to conserve or protect the Sucker.

"As far as we know, the Center for Biological Diversity has never been an active participant in conservation efforts involving the Sucker, which makes their motives highly suspect," Milligan said. He added that water agencies have no record of CBD representatives participating in Santa Ana Sucker Conservation Team meetings that have taken place during the past decade.

Inland water agencies filed suit against the Service four months after they publicly warned the Service that they would pursue litigation unless the Service rescinded its 2010 habitat ruling.

In their notice of intent to file a lawsuit, water agencies reminded the Service that they have spent the past 10 years successfully developing and implementing a Santa Ana Sucker Conservation Program that is already working to recover and restore habitats for this endangered species in collaboration with the California Department of Fish and Game. The program has produced significant research, including reproductive monitoring surveys, the development of population estimates, increased project management, habitat surveying and mapping as well as invasive species removal.

Agencies that are participating in the lawsuit against the Service include Bear Valley Mutual Water Company in Redlands; Big Bear Municipal Water District; City of Redlands; City of Riverside; City of San Bernardino Municipal Water Department; East Valley Water District in Highland; Riverside County Flood Control and Water Conservation District; San Bernardino Valley Municipal Water District; San Bernardino Valley Water Conservation District; Western Municipal Water District in Riverside; West Valley Water District in Rialto; and Yucaipa Valley Water District.

Douglas Headrick NEWS RELEASE

Santa Ana Sucker Task Force

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THE U.S. FISH AND WILDLIFE SERVICE IS OFTEN SUED

FOR FAILING TO DO ITS HOMEWORK

Lawsuits involving developers, environmentalists and other government agencies portray a federal

agency with a penchant for making arbitrary decisions and failing to adhere to the requirements of the Endangered Species Act

SAN BERNARDINO, Calif., Aug. 23, 2011 – Today's filing of a lawsuit by 12 Southern California water agencies against the U.S. Fish and Wildlife Service is the latest in a series of legal complaints about the Service's failure to do its job.

The federal agency has a history of designating public lands and watersheds as "critical habitat" for various endangered species without first performing the requisite analysis to determine whether such actions will significantly benefit the species in question.

"The Service has a history of making arbitrary decisions that the agency cannot justify in a court of law because the agency hasn't done its homework or complied with the requirements of the Endangered Species Act," said Patrick Milligan, an attorney who also serves as president of San Bernardino Valley Municipal Water District.

The Service, he added, is frequently sued by environmentalists, developers and other government agencies for making arbitrary decisions and failing to do its homework. Consider these recent lawsuits:

§ Center for Biological Diversity vs. Bureau of Land Management: In this 2006 case, the Center for Biological Diversity challenged the Service's decision to exclude certain areas from a critical habitat designation for Peirson's milk-vetch. The court concluded that the exclusion was arbitrary and capricious because it was based on an erroneous interpretation of the ESA. The court also concluded that critical assumptions made by the Service were not based on the factual record.

§ Home Builders Association vs. U.S. Fish and Wildlife Service: In this 2006 case, the Home Builders Association challenged the Service's designation of more than 800,000 acres of land in California and Oregon for 15 vernal pool species. The court granted a motion by environmental groups that challenged the Service's to exclude lands subject to conservation plans from the designation. The court held that the Service failed to comply with applicable legal standards and specifically failed to consider the recovery benefits of habitat designation in its economic analysis.

§ Alliance for the Wild Rockies vs. Lyder: In this 2010 case, the Alliance for the Wild Rockies challenged a critical habitat designation for the lynx in Maine, Minnesota, Wyoming, Idaho and Washington. The court granted the Alliance's motion for summary judgment, partly because the Service improperly and arbitrarily excluded areas of Montana, Idaho and Colorado from its designation. The court found that the Service failed to apply proper legal standards regarding the goal of habitat designation to its decision.

Earlier this year, the Service announced plans to review its implementation of the Endangered Species Act "to reduce the frequency and intensity of conflicts as much as possible," while making implementation of the ESA "less complex, less contentious and more effective."

Milligan said Service can reduce the intensity of conflict – as well as its vulnerability to lawsuits – by simply doing its homework, using the best available science in its arguments and following the law.

Stacey Aldstadt NEWS RELEASE

City of San Bernardino Water Department

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EXPANSION OF SANTA ANA SUCKER HABITAT THREATENS PROPOSED RECYCLED WATER FACILITY IN THE INLAND EMPIRE

If the U.S. Fish and Wildlife Service requires the cities of Colton and San Bernardino to continue its current discharges into the Santa Ana River, rather than allow some of that water to be diverted to the proposed "Clean Water Factory," it could drive up the proposed facility's operating costs to the point where it is no longer economically feasible, while forcing the Inland region to increase its

dependence on costly imported water that is not always available

SAN BERNARDINO, Calif., Aug. 23, 2011 – Nature has been recycling the Earth's water for millions of years.

But as Southern California faces increasing shortfalls in water supplies – either as a result of population growth, droughts or periodic cutbacks in water deliveries from the Sacramento-San Joaquin Delta and the Colorado River – water agencies have found they can stretch their existing supplies by recycling their own wastewater.

The City of San Bernardino Water Department, in fact, has drawn up plans to recycle as much as 25,000 acre feet of water per year and use it to recharge the Waterman groundwater basin. That's enough water to sustain 100,000 people.

Recycling water through its proposed "Clean Water Factory," the city hopes to build the facility next to its existing wastewater treatment plant and complete the full build-out project by 2020.

But now that the U.S. Fish and Wildlife Service has doubled the critical habitat area for the Santa Ana Sucker, city officials worry that the Service could indirectly derail the project by requiring it to continue its current treated wastewater discharges into the Santa Ana River, rather than allowing some of that water to be redirected to the Clean Water Factory for recycling purposes.

"The Service could require us to continue discharging so much into the Santa Ana River so much recycled water to be discharged that we cannot economically use our recycled water for groundwater recharge," said Stacey Aldstadt, general manager of the City of San Bernardino Water Department.

"This would be a tragedy," she said, "because this is water we need to recharge our groundwater basins. So in their effort to improve habitat for the Sucker, the Fish and Wildlife Service could end up forcing us to import water from 500 miles away. It makes no sense."

The City of San Bernardino has joined 11 other Inland Empire agencies to legally challenge the Fish and Wildlife Service's December 2010 critical habitat decision for the Sucker, which they say was issued in violation of the Endangered Species Act.

The agencies' complaint outlines specific impacts of the critical habitat decision on local water, conservation and flood control agencies throughout western Riverside and San Bernardino counties.

Stacey Aldstadt NEWS RELEASE

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The City of San Bernardino today joined 11 other Inland Empire agencies in filing suit to challenge the Fish and Wildlife Service's December 2010 critical habitat decision for the Sucker, which water agencies allege to be issued in violation of the Endangered Species Act.

The agencies' complaint outlines specific impacts of the critical habitat decision on local water, conservation and flood control agencies throughout western Riverside and San Bernardino counties.

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Ocean wave power projects seek solid footing on West Coast

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A proposal to build a wave-power plant the San Onofre Nuclear Generating Station in North County has generated lots of concerns, but the concept of turning sea swells into energy for human use is advancing in the Pacific Northwest and elsewhere around the world. — Eduardo Contreras



Written by
Mike Lee /h5>

3 p.m., Aug. 15, 2011

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The cancellation of three ocean wave-energy projects in Sonoma County leaves a proposal north of Oceanside as the only one of its kind off California's coast.

There's wide interest in harnessing the ceaseless power of the ocean because so-called hydrokinetic energy facilities could provide a steady source of energy without air pollution or toxic waste.

Ocean energy

Harnessing power from ocean waves or currents has a big upside but it also has could have negative impacts on the ocean environment, according to a 2008 report by Oregon State University and others. Posible problems include:

- Pelagic habitat: Minimizing entanglement of sea turtles in loose lines is crucial and some scientists are concerned about potential effects of electromagnetic fields created by the

Twitter: @sdutLee

Also see »



U.S. boundary agency names local citizen board



Ocean wave power projects seek solid footing on West Coast



UCSD first to estimate radiation release from Japan

But there are so many barriers that the concept hasn't generated much momentum in California despite aggressive state mandates to ratchet up renewable power supplies. To reach commercial production, a wave-energy farm proposed near San Onofre would have to minimize interference with ocean ecosystems, the famous surf break at Trestles and Marine training at Camp Pendleton. Besides that, proponents must prove the technology will work in the corrosive waters of the ocean and navigate a grueling approval process.

"Wave energy is just not quite ready. It's probably a decade away from being commercially viable," said Cordel Stillman, deputy chief engineer at the Sonoma County Water Agency, which mothballed its wave projects this month. "But the motion of the waves is the most compact and dense energy available from a natural source, and it's only a matter of time before we figure out how to harvest that."

Officials at the U.S. Federal Energy Regulatory Commission said no ocean-wave energy facilities in domestic waters are connected to the power grid, though they have issued more than 30 preliminary permits for exploring tidal or wave projects. Also, the Department of Energy has helped fund a renewable marine energy research center shared by Oregon State University and the University of Washington.

Engineers have experimented with numerous methods for transferring ocean pulses into energy for everyday life. They include using devices that move up and down with the waves like pistons and others that look like giant snakes floating atop the waves and producing power as they flex. Some scientists also are exploring ways to capture energy from steady ocean currents that

operations.

- Benthic habitat: Wave-energy facilities likely will affect local currents and that may change the movement of sediment and larvae. Organisms growing on buoys, cables and anchors may alter sandy seafloor environments where they will be placed.
- Fish: Large facilities could affect migration of salmon, crabs, sturgeon, whales and other creatures.
- Seabirds: Above-water structures may attract birds and alter food webs.
- Marine mammals: Mooring cables may lead to animals getting unintentionally snared.



Numerous ways of harnessing the ocean's energy for human use are being tested at a marine energy center at Oregon State University and other spots around the world. — Oregon State University

California Current

The California Current, stretching from British Columbia to Baja California, is one of the world's most important ocean regions and one that is under intense human pressures. Throughout 2011, reporter Mike Lee has been tracking the changes and other pressing issues in and around the

could turn underwater turbines, much like wind does in the San Diego County backcountry.

Asfaw Beyene, a professor of mechanical engineering at San Diego State University, said the Channel Islands and the curvature of the Southern California coastline mean nearshore waves here don't pack as much power as they do to the north. In addition, there's intense competition for ocean resources in Southern California, making it a challenging place to install marine machinery.

Beyene said one prime opportunity is to repurpose existing oil platforms off the state's coastline as combined wave and wind energy centers.

He said the concept should be seen as part of a larger strategy to reduce dependence on fossil fuels. "It has to come as a package: solar here, or wind there, or the waves."

The proposed San Onofre Electricity Farm would sit in about 25 feet of water roughly 2,000 feet offshore at the northern edge of the county, where a small company aims to connect with existing transmission lines that serve the region's only nuclear power plant.

The concept was proposed last year by JD Products in Fountain Valley, which plans to use buckets that fill with water to turn a conveyor belt and transfer wave energy to a flywheel.

Company CEO Chong Kim envisions thousands of those energy-generating devices eventually tethered to the seafloor and poking several feet above the waves. The project would cover about 6 square nautical miles.

current.

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Kim said in an interview that he is a retired engineer from Korea who wants to repay the United States for helping his country during the Korean War. He has detailed mechanical plans but not the millions of dollars it would take to deploy his dream machines on a commercial scale. He's hoping for state and federal grants while he refines his concept under a preliminary federal permit that expires in 2013.

- Steelhead effort sinks in North County

Even if Kim finds the money, it's not clear sailing for his wave farm. Officials at Camp Pendleton have warned that it could infringe on critical training areas for amphibious assaults and the National Marine Fisheries Service has raised concerns about potential damage to federally protected steelhead, marine mammals and turtles.

Startup stumbles are common in the world of wave energy. In early August, federal energy regulators canceled permits for the Sonoma County Water Agency's coastal development sites. Stillman, the engineer, said Sonoma lacked the \$2 million or \$3 million needed to proceed after it lost out on federal grants.

But he said the endeavor gave local leaders experience with the permitting process they can use if grants emerge and the technology advances.

"There are probably 50 companies out there looking to build ... a device that not only would survive out there in the ocean but provide a good rate of return on the investment," he said.

In 2007, Pacific Gas & Electric announced a foray into wave energy exploration on the North Coast where company officials touted the "excellent wave power potential." PG&E pulled the plug on that project last year and in April it suspended work on a related endeavor near Vandenberg Air Force Base. A company spokeswoman said the costs ended up being much higher than expected.

A spokeswoman for San Diego Gas & Electric said it is not developing any wave-energy projects.

The future appears brighter in Washington, where the Snohomish County Public Utility District is pursuing a \$25 million investigation into tidal wave power. District leaders are trying to position the Northwest as a leader in ocean energy much like it is for conventional hydropower by installing two turbines 200 feet deep in the Puget Sound by late 2013.

In Oregon, the university's marine energy center is developing an ocean test site where companies can bring devices for trial runs next year. Program manager Meleah Ashford said several technologies are moving ahead and some could be commercially viable in less than a decade if there's enough money to refine them.

But she said the big questions will be settled by factors outside the control of developers and scientists. "There are space-use issues that seem to be particularly challenging in the U.S." she said. "Who gets the right to use

News

STATE, FEDS TO MOVE AGGRESSIVELY ON DELTA PLAN

By **Alex Breitler**

August 12, 2011

Record Staff Writer

SACRAMENTO - State and federal officials announced Thursday an "aggressive" schedule to complete the Bay Delta Conservation Plan, which would convert tens of thousands of acres of farmland to wetland, and could include the construction of a peripheral canal or tunnel.

They also announced the "potential" for an additional \$100 million from water contractors who rely on Delta water. That money is needed to finish writing the plan; billions more will be needed to actually execute it.

About \$150 million has been spent to date. Over the next month or so, the boards of about 50 water districts will decide if they want to kick in the additional \$100 million, for a total cost of about \$250 million, before a single shovelful of earth is turned.

"It's a large ticket," said Roger Patterson, assistant general manager of the Metropolitan Water District of Southern California, a major urban user of Delta water.

The state had asked the contractors for more money about a year ago, Patterson said Thursday at a meeting updating the public on the progress of the plan.

"We basically said we need to see a road map and a schedule to get us through the rest of the process to the goal line. That has taken some amount of time to do that. But we wanted to see that before we would ask individual boards of directors to make that commitment."

Water contractors are paying for most of the planning process. They'll also pay for the canal or tunnel itself - about \$12.7 billion. What's not clear is who will fund the wetland restoration, which could be an additional \$3.6 billion, Patterson said.

The new schedule calls for a draft conservation plan to be completed by summer 2012. The final plan would be finished by 2013.

This isn't the first time officials have proposed an ambitious schedule to complete the deeply complex plan. The administration of Gov. Arnold Schwarzenegger first aimed to finish the plan in 2010 and begin construction on a new aqueduct in 2011.

The Brown administration has promised a more deliberate and transparent process.

"We've opened up the process to stakeholders, which wasn't the case before," said state Secretary for Natural Resources John Laird. "We're trying to get clear goals. ... We recognize it's an aggressive schedule. If we don't target an aggressive schedule, we will not move."

If successful, the plan would grant 50-year permits to continue exporting Delta water to farms and cities from the Bay Area to San Diego, while also addressing the Delta's suffering ecosystem. A canal or tunnel faces opposition in San Joaquin County, in part because routing freshwater around the Delta instead of through it could make the water saltier and decrease crop production.

Contact reporter Alex Breitler at (209) 546-8295 or abreitler@recordnet.com. Visit his blog at recordnet.com/breitlerblog.

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Future of Delta to be spelled out within nine months

SACRAMENTO

August 11, 2011 2:14pm

- **Government to issue EIR by June 2012**
- **'Take the guess work out of next steps'**

The government is about to tell citizens what's going to happen to the Sacramento-San Joaquin Delta, the largest estuary on the West Coast and the major source of fresh water for more than 23 million Californians.

It is possible that a giant peripheral canal around the Delta or a massive tunnel beneath it could be part of the plan to ship fresh water from the Sacramento River directly to pumps near Tracy to send it south into the San Joaquin Valley, the Bay Area and Southern California.

Currently water to those points first flows through the myriad channels and rivers in the Delta.

The California Department of Water Resources is to identify one project that would serve as the basis for federal and state permit applications and environmental review. "Those alternatives include a variety of conveyance facilities with capacities ranging from 3,000 to 15,000 cubic feet per second," the California Natural Resources Agency says.

A range of proposals for habitat restoration is also under consideration, it says.

A combined environmental impact statement and environmental impact report (EIR/EIS) for the Bay Delta Conservation Plan is to be issued by June 2012, say the U.S. Department of the Interior, the U.S. Department of Commerce, and the California Natural Resources Agency.

The alternatives under consideration by the state for purposes of the BDCP effects analysis will not necessarily be the same as the alternatives considered in the EIR/EIS prepared in compliance with state and federal environmental laws.

In addition, water contractors will be considering financial commitments of varying amounts for the Bay Delta Conservation Plan in the coming months, the state says.

"This is an aggressive schedule that will allow us to move clearly forward with BDCP and take the guess work out of next steps," said California Secretary for Natural Resources John Laird.

"California's complex water problems require science-based solutions developed as part of a close partnership between the federal and state government, as well as all key stakeholders," says Department of the Interior Deputy Secretary David J. Hayes. "We share the state's urgency in moving forward with the BDCP as quickly as possible to address the all-important goals of a healthy Bay Delta ecosystem and a reliable water supply for California."

The public draft BDCP, while still under development, includes a set of actions to redesign and re-operate state and federal water projects in the Delta and to restore native fish, wildlife and plant habitat; and address other ecological stressors in the Delta such as invasive plant species, barriers to fish migration, and predation of native fish, says the Natural Resources Agency.

The BDCP environmental review process is being conducted by five state and federal agencies. The

California Department of Water Resources is the state lead agency, while the Bureau of Reclamation, U.S. Fish and Wildlife Service, and the National Marine Fisheries Service are serving as the federal co-leads.

The state says that the EIR/EIS is also being developed in coordination with the California Department of Fish and Game, the U.S. Environmental Protection Agency, and the U.S. Army Corps of Engineers.

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Interior Department Says Sound Science Needed for BDCP

Submitted by Sarah Langford on Thu, 08/11/2011 - 1:06pm in [Delta Regulatory Affairs](#) [Bay-Delta Conservation Plan](#) [Water News](#)

In an Aug. 10 [letter](#), Interior Deputy Secretary David Hayes restated the federal government's commitment to the Bay Delta Conservation Plan and his agency's dedication to expediting the process.



Responding to a [letter](#) from California Natural Resources Secretary John Laird sent Aug. 9, Hayes underscored the importance of applying sound scientific principles to the BDCP process and establishing a reliable system for resolving outstanding issues.

"A key measure of the overall viability of the schedule will be our collective ability to work through and incorporate into the effects analysis and draft EIS/EIR the various scientific views that exist on the range of subjects covered so that these documents are scientifically sound and legally defensible," he wrote.

View the letter below and a press release [here](#).

Attachment	Size
Hayes Laird BDCP.pdf	37.7 KB

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Toxins troubling in fish caught in local waters

Six-year study is step toward dealing with chemicals in coastal waters

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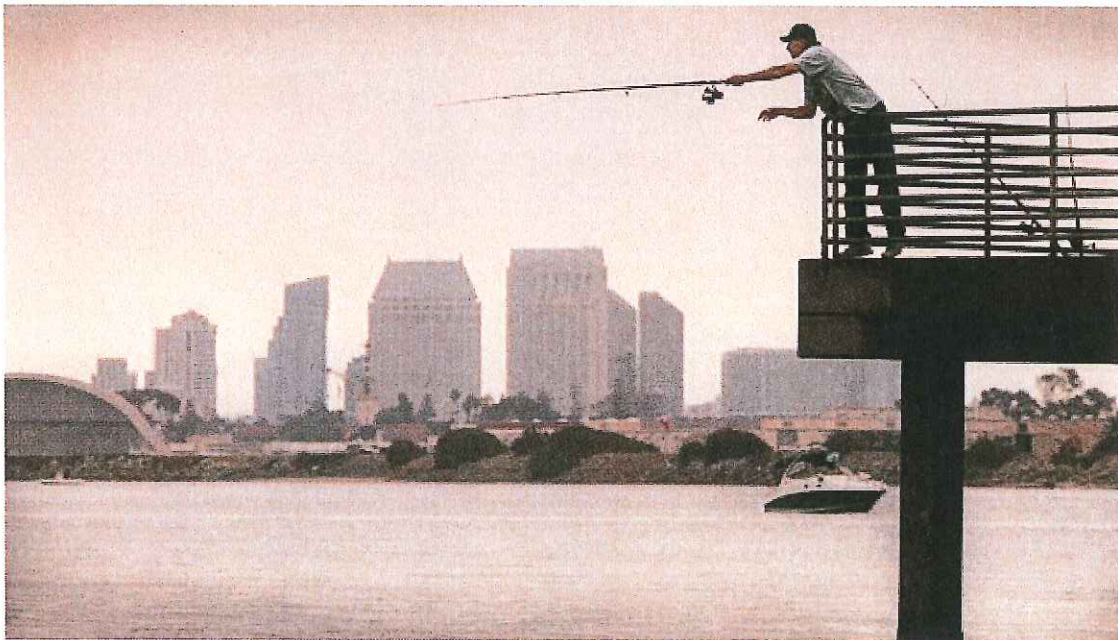
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Harley Keech of El Cajon casts a fishing line into San Diego Bay from the Shelter Island Pier. A new study found contaminant loads higher in fish from the bay than from elsewhere along the county's coast. — Howard Lipin



Written by
Mike Lee /h5>

5:07 p.m., Aug. 14, 2011
Updated 7:36 a.m. , Aug. 15, 2011

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The largest-ever study of toxins in California sport fish shows concerning levels of PCBs and methylmercury at several spots along the San Diego County coastline and elsewhere, the legacy of industrial activity that continues to haunt state waters.

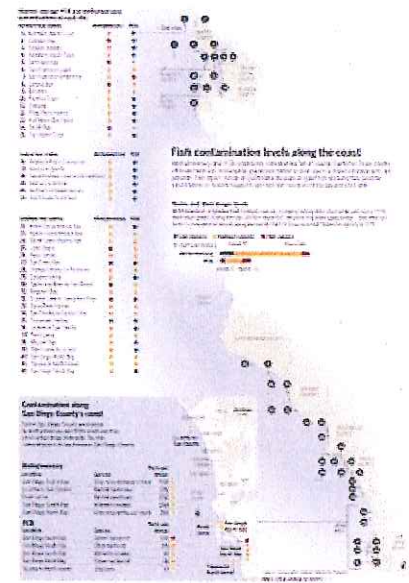
About three-fourths of the 42 spots sampled in California had what state officials called “moderate” degrees of pollution from the two most problematic contaminants, but concentrations at several sites spiked high enough to trigger “no consumption” warnings if more sampling confirms dangerous amounts of the contaminants.

Moderate-to-high levels of pollutants were found in several local species,

and-Environment

Twitter: @sdutLee

including various bass, perch, rockfish and shark. Contaminant loads were heaviest in San Diego Bay, a spot that's long been known as a toxic hot spot much like other industrial and military hubs across the country.



The data are from a \$4.5 million series of studies paid for by the State Water Resources Control Board and the U.S. Environmental Protection Agency. The six-year effort focuses on sport fish because they provide information about human exposure to chemicals and the condition of the aquatic food web. Results from 27 more coastal spots are scheduled to be released next year.

“Before these surveys, we really had no benchmark — mostly just anecdotal information — for where to focus our efforts,” said Dave Clegern, a spokesman for the state water board. “Now we can look toward seeing what the best way to deal with these chemicals may be. In the case of mercury, it’s so heavy many researchers believe the best solution is to let it be so it is eventually buried. PCBs are often regarded the same way, but that may not be the best course everywhere.”

California’s coastal waters are some of the most abundant in the world, thanks to the upwelling of cold waters that bring nutrients

California Current

The California Current, stretching from British Columbia to Baja California, is one of the world’s most important ocean regions and one that is under intense human pressures. Throughout 2011, reporter Mike Lee has been tracking the changes and other pressing issues in and around the current.

Previously

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- Marine scientists focus on forage fish
- Overfishing found for Pacific bluefin, bigeye
- U.S. oceans chief pledges support for fish farming
- Tsunami debris to reach California by 2014

near the surface. But the California Current is under many pressures, such as the changing climate, fishing and pollution.

Contaminants in fish are particularly troublesome for children, people with compromised immune systems and those who eat large quantities of local seafood, a common practice in some ethnic communities. They also are a reminder about the unintended consequences that many 20th-century products created in the environment.

While several contaminants have been reduced in recent decades, toxins continue to linger in wastewater and stormwater, and they become concentrated in humans and other mammals.

“Maybe people don’t eat fish from the bay, but everybody is connected to the food web,” said Laura Hunter, a veteran activist with the Environmental Health Coalition in National City.

She said studies such as the one recently released by the state show that “we are not doing enough to address these issues of legacy pollutants.”

Six years ago, the San Diego Regional Water Quality Control Board proposed removing or capping a relatively small segment of polluted sediment from San Diego Bay. The agency identified copper, mercury, PCBs, arsenic, cadmium, lead and other chemicals of concern.

The cleanup plan still hasn’t been finalized, partly because of objections by companies and agencies on the hook for the bill, but momentum is building for a plan to be adopted by the end of this year.

For the statewide fish study, California scientists looked in fish from metropolitan areas for several pollutants, including dieldrin, DDT, chlordanes and selenium. Most substances were found at low levels, but that wasn’t the case for methylmercury and PCBs.

Methylmercury contamination of coastal waters likely originates from

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multiple sources, including mercury, gold, and silver mining; regional and global emissions into the atmosphere; and wastewater and stormwater. Methylmercury can affect the nervous system in children and adolescents, potentially leading to learning disabilities.

Many of the highest concentrations of methylmercury were found in sharks, which tend to concentrate the substance in their tissue.

PCBs, or polychlorinated biphenyls, are a group of chemicals consisting of more than 200 individual compounds. They can cause cancer, damage the liver and affect development, reproduction and the immune system. They were used widely during the mid-1900s in electrical, industrial and other applications – and they still haven't disappeared, despite being banned by the U.S. Environmental Protection Agency in 1979.

State health officials have urged residents to eat more fish for its health benefits, but they suggest eating different varieties to avoid relying on one that retains lots of chemicals.

They also said people should eat only the fillets, trim visible fat and thoroughly cook seafood before eating it, preferably using a method that allows the juices to drain.

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		<p>Opening August 13th</p>
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The New York Times

August 18, 2011

Another Pollution Battle Looms in Erin Brockovich's Town

By JEREMY P. JACOBS of

Roberta Walker knows a thing or two about water contamination in Hinkley, Calif.

It was Walker, after all, who handed a box full of research on hexavalent chromium in the city's water to a young legal clerk named Erin Brockovich more than 15 years ago.

Walker and Brockovich's successful work tracing the contaminant to a Pacific Gas and Electric Co. (PG&E) facility led to a \$333-million-dollar, class-action settlement in 1996 -- one of the largest of all time -- and inspired the 2000 blockbuster movie bearing Brockovich's name.

That work also explains why Walker was stunned when another Hinkley resident handed her a similar box last December. Despite the settlement, the documents showed PG&E had done little to contain the plume of hexavalent chromium, which U.S. EPA deemed a likely carcinogen in a draft assessment last year.

Walker was even more surprised when she looked at where the plume had been detected. Despite moving 7 miles northeast after the settlement, the plume was only a mile from her new home. Just as before, PG&E began making offers to buy her house. And just as before, PG&E started delivering bottled water every week.

"It's like *deja vu* all over again," Walker said.

And Walker is fighting back, again. She and other Hinkley residents are locked in what appears to be a three-way battle with PG&E and the Lahontan Regional Water Quality Control Board, a chronically underfunded state agency that evaluates and enforces PG&E's cleanup plans.

Tensions between the parties appear to be escalating. Hinkley residents say PG&E is not cleaning up the plume quickly enough and that the water board has been far too lenient with the utility. Walker is also preparing to file another class-action lawsuit. PG&E, which has endured a string of public relations catastrophes in the past year, charges that some of the

residents' and water board's recent demands -- such as delivering clean water for all residents' needs -- are unnecessary.

In an interview, Brockovich called the situation "sad, disappointing, shameful, scary and frustrating." PG&E, she said, had "duped" the state.

"I'm disgusted," she said.

Brockovich also pointed out that the situation in Hinkley raises broader questions about contamination and cleanup. Simply put, if a multimillion-dollar settlement and an Academy Award-winning film aren't enough to spur an effective response, what is?

"This is a huge problem, one that with the economy in such a state that it's in, no one is paying any attention to it," she said. "Somehow, some way, we better find some new ways to do business and oversight."

Carmela Gonzalez, who handed Walker the box of documents last December, first thought something was wrong when her horses stopped drinking the water at her Hinkley property. Gonzalez was familiar with the 1996 settlement, though she was not a part of it.

She started digging for more information at the water board and conducted testing of her and her three neighbors' water. The results, she said, surprised her: The plume had migrated significantly.

Gonzalez took the tests to the water board, and, she said, no one listened to her. She then contacted Walker, hoping she and Brockovich could drum up public support.

"I feel it should be criminal," Gonzalez said.

Lisa Dernbach, who now oversees the PG&E cleanup for the Lahontan water board, said the electric utility was executing a remediation plan approved by her agency following the 2000 movie. During that interim action, she said, the utility appeared to contain the plume to 2 miles.

In 2008, however, Dernbach said PG&E scaled back its cleanup, allowing the underground plume to spread underground, violating the board's cleanup order. The plume is now more than 3 miles long.

Dernbach, according to both Gonzalez and Brockovich, has been much more aggressive with PG&E than her predecessor. When the utility submitted its final cleanup proposal last

September, Dernbach said it wasn't good enough. Since then, they have been locked in a back and forth. The board has set a Sept. 15 deadline for a new plan.

"We've asked for more details on their cleanup proposals and specifically how they are going to be able to stop the plume from migrating each winter as it has since 1991," Dernbach said.

The strength of Dernbach's negotiating position was recently bolstered when California issued the nation's first drinking water standard for hexavalent chromium in July. The California EPA set a public health goal of 0.02 parts per billion (*Greenwire*, July 28).

Though the enforceable standard won't be finalized for several years, Dernbach said her agency will use the same scientific studies to push PG&E for a more thorough cleanup.

"We can still reference those scientific studies," Dernbach said. "That has really changed the game for us. They'll have to meet that new standard."

PG&E 'absolutely committed' to cleanup -- spokesman

PG&E used hexavalent chromium in cooling towers at its Hinkley compressor from 1952 to 1966. The chemical, which fights corrosion in industrial settings, was then discharged into unlined ponds at the site. From the ponds, the chemical spread into groundwater sources in the area.

Jeff Smith, a spokesman for PG&E, acknowledged the company's fault for the contamination and said the company is "absolutely committed" to cleaning up the plume. He added that the company regrets that the relationship with Hinkley residents has become strained.

"With respect to reaching out to the community, there is certainly more that we could have been doing and that's one of the reasons we've been taking these steps in the past few months," Smith said.

Those steps include installing additional monitoring wells to get a better understanding of where the plume is. PG&E has also been participating in the recently created Community Advisory Committee, a panel of PG&E and Hinkley residents, and has upped its property purchase program for residents looking to leave the area because of the contamination.

However, Smith was reluctant to say that the plume has migrated, as Dernbach and Walker charge. He said new testing has revealed more information about the plume.

"What's caused the change in the mapping is we've installed additional wells," he said, while acknowledging that irrigation pumping could have caused some minor movement.

Smith also emphasized cleanup work that PG&E has already done, including planting crops to help convert hexavalent chromium into chromium-3 -- which carries a health benefit. Additionally, the utility is injecting an ethanol-based solution into the ground that also effectively changes the contaminant to chromium-3. The final cleanup proposal will emphasize more of those two tactics.

"The plume is well under way to being remediated," Smith said.

The timing for a flare-up in Hinkley is bad for PG&E. The company is still reeling from the explosion of its natural gas pipeline that killed eight people in San Bruno, Calif., last September. The company also invested \$46 million in a failed ballot measure last year that aimed to complicate local governments' efforts to launch their own utilities.

All of that led the company to hire Anthony Earley of Michigan's DTE Energy to be its new CEO, starting next month. It is the first time PG&E has hired an outsider to lead the company.

'Very ugly, very disappointing, very depressing'

For Elaine Kearney, the negotiations and cleanup are almost beside the point.

Kearney, 64, began visiting Hinkley in the late 1970s when her sister bought 10 acres in the area. Her family drove to the desert town every weekend and brought bottled water home with them because she "thought it was good fresh water."

In the mid-1980s, Kearney bought a neighboring property. Her family finished a 3,000-square-foot house there in 1995.

Fifteen years later, most of her family is very ill. One of her daughters has advanced cancer. Her other daughter has had five miscarriages, ovarian cysts and an autistic child. She also has a dog that is covered in tumors.

Kearney now suffers from heart disease and has been in and out of the hospital from many strokes. The strokes have become so routine, she said, that she often doesn't even go into the hospital anymore.

"I'm not the same person I was," she said.

She knows that it is difficult to assign blame for her family's many health problems. But she can't help but return to the Hinkley water.

And her house, Kearney said, is "absolutely worthless."

"We can't sell it," she said. "We can't walk away or we'll lose a chance at a settlement." She added that she has seen houses less than a mile away being bulldozed after PG&E bought them.

Frustrated, Kearney criticized both the water board for being too lenient and PG&E because "they never fixed anything."

"Hello, we're sick, our children are sick, our grandchildren are sick," Kearney said. "It's very ugly, very disappointing, very depressing."

To Brockovich, Kearney's situation shows why more must be done.

"I feel really bad. I also thought that after the lawsuit, and certainly after the movie, they'd clear this up," she said. "But they didn't. They did the same thing right under our noses."

"This didn't happen yesterday," she added. "This has been going on and covered up again for years."

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Calif. would be first state to ban foam containers

By SHEILA V KUMAR, Associated Press – 1 day ago

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SACRAMENTO, Calif. (AP) — Restaurant owner Gary Honeycutt says a push in California's state Legislature to ban the plastic foam containers he uses to serve up takeout meals could cost him thousands of dollars in an industry where profit margins already are razor thin.

BJ's Kountry Kitchen, in the heart of California's farm country, uses about 26,000 of the 9-inch foam clamshells a year, mostly for takeout by the customers who come in for the restaurant's popular breakfast omelets.

"We put cheese on those omelets. And when we put the cheese on, it's really hot and bubbly and it goes right through the biodegradable stuff," he said. He expects his costs would more than double if the state requires him to use only biodegradable cartons.

The bill by Democratic state Sen. Alan Lowenthal, would prohibit restaurants, grocery stores and other vendors from dispensing food in expanded polystyrene containers, commonly known as Styrofoam, beginning in 2016. If signed into law, the measure would make California the first to institute a statewide ban on such containers. More than 50 California cities and counties already have similar bans

The bill would exempt school districts and city and county jurisdictions if they implemented programs that recycled more than 60 percent of their foam waste.

Lowenthal said litter from the foam containers is one of the most abundant forms of debris found in city streets, sewers and beaches.

"It's not biodegradable, it's not compostable, and if it's in the water for a long time, it breaks up into small beads and lasts for thousands of years. It costs millions to clean up beaches," he said.

San Francisco banned polystyrene containers in 2007, but the city's ingrained emphasis on conservation made the switch relatively easy, said Rob Black, executive director of the Golden Gate Restaurant Association.

"I do know that many of the restaurants had already started a transition to compostable or biodegradable containers, so it was actually not as big of a transition as people might think because it was already something that was happening within the culture here," he said.

Other jurisdictions across the country have banned Styrofoam, including Suffolk County in New York and the coastal city of Freeport, Maine.

Opponents of the bill say it fails to address the root cause of litter — the litterers themselves. Litterbugs will toss out the containers whether they're made of polystyrene or biodegradable cardboard, said Michael Westerfield, corporate director of recycling for Dart Container.

"At the end of the day, people that litter don't care what type of product they're littering," he said.

Dart, one of two companies in California that make the Styrofoam products, employs about 600 people in the state. The company already makes the biodegradable alternative, but the two California plants are incapable of producing anything other than the Styrofoam material.

"If you get rid of manufacturers like Dart, how do you know all the alternative materials will come from California? The reality is, they won't," he said.

The California Chamber of Commerce has labeled the measure as one of its "job-killer bills," saying it threatens manufacturing jobs while increasing costs for restaurants that will have to spend more on alternative containers.

Honeycutt estimates he will have to spend more than twice as much on biodegradable containers if he is forced to switch. Because hot food melts through the cardboard, he said his Fresno restaurant will have to use two cardboard packages for every order, driving costs up even further.

"That doesn't seem too smart," he said.

The hot food in Styrofoam containers is just one of the reasons Clean Water Action, a national environmental advocacy group based in Washington D.C., decided to sponsor the bill, said Miriam Gordon, the group's California state director.

While the group is worried about litter's impact on the environment, the chemicals used to manufacture the foam products also are dangerous to consumers.

"We're concerned about the public health threat. A typical foam container leaches styrene when it's in contact with heat, fats, grease or acids," Gordon said.

Styrene, a chemical used to make the foam containers, was listed as "reasonably anticipated" to be a human carcinogen in the U.S. Department of Health and Human Services' Report on Carcinogens, issued in June. The report lists substances that are reasonably anticipated or known to put people at risk for cancer.

Yet the danger of styrene leaching out is low, said John Bucher, associate director of the National Toxicology Program, a division of the federal agency.

"The risks, in my estimation, from polystyrene are not very great," he said. "It's not worth being concerned about."

Tim Shestek, senior director of state affairs at the American Chemistry Council, agreed and said concern about negative health effects "is not supported by scientific information." The group, based in Washington, D.C., is lobbying against the bill.

SB568 was approved in June by the state Senate and is being considered in the Assembly.

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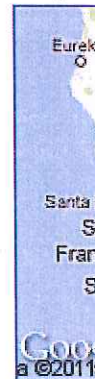
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Federal judge disagrees on delta smelt plan

Ruling has bright points for environmentalists, farmers.

Posted at 10:51 PM on Wednesday, Aug. 31, 2011

By John Ellis / The Fresno Bee

A federal judge in Fresno on Wednesday took issue with a federal government effort to push encroaching salt water back in the Sacramento-San Joaquin Delta to help the threatened delta smelt.

U.S. District Judge Oliver W. Wanger, however, didn't totally scrap the effort.

Instead, he found that there is support to keep encroaching saltwater west of the confluence of the Sacramento and San Joaquin Rivers.

Both environmentalists and advocates for farmers and other water users found something to like in the ruling.

"We're not happy with the change in location because the [smelt] is on the brink of extinction," said Trent Orr, an attorney with the environmental group Earthjustice.

But, he said, Wanger also didn't "reject the concept" that it is necessary to push back encroaching salt water to protect the smelt.

The politically conservative Pacific Legal Foundation, however, praised the decision. The PLF was not involved in this legal battle, but has been part of other efforts on federal regulation of the delta smelt.

"Once again, federal regulators wanted to severely curtail water deliveries into Central and Southern California, but they didn't make a solid scientific case that the cutbacks were needed to help the delta smelt," PLF staff attorney Brandon Middleton said in a release.

Federal authorities had sought to push the encroaching salt water back to a point about 46 miles from the Golden Gate Bridge. Instead, Wanger's ruling pegged the spot at no closer than around 49 miles from the Golden Gate.

The change in location, Wanger's decision says, will "significantly reduce the water supply impact" to urban and agricultural water users.

Wanger also found the federal government failed to consider the National Environmental Policy Act when setting the saltwater encroachment line.

Federal officials, Wanger wrote, "completely abdicated their responsibility to consider reasonable alternatives" to the plan, which "would not only protect the species, but would also minimize the adverse impact on humans and the human environment."

Water users that depend on the delta had pointed out that Wanger had already invalidated a smelt management plan – known as a "biological opinion" – and in doing so, specifically cited the fall water release for the smelt as an area that needed reworking by the U.S. Fish and Wildlife Service.

Court documents filed by the water users said the proposed action on behalf of the smelt would cut 850,000 acre feet of water deliveries to the State Water Project.

Environmentalists, however, said in court papers that in this wet year, water contractors were still "trying to stop fish protections."