



# CHINO BASIN WATERMASTER



## NOTICE OF MEETINGS

**Thursday, April 12, 2012**

9:00 a.m. – Appropriative Pool Meeting

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

1:30 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, April 12, 2012

9:00 a.m. – Appropriative Pool Meeting

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

**1:30 p.m.** – Agricultural Pool Meeting

## AGENDA PACKAGES



**CHINO BASIN WATERMASTER  
APPROPRIATIVE POOL MEETING**

9:00 a.m. – April 12, 2012

**WITH**

*Mr. Marty Zvirbulis, Chair*

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

**A. MINUTES**

1. Minutes of the Appropriative Pool Meeting held March 8, 2012 (*Page 1*)
2. Minutes of the Special Confidential Appropriative Pool Conference Call Meeting held March 13, 2012 (*Page 9*)
3. Minutes of the Special Confidential Appropriative Pool Conference Call Meeting held March 21, 2012 (*Page 11*)
4. Minutes of the Special Confidential Appropriative Pool Conference Call Meeting held March 26, 2012 (*Page 13*)

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of February 2012 (*Page 27*)
2. Watermaster VISA Check Detail for the month of February 2012 (*Page 39*)
3. Combining Schedule for the Period July 1, 2011 through February 29, 2012 (*Page 43*)
4. Treasurer's Report of Financial Affairs for the Period February 1, 2012 through February 29, 2012 (*Page 47*)
5. Budget vs. Actual Report for the Period July 1, 2011 through February 29, 2012 (*Page 51*)

**C. WATER TRANSACTION**

1. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the City of Upland. The transfer will be made first from the City of Upland's under-production in Fiscal Year 2011-12, then any additional from storage. Date of Application: March 26, 2012 (*Page 59*)
2. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from Monte Vista Irrigation Company. The transfer will be made from Monte Vista Irrigation Company's Excess Carryover Account. Date of Application: March 26, 2012 (*Page 69*)

3. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from Monte Vista Water District. The transfer will be made from Monte Vista Water District's Excess Carryover Account. Date of Application: March 26, 2012 *(Page 79)*
4. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the Santa Ana River Water Company. The transfer will be made first from the Santa Ana River Water Company's under-production in Fiscal Year 2011-12, then any additional from storage. Date of Application: March 26, 2012 *(Page 89)*
5. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the City of Chino. The transfer will be made from the City of Chino's Excess Carryover Account. Date of Application: March 26, 2012 *(Page 99)*
6. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 16.394 acre-feet of water from Aqua Capital Management. The transfer will be made from Aqua Capital Management's Local Storage Account. Date of Application: March 26, 2012 *(Page 109)*
7. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 16.394 acre-feet of water from Auto Club Speedway. The transfer will be made from Auto Club Speedway's Local Storage Account. Date of Application: March 26, 2012 *(Page 119)*

## II. BUSINESS ITEMS

### A. WATERMASTER INVESTMENT POLICY

Consider Approval of the Amended Watermaster Investment Policy to Include Investment Trust of California (CalTRUST) - *(Page 129)*

### B. WATERMASTER RESOLUTION 12-04 APPROVING MEMBERSHIP IN THE ACWA JOINT POWERS AUTHORITY

Consider Approval of Resolution 12-04 Approving Membership in the ACWA Joint Powers Authority, Consenting to Join the Health benefits Program of the ACWA Joint Powers Insurance Authority, Ratifying the Action of the ACWA Health Benefits Authority Board of Directors to Terminate the Health Benefits Authority Joint Powers Agreement and Authorizing and Directing the Chino Basin Watermaster to Execute All Necessary Documents *(Page 137)*

### C. OLD BUSINESS

## III. REPORTS/UPDATES

### A. LEGAL REPORT

1. Restated Judgment
2. Extension of Time for San Sevaine Project State Water Resources Control Board Permit 20753
3. Paragraph 31 Motion

### B. CEO/STAFF REPORT

1. Recharge Master Plan Update/Storage Issues Review Process
2. OBMP Semi Annual Status Report 2011-2 *(Page 149)*
3. Fiscal Year 2012/2013 Watermaster Budget

## IV. INFORMATION

1. Cash Disbursements for March 2012 *(Page 157)*

## V. POOL MEMBER COMMENTS

### A. JURUPA COMMUNITY SERVICES DISTRICT PRESENTATION

1. Hydrologic Imbalance in Management Zone-3 of the Chino Basin *(Page 169)*

## 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. Appropriative Pool Special Assessment in the amount of \$70,000 for expenses related to Paragraph 31 Motion

**VIII. FUTURE MEETINGS AT WATERMASTER**

Thursday, April 12, 2012	9:00 a.m.	Appropriative Pool Meeting
Thursday, April 12, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Mtg.
Thursday, April 12, 2012	<b>1:30 p.m.*</b>	Agricultural Pool Meeting
Thursday, April 12, 2012	2:30 p.m.	Special Confidential WM Board Meeting
Thursday, April 19, 2012	8:00 a.m.	IEUA DYY Meeting
Thursday, April 19, 2012	9:00 a.m.	Advisory Committee Meeting
Thursday, April 19, 2012	10:00 a.m.	CB RMPU Steering Comm. and Storage Mtg.
Thursday, April 26, 2012	9:00 a.m.	Land Subsidence Committee Meeting
Thursday, April 26, 2012	11:00 a.m.	Watermaster Board Meeting

**\* PLEASE NOTE: THE AGRICULTURAL POOL HAS CHANGED THEIR REGULAR MEETING TIME FROM 2:00 P.M. TO 1:30 P.M.**

**Meeting Adjourn**

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

11:00 a.m. – April 12, 2012

**WITH**

*Mr. Bob Bowcock, Chair*

*Mr. Brian Geye, Vice-Chair*

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

**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 - ROUTINE**

**A. MINUTES**

1. Minutes of the Non-Agricultural Pool Meeting held March 8, 2012 *(Page 15)*

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of February 2012 *(Page 27)*
2. Watermaster VISA Check Detail for the month of February 2012 *(Page 39)*
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**C. WEST VENTURE DEVELOPMENT**

Discussion and Possible Action on Water Rights *(Page 145)*

**III. REPORTS/UPDATES**

**A. LEGAL REPORT**

1. Restated Judgment
2. Extension of Time for San Sevaine Project State Water Resources Control Board Permit 20753
3. Paragraph 31 Motion

**B. CEO/STAFF REPORT**

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**A. JURUPA COMMUNITY SERVICES DISTRICT PRESENTATION**

1. Hydrologic Imbalance in Management Zone-3 of the Chino Basin *(Page 169)*

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**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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AGRICULTURAL POOL MEETING**

**1:30 p.m.** – April 12, 2012

**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**

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**Meeting Adjourn**

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# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Appropriative Pool Meeting held on March 8, 2012
2. Special Confidential Appropriative Pool Meeting held on March 13, 2012
3. Special Confidential Appropriative Pool Meeting held on March 21, 2012
4. Special Confidential Appropriative Pool Meeting held on March 26, 2012



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

March 8, 2012

The Appropriative Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on March 8, 2012 at 9:00 a.m.

**APPROPRIATIVE POOL MEMBERS PRESENT**

Marty Zvirbulis, Chair  
Dennis Mejia  
Rosemary Hoerning  
Raul Garibay  
Ron Craig  
Dave Crosley  
Justin Scott-Coe  
Van Jew  
Sheri Rojo  
Josh Swift  
Tom Harder  
Geoff Kamansky  
Ben Lewis  
Charles Moorrees  
J. Arnold Rodriguez

Cucamonga Valley Water District  
City of Ontario  
City of Upland  
City of Pomona  
City of Chino Hills  
City of Chino  
Monte Vista Water District  
Monte Vista Irrigation Company  
Fontana Water Company  
Fontana Union Water Company  
Jurupa Community Services District  
Niagara Bottling Company  
Golden State Water Company  
Santa Antonio Water Company  
Santa Ana River Water Company

**Watermaster Board Members Present**

Paula Lantz

City of Pomona

**Watermaster Staff Present**

Ken Jeske  
Danielle Maurizio  
Joe Joswiak  
Gerald Greene  
Sherri Molino

Interim CEO  
Senior Engineer  
Chief Financial Officer  
Senior Environmental Engineer  
Recording Secretary

**Watermaster Consultants Present**

Brad Herrema  
Andy Malone

Brownstein, Hyatt, Farber & Schreck  
Wildermuth Environmental Inc.

**Others Present**

Rick Hanson  
Mike Maestas  
Jo Lynne Russo-Pereyra  
Sandra Rose  
Mark Kinsey  
Craig Miller  
Ryan Shaw  
Eunice Ulloa  
Curtis Paxton

Three Valleys Municipal Water District  
City of Chino Hills  
Cucamonga Valley Water District  
Monte Vista Water District  
Monte Vista Water District  
Inland Empire Utilities Agency  
Inland Empire Utilities Agency  
Chino Basin Water Conservation District  
Chino Desalter Authority

Chair Zvirbulis called the Appropriative Pool Meeting to order at 9:02 a.m.

**AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to the agenda.

**I. CONSENT CALENDAR****A. MINUTES**

1. Minutes of the Appropriative Pool Meeting held February 9, 2012
2. Minutes of the Special Confidential Appropriative Pool Meeting held February 7, 2012
3. Minutes of the Special Confidential Appropriative Pool Meeting held February 16, 2012

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of January 2012
2. Watermaster VISA Check Detail for the month of January 2012
3. Combining Schedule for the Period July 1, 2011 through January 31, 2012
4. Treasurer's Report of Financial Affairs for the Period January 1, 2012 through January 31, 2012
5. Budget vs. Actual Report for the Period July 1, 2011 through January 31, 2012

**C. WATER TRANSACTION**

1. **Consider Approval for Notice of Sale or Transfer** – The lease and/or purchase of 2.372 acre-feet of water from San Antonio Water Company to Monte Vista Water District as a method of utilizing its SAWCO shares. This lease is made first from San Antonio's net underproduction in FY 2011-2012, with any remainder to be recaptured from storage. Date of application: February 9, 2012
2. **Consider Approval for Notice of Sale or Transfer** – The lease and/or purchase of 500.000 acre-feet of water from San Antonio Water Company to Monte Vista Water District. This lease is made first from San Antonio's net underproduction in FY 2011-2012, with any remainder to be recaptured from storage. Date of application: February 14, 2012

*Motion by Moorrees, second by Hoerning, and by unanimous vote*

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

**II. BUSINESS ITEMS****A. MATERIAL PHYSICAL INJURY ANALYSIS**

Mr. Jeske stated Watermaster received an application from the City of Ontario and staff has asked that a Material Physical Injury Analysis be performed. Mr. Jeske noted this is similar to the Material Physical Injury Analysis that was on the agenda recently for several historical applications. Mr. Jeske stated Mr. Malone is here today and can answer any questions; however, the Material Physical Injury Analysis does not show any injury. Chair Zvirbulis stated he just had a conversation with Ms. Hoerning this morning and questions were raised about recent conversations regarding storage and those types of discussions. Chair Zvirbulis stated although those meetings have not yet started, he has had conversations with Mr. Jeske regarding developing an agenda and priorities related to those discussions. Chair Zvirbulis stated taking action on this item today does not mean the need has been dismissed, there is a need to continue discussions on issues related to storage, and those meetings will begin shortly. Mr. Craig inquired about the other seven applications, if they have they gone through the Material Physical Injury Analysis. Mr. Jeske stated yes, they have been done. Mr. Scott-Coe inquired if there were any issues with other applications for water that is being stored, particularly recycled water being stored by Inland Empire Utilities Agency (IEUA), but they don't have storage agreements, or is that going to be resolved in those upcoming discussions. Mr. Scott-Coe inquired if there are going to be more applications like this forthcoming. Mr. Jeske stated he cannot answer question number two, that is up to each individual agency. Mr. Jeske stated on the first question, it did not show any injury; however, there was one exception and that was on the City of Upland's application, which did not include the City of Upland discharging recycled water. Mr. Jeske stated all of the recycled water through IEUA has been addressed as part of their permit process. Mr. Jeske offered further comment on this matter. Mr. Craig stated the City of Chino Hills was going to do something similar. Mr. Craig stated it is confusing to him because the City of Chino Hills already has a storage agreement, and noted this needs to be worked out. Mr. Jeske stated instead of everyone scrambling to do paperwork, maybe the parties should wait and just work through this as a group on policies with the recognition that the

doors will be open based on the results that come forward on policies. Mr. Jeske offered further comment on this matter. Ms. Rojo stated when the City of Upland brought their applications forward it was for both recharge and for storage and then we split those two out and said let's just put the storage portion on the shelf and approve the application for recharge. Chair Zvirbulis stated this isn't an approval of storage; this is just the Material Physical Injury. Chair Zvirbulis stated maybe what we can do over the course of this next month is get that first meeting together on issues related to storage. Chair Zvirbulis stated he and Mr. Jeske can work out a schedule for that meeting. Mr. Jeske stated he would schedule that meeting. Ms. Hoerning offered comment on recycled water and the storage matter. Chair Zvirbulis stated we need to start that conversation and collectively decide how to proceed. Mr. Crosley stated it was his understanding that what we are contemplating on having, which might end up being a series of discussions, to reveal the deficiencies in our documentation. Mr. Crosley stated we really don't know what we need to paper yet, and there is some question about what the limits are and what the limits actually apply to. Mr. Crosley stated he really does not know what he is submitting an application for at this point, and he is concerned that there is a notion out there about first in time practice, which could end up as a race. Mr. Moorrees inquired as to how much storage has been applied for. Mr. Jeske stated slightly over 100,000 acre-feet. A discussion regarding this matter ensued. Chair Zvirbulis stated we need to start these conversations promptly.

*Motion by Moorrees, second by Craig, and by unanimous vote*

***Moved to receive and file the Wildermuth Environmental Material Physical Injury Analysis on the City of Ontario Application for Local Storage Agreement, as presented***

**B. WATERMASTER ANNUAL AUDIT FISCAL YEAR 2010/2011**

Mr. Jeske stated every year Watermaster has an audit performed; however, this year a different auditor was used. Mr. Jeske stated audits are commissioned by, and work for, the governing Board. Mr. Jeske stated this item was on the Watermaster Board's agenda at their last meeting which included a presentation by Charles Z. Fedak & Company, and this is now coming back through the process. Mr. Jeske stated it was a good audit report and it did not have any exceptions to the audit report. Mr. Scott-Coe inquired if there could be more comments on the impact of Watermaster's limitation under the Judgment as far as the ownership of assets is concerned in the auditing process. Mr. Scott-Coe inquired that if, in the future, we could see the auditing process and be able to address the difference between Watermaster and other agencies, as far its success in achieving increased assets, as opposed to what it says in the Judgment concerning the limitation of Watermaster to actually retain real property and limited assets – it was noted this was a comment first made by Mr. Geoffrey Vanden Heuvel at the last Watermaster Board meeting. Mr. Jeske stated unfortunately he was not at the Board meeting where the detailed presentation was given and comments were received. Mr. Scott-Coe stated it was discussed regarding Watermaster returning the reserves to the Appropriators which will look like a real big loss and Watermaster will not look like a successful organization because of that. Mr. Joswiak stated if you go back and historically look, the operations has always shown a profit or loss depending upon what operations have taken place, with either high or low revenues. Mr. Joswiak stated the auditors are willing to look at this, but historically it has always been shown as profit or loss; staff can work with the auditors to come up with the terminology that is more appropriate for Watermaster. Mr. Joswiak stated staff can also include internal notes in the management report for clarification. Mr. Jeske stated Watermaster's success is in water and not in dollars, and year end audits are accounting reviews, and not performance reviews of whether it makes a profit or a loss. Mr. Jeske offered final comments on the actual audit performed for Watermaster.

**Moved to receive and file the Watermaster Annual Audit Fiscal Year 2010/2011 with no opposition**

**C. PROPOSED SUPPLEMENTAL ORDER FOR RESOLUTION 2010-04**

Mr. Jeske stated several months ago there was a lengthy process to come up with a resolution regarding the Chino Creek Well Field and the Chino Desalter Authority (CDA), and those were filed with the court at its last hearing. Mr. Jeske stated after that time there were some parties, particularly in the Agricultural Pool, that expressed concern as to whether or not it adequately protected the right of individual private well owner; a resolution to that effect has been negotiated and prepared, and is now ready to be filed with the court. Mr. Jeske stated the action would be to approve the proposed supplemental order and recommend to the Watermaster Board moving forward with the filing; it will be filed jointly with other filings. Mr. Craig inquired if this has been coordinated with CDA counsel. Mr. Jeske stated yes, it has.

*Motion by Harder, second by Moorrees, and by unanimous vote*

***Moved to approve the recommendation to forward this item to the Watermaster Board for the Order for Resolution 2010-04, as presented***

**D. PROPOSED CASH RESERVE POLICY**

Mr. Jeske stated there have been discussions on cash reserves, which included the return of excess cash for the past few years. Mr. Jeske stated each one of the Pools, the Advisory Committee, and the Watermaster Board all suggested staff put together a workshop type meeting and that was done. Mr. Jeske stated that meeting was held to discuss policies that Watermaster would need; Watermaster does not currently have a policy on reserves. Mr. Jeske noted several good comments were received at that meeting, and there were a number of parties there and their input was valuable. Mr. Jeske stated the finance director from the City Of Chino brought up some very good points. Mr. Jeske stated that Watermaster has initiated this year the return of excess reserves, and with this policy we will define the reserve levels, and then every year Watermaster will be returning the reserves to the parties. Mr. Jeske stated this puts into position that everything that isn't spent is returned every year within the policy guidelines, so there is not as much of an impact to the parties. Mr. Jeske stated if Watermaster is earning a different amount on the reserve funds that are held than what the individual parties may be earning, it is really an Investment Policy and not a Reserve Policy, and the City of Chino's finance director suggested that the parties may want to look at the Investment Policy and expand the ability to be a bit more aggressive in its investments than our current policy allows us. Mr. Jeske offered further comment on the discussions which took place at that meeting. Mr. Jeske stated the group did not give staff a firm direction and said that Watermaster should divide operating reserves into administrative and OBMP, as they currently are, and then instead of the current 30% of annual budget, Watermaster should keep somewhere between 10% and 15%. Mr. Jeske stated when looking at the expenditures and the categories in those two areas, staff recommends a 10% contingency operating reserve on the administrative side and a 15% on the OBMP side. Mr. Jeske stated staff also needs reserves for six months, and that practice has been done for many years. Mr. Jeske stated if this Committee decides, it can be included in your motion to ask staff to re-review its current Investment Policy. Mr. Crosley inquired as to the time frame for reviewing the Investment Policy and having the discussions with the interested parties. Mr. Jeske stated at your direction. Mr. Crosley stated he would like to make a motion to approve the recommended Reserve Policy and to direct staff to initiate discussions with the stakeholders to take a look at the Investment Policy. Mr. Scott-Coe stated Monte Vista Water District (MVWD) has a concern with section 4.17.9 regarding preemptive replenishment water purchases. Mr. Scott-Coe stated it was their understanding that preemptive replenishment purchases is still a concept under discussion and when the parties passed the Preemptive Replenishment Agreements with parties, that those were created as a non-precedent setting agreements, and that was going to be discussed with the storage discussions as well as the Recharge Master Plan Update. Mr. Scott-Coe stated MVWD has concerns about preemptive replenishment as a concept and would like to express those concerns through that process. Mr. Scott-Coe stated MVWD feels it is premature to add a concept that has not yet been developed as a policy under Watermaster, within this presented policy. Chair Zvirbulis stated he had this conversation with Mr. Jeske prior to this meeting, and in rereading that language his thought might be to consider striking that language. A lengthy discussion regarding the matter of striking that language, the

matter of losses, and this item ensued. Mr. Scott-Coe stated he would like to recommend striking section 4.17.9 from the policy. Mr. Crosley stated the recommendation is acceptable to the maker of the motion and Ms. Rojo stated that was acceptable also.

*Motion by Crosley, second by Rojo, and by unanimous vote*

***Moved to approve Reserve Policy, direct staff to get together and look at the Investment Policy, and to strike 4.17.9 from the Policy, as presented***

#### **E. WATERMASTER RESTATED JUDGMENT**

Mr. Jeske stated this item is the approval of the Watermaster Restated Judgment as the official copy. Mr. Jeske stated this has been submitted to the court already but not as the official copy. Mr. Jeske noted there was some disagreement between the Pools as to whether or not to submit it as an official copy; however, after the court hearing the judge ordered it to be resubmitted as an official copy and there have been no changes made since the October hearing on the document. This is in accordance with the orders of the judge to have it resubmitted, which needs the approval to go through the Watermaster process. Mr. Jeske stated if there are questions Brad Herrema is here from Brownstein to answer them, and he will typically be the new person to direct questions of this nature to at the Pool meetings. Mr. Jeske introduced Counsel Herrema. Mr. Garibay inquired to the particular label of "official copy" and of what significance that title holds. Mr. Jeske offered the history on this item, and noted in the past there was the Judgment and then numerous amendments added to it in a book format. Mr. Jeske stated the official copy is the court ordered Judgment document which provides all the amendments into one official copy. Counsel Herrema stated this will effectively replace the existing Judgment and be considered the Judgment itself going forward, which includes the Judgment and then all of the changes that had been ordered by the court to be made to the Judgment. Counsel Herrema stated attached to the agenda item is a small portion of the court transcript from the October hearing where the court asked that this be done. Mr. Garibay inquired if people refer to the Judgment they will then be referring to the 2011 Judgment and not the 1978 Judgment. Counsel Herrema stated that is correct. Mr. Scott-Coe inquired once this goes through the Watermaster process, what happens then as far as going to the court. Counsel Herrema stated there is a draft motion to the court for the approval which is included in the agenda package. Counsel Herrema stated there is a court hearing already set for June of this year, which will also include other filings. Mr. Scott-Coe inquired if counsel and staff believed that this is exactly and what the judge was looking for, just this Restated Judgment. Counsel Herrema stated at this point the court has only asked for a Restated Judgment. Counsel Herrema stated Brownstein is also working on the annotated Judgment, and the draft of that will be brought through the Watermaster process in April. Mr. Scott-Coe asked if the work on the annotated Judgment has been started. Counsel Herrema stated yes, and a draft of that will be submitted in April. Mr. Scott-Coe stated he was not aware that process had been started. Mr. Crosley stated it is his recollection that when this process was started several months ago, the parties identified three different work efforts; 1) the Restatement Judgment, 2) annotated work product, and 3) more of an interpretative, and perhaps the start of the negotiation of what the first 2 pieces say, because we expect there might be some difference of opinions. Mr. Crosley stated he recalls the group met and discussed this, and they indicated they were in favor of moving forward with the first two pieces but not the third. Chair Zvirbulis stated he does not recall that and would have to go back and check his records. Mr. Scott-Coe thought it was his understanding that the first piece would be done, which was the minimal amount that the court was looking for, and then we would come back to discuss whether to move forward with the annotated phase; he was not aware it was authorized to move forward with the annotated phase. Chair Zvirbulis stated he thinks what changed at the last hearing was that it was clarified by the judge that he wanted the Restated Judgment to be the official copy and to replace the 1978 Judgment. Chair Zvirbulis offered further comment on this matter. Ms. Hoerning stated she thought counsel was looking at this one more time, because the change from being it being a reference document to the superseded Judgment document obviously has some potentially significant impacts. Mr. Jeske stated what was submitted was fully vetted and reviewed with all the parties and a lot of work went into preparing this Restated Judgment in making sure everybody had it right and that it was

stated what was submitted was fully vetted and reviewed with all the parties and a lot of work went into preparing this Restated Judgment in making sure everybody had it right and that it was cross-referenced properly. Mr. Jeske stated this includes all the court ordered changes that have occurred over the years. Mr. Jeske stated the reference document is the annotated version that references back and forth between the different agreements, and many of the components in those agreements were not amendments to the Judgment, they were court orders, and only the amendments to the Judgment are here. Mr. Jeske stated the third element, and he noted he was not in that meeting to try to offer opinion on what some of those agreements said, and the parties decided to set that part of it aside just to work on the reference document. Mr. Kinsey stated he thought the approach that we all agreed to was to take the minimal approach and to do just what the court asked Watermaster to do, which is the Restated Judgment, and all the parties that have seen it are happy with it. Mr. Kinsey stated his concern, as we start talking about an annotated version would be from a timing standpoint, as to when we want to start this because everybody is going to want to check it to make sure that it is all encompassing and contains the full range of annotations of both the Peace Agreement and the Peace II Agreement that tells the full story and doesn't tilt in interpretation. Mr. Kinsey stated once that process starts it is going to take time, attorneys are going to get involved, and we already have a full plate with the Recharge Master Plan, storage, and getting ready for our next court hearing, so if we add another item to this already full schedule we run the risk of losing focus on those things which are most important to us. Mr. Kinsey stated the judge did say, even on this document, he recognized we are busy and to do this at a time when we are not as busy. Mr. Kinsey stated maybe it would be best that we do this when other items are accomplished so as to give the annotated version our full focus. Mr. Jeske stated it is his understanding there is a substantial first draft already done and what he is hearing is the parties want to proceed with recharge and storage issues, and then the annotated Judgment in that order, and that is not part of this motion. Mr. Garibay asked if this is going to be posted only after the judge approves it and counsel Herrema stated no, and that the draft is already posted on the Watermaster ftp site.

*Motion by Garibay, second by Mejia, and by unanimous vote*

***Moved to approve the Restated Judgment as the "Official" copy of the Judgment, as presented***

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

#### **A. ENGINEERING REPORT**

##### **1. Extensometer Progress**

Mr. Malone stated Watermaster is getting ready to install a sophisticated monitoring facility to monitor land subsidence that might be associated with Desalter pumping. Mr. Malone gave the Extensometer Progress presentation in detail. Mr. Malone stated installation will begin in April and it will be finished before the end of the fiscal year. Mr. Malone reviewed several maps in detail. Mr. Malone stated there are a number of agreements for this endeavor, one is the land lease agreement with the County and Watermaster approved that last month, and the County Board of Supervisors at the end of this month is scheduled to approve it. Mr. Malone stated the second agreement is the reimbursement agreement that Watermaster and the Chino Desalter Authority have agreed to. Mr. Malone stated there is also the CEQA document, which is to go the IEUA board at the end of the month for approval. Mr. Malone stated if you need more information there is a Land Subsidence Committee and they meet at the end of this month before the Watermaster Board meeting.

#### **B. CEO/STAFF REPORT**

##### **1. Recharge Master Plan Update/Storage Issues Review Process**

Mr. Jeske stated we have already discussed the Recharge Master Plan and the need to start moving forward on storage issues. Mr. Jeske stated the next Recharge Master Plan meeting will be next Thursday after the Advisory Committee meeting. Mr. Jeske stated it is expected at that meeting that a lot of information will be presented by Mark Wildermuth and encouraged all to attend. Mr. Jeske stated staff is also working with IEUA and they are producing section 4 in that report and they are moving forward with that, and we are meeting

weekly with them. Mr. Jeske stated the next meeting is one that needs the right people there to start discussion decisions.

2. Investment Policy

Mr. Jeske stated this item was discussed previously and there was no further comment made.

3. Record and Document Request

Mr. Jeske stated quite frequently Watermaster staff gets requests, particularly on Fridays when we are short staffed and trying to get agendas packages out, and sometimes from third parties. Mr. Jeske stated sometimes when people call in and reach one of the support staff, sometimes it is very unclear what they want or need, and in looking at how to make this easier on them and on Watermaster staff, an already Board approved policy is in place which is not being utilized presently. Mr. Jeske stated on the back table is the Request for Information form which is also posted to the Watermaster website, along with the Resolution adopting this policy that staff is now requesting be used each and every time any kind of information is being requested. Mr. Jeske stated this will alleviate any confusion on what the party wants.

4. CEO Search

Mr. Jeske stated the Watermaster Board has directed staff to move forward in the effort regarding the new CEO search. Mr. Jeske stated staff is to work with the Pool chairs, the chairman of the Board, and himself, and that process has already started. Mr. Jeske stated he has gone out and solicited proposals for a firm to assist us with this search. Mr. Jeske stated one of the elements of doing that will be a lot of up-front discussion on defining the needs and defining what the parties and the Board want, including the skills and the duties of the new CEO. Mr. Jeske stated many of the proposals we get from recruiters are thin on that so he will have to do some negotiating with them. Mr. Jeske stated once a recruiting firm is brought on board it will probably be a four to five month process. Mr. Jeske stated there will be an expense to this endeavor and his question today is, if we want to move forward we would have to appropriate some dollars to this. Mr. Jeske stated it is his anticipation that this will be able to be accomplished, and even including any possible candidate reimbursement for probably no more than \$32,000. Mr. Jeske stated he could take that request for appropriation to the Advisory Committee next week and then to the Board if the three Pools are comfortable with doing that, otherwise we are going to have to start the Watermaster process in April and start a consulting firm around May 1<sup>st</sup>. Mr. Jeske stated if we want to start the process and to devote adequate time to defining the position, this Committee could authorize staff to go straight to the Advisory Committee and have them make a recommendation to the Watermaster Board. Mr. Jeske stated staff would recommend that the money come from the excess from the administrative work that was done for Metropolitan Water District. Chair Zvirbulis asked if there was any objection to authorize the CEO to move forward with that budget transfer and present it to the Advisory Committee and Watermaster Board. Chair Zvirbulis stated he heard no objection and gave the authorization to Mr. Jeske to proceed.

IV. INFORMATION

1. Cash Disbursements for February 2012

No comment was made.

V. POOL MEMBER COMMENTS

Chair Zvirbulis offered comment on the Recharge Master Plan Committee meetings which has made a tremendous amount of progress and that Committee is at a point, as Mr. Jeske mentioned, where decisions have to be made and he encouraged all the parties to ensure that we have the appropriate decision makers at those meetings so this can move along and stay on schedule.

**VI. OTHER BUSINESS**

No comment was made.

The regular open Appropriative Pool meeting was convened to hold its confidential session at 9:56 a.m.

**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.

Chair Zvirbulis stated there was no reportable action.

The confidential session concluded at 10:38 a.m.

**VIII. FUTURE MEETINGS AT WATERMASTER**

Thursday, March 8, 2012	9:00 a.m.	Appropriative Pool Meeting
Thursday, March 8, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Mtg.
Thursday, March 8, 2012	<b>2:00 p.m.</b>	Agricultural Pool Meeting
<b>(PLEASE NOTE: NEW TIME FOR THE AGRICULTURAL POOL MEETINGS)</b>		
Thursday, March 15, 2012	8:00 a.m.	IEUA DYY Meeting
Thursday, March 15, 2012	9:00 a.m.	Advisory Committee Meeting
Thursday, March 15, 2012	10:00 a.m.	CB RMPU Steering Committee Mtg.
Thursday, March 22, 2012	9:00 a.m.	Land Subsidence Committee Meeting
Thursday, March 22, 2012	11:00 a.m.	Watermaster Board Meeting
Tuesday, March 27, 2012	9:00 a.m.	GRCC Meeting

**The Chino Basin Recharge Master Plan Update Steering Committee will now be meeting on a regular basis on the 1<sup>st</sup> and 3<sup>rd</sup> Thursday of every month at 10:00 a.m. starting in March until further notice**

Chair Zvirbulis adjourned the Appropriative Pool meeting at 10:39 a.m.

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

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

**DRAFT MINUTES**  
**CHINO BASIN WATERMASTER**  
**SPECIAL CONFIDENTIAL APPROPRIATIVE POOL MEETING**  
March 13, 2012

The Special Confidential Appropriative Pool Meeting was held via conference call, on March 13, 2012 at 3:30 p.m.

Note: Members present on phone call were provided by Marty Zvirbulis.

**APPROPRIATIVE POOL MEMBERS PRESENT ON CALL**

Marty Zvirbulis, Chair	Cucamonga Valley Water District
Scott Burton	City of Ontario
Rosemary Hoerning	City of Upland
Raul Garibay	City of Pomona
Dave Crosley	City of Chino
Mark Kinsey	Monte Vista Water District
Van Jew	Monte Vista Irrigation Company
Robert Young	Fontana Water Company
Eldon Horst	Jurupa Community Services District
Ben Lewis	Golden State Water Company
Charles Moorrees	Santa Antonio Water Company
J. Arnold Rodriguez	Santa Ana River Water Company

**Others Present**

Jo Lynne Russo-Pereyra	Cucamonga Valley Water District
Justin Scott-Coe	Monte Vista Water District
John Schatz	John J. Schatz, Attorney at Law
Jill Willis	Best Best & Krieger
Jim Erickson	Law Offices of Jimmy Gutierrez
Robert Tock	Jurupa Community Services District
Sheri Rojo	Fontana Water Company

Chair Zvirbulis called the Special Confidential Appropriative Pool Conference Call Meeting to order at 3:30 p.m.

**I. CONFIDENTIAL SESSION - POSSIBLE ACTION**

1. Paragraph 31 Appeal

No action was taken.

Chair Zvirbulis adjourned the Special Confidential Appropriative Pool conference call meeting at 4:50 p.m.

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

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

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**DRAFT MINUTES**  
**CHINO BASIN WATERMASTER**  
**SPECIAL CONFIDENTIAL APPROPRIATIVE POOL MEETING**  
March 21, 2012

The Special Confidential Appropriative Pool Meeting was held via conference call, on March 21, 2012 at 3:00 p.m.

Note: Members present on phone call were provided by Marty Zvirbulis.

**APPROPRIATIVE POOL MEMBERS PRESENT ON CALL**

Marty Zvirbulis, Chair	Cucamonga Valley Water District
Dennis Majia	City of Ontario
Rosemary Hoerning	City of Upland
Raul Garibay	City of Pomona
Tom Harder	City of Chino Hills
Robert Young	Fontana Water Company
Sheri Rojo	Fontana Union Water Company
Robert Tock	Jurupa Community Services District
Ben Lewis	Golden State Water Company
Charles Moorrees	Santa Antonio Water Company
J. Arnold Rodriguez	Santa Ana River Water Company
Mark Kinsey	Monte Vista Water District and Monte Vista Irrigation Company

**Others Present**

Jo Lynne Russo-Pereyra	Cucamonga Valley Water District
John Schatz	John J. Schatz, Attorney at Law
Jill Willis	Best Best & Krieger
Jim Erickson	Law Offices of Jimmy Gutierrez
Art Kidman	McCormick, Kidman & Behrens

Chair Zvirbulis called the Special Confidential Appropriative Pool Conference Call Meeting to order at 3:05 p.m.

**I. CONFIDENTIAL SESSION - POSSIBLE ACTION**

1. Discuss the Final Settlement Agreement – A copy of the Agreement will be provided before the meeting.

**ACTION:**

1. Paragraph 31 Settlement discussions – There was no reportable action.
2. Special Assessment for Special Counsel expenses – on 3/18/10 the AP took action to approve a special assessment of \$100,000 for outside legal expenses related to the Paragraph 31 Motion filed by the Non- Ag Pool. The pool has exceeded this previously budgeted amount for these expenses and an additional special assessment of \$70,000 is necessary to cover current and anticipated expenses through resolution. Direct Watermaster staff to prepare an item for the Pool's consideration at the upcoming Appropriative Pool meeting.

Chair Zvirbulis adjourned the Special Confidential Appropriative Pool conference call meeting at 4:15 p.m.

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

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

**DRAFT MINUTES**  
**CHINO BASIN WATERMASTER**  
**SPECIAL CONFIDENTIAL APPROPRIATIVE POOL MEETING**

March 26, 2012

The Special Confidential Appropriative Pool Meeting was held via conference call, on March 26, 2012 at 3:00 p.m.

Note: Members present on phone call were provided by Bonnie Tazza on behalf of Marty Zvirbulis

**APPROPRIATIVE POOL MEMBERS PRESENT ON CALL**

Marty Zvirbulis, Chair	Cucamonga Valley Water District
Dave Crosley	City of Chino
Raul Garibay	City of Pomona
Rosemary Hoerning	City of Upland
Scott Burton	City of Ontario
Sheri Rojo	Fontana Water Company
Robert Tock	Jurupa Community Services District
Ben Lewis	Golden State Water Company
Charles Moorrees	Santa Antonio Water Company
J. Arnold Rodriguez	Santa Ana River Water Company
Mark Kinsey	Monte Vista Water District and Monte Vista Irrigation Company

**Others Present**

Eldon Horst	Jurupa Community Services District
Jo Lynne Russo-Pereyra	Cucamonga Valley Water District
Daryl Grigsby	City of Pomona
Jill Willis	Best Best & Krieger
John Schatz	John J. Schatz, Attorney at Law
Justin Scott-Coe	Monte Vista Water District
Jim Erickson	Law Offices of Jimmy Gutierrez
Art Kidman	McCormick, Kidman & Behrens
John Cotti	Attorney at Law

Chair Zvirbulis called the Special Confidential Appropriative Pool Conference Call Meeting to order 3:05 p.m.

**I. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Note: Actions provided by Marty Zvirbulis

1. The Appropriative Pool authorizes the Pool Chair to execute settlement agreement subject to respective Appropriative Pool members, board of directors or city councils, to be obtained in a reasonable time frame.

*Motion by Kinsey, second by Tock, and by unanimous vote  
As presented above*

2. The Appropriative Pool directed the Appropriative Pool legal counsel to take the necessary steps to officially waive oral arguments in the Paragraph 31 matter presently before the Appeals Court.

*Motion by Rojo, second by Moorrees, and by unanimous vote  
As presented above*

Chair Zvirbulis adjourned the Special Confidential Appropriative Pool conference call meeting at 4:00 p.m.

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

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



# CHINO BASIN WATERMASTER

## I. BUSINESS ITEM ROUTINE

### A. MINUTES

1. Non-Agricultural Pool Conference Call Meeting held on March 8, 2012



***Draft Minutes***  
**CHINO BASIN WATERMASTER**  
**NON-AGRICULTURAL POOL CONFERENCE CALL MEETING**  
March 8, 2012

The Non-Agricultural Pool Conference Call Meeting was held via conference call using the Chino Basin Watermaster conference call number on March 8, 2012 at 11:00 a.m.

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

Bob Bowcock, Chair	Vulcan Materials Company (Calmat Division)
Brian Geye	Auto Club Speedway
Bob Lawn	Genon Electric
Tom O'Neill	Ontario City Non-Agricultural
Michael Sigsbee, alternate	Ontario City Non-Agricultural

**NON-AGRICULTURAL POOL MEMBERS PRESENT AT WATERMASTER**

Curtis Aaron	California Steel Industries
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**Watermaster Staff Present at Watermaster**

Ken Jeske	Interim CEO
Danielle Maurizio	Senior Engineer
Joe Joswiak	Chief Financial Officer
Gerald Greene	Senior Environmental Engineer
Sherri Molino	Recording Secretary

**Watermaster Board Counsel Present at Watermaster**

Brad Herrema	Brownstein, Hyatt, Farber & Schreck
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**Watermaster Consultants Present at Watermaster**

Mark Wildermuth	Wildermuth Environmental Inc.
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**Non-Agricultural Pool Counsel Present on Call**

Allen Hubsch	Hogan Lovells US LLP
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**Others Present at Watermaster**

Dave Crosley	City of Chino
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Chair Bowcock called the Annual Non-Agricultural Pool Conference Call meeting to order at 11:01 a.m.

**ROLL CALL**

Ms. Molino called roll call.

**AGENDA - ADDITIONS/REORDER**

Mr. Hubsch added West Venture Development to the agenda for Business Item F.

**I. BUSINESS ITEMS - ROUTINE**

**A. MINUTES**

1. Minutes of the Non-Agricultural Pool Conference Call Meeting held February 9, 2012

*Motion by Aaron, second by Geye, and by unanimous vote*

***Moved to approve the February 9, 2012 Non-Agricultural Pool minutes with the changed noted by Curtis Aaron***

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of January 2012
2. Watermaster VISA Check Detail for the month of January 2012
3. Combining Schedule for the Period July 1, 2011 through January 31, 2012
4. Treasurer's Report of Financial Affairs for the Period January 1, 2012 through January 31, 2012
5. Budget vs. Actual Report for the Period July 1, 2011 through January 31, 2012

*Motion by Aaron, second by Geye, and by unanimous vote*

***Moved to receive and file the financial reports, without approval***

**C. WATER TRANSACTION**

1. **Consider Approval for Notice of Sale or Transfer** – The lease and/or purchase of 2.372 acre-feet of water from San Antonio Water Company to Monte Vista Water District as a method of utilizing its SAWCO shares. This lease is made first from San Antonio's net underproduction in FY 2011-2012, with any remainder to be recaptured from storage. Date of application: February 9, 2012

*Motion by Aaron, second by O'Neill, and by unanimous vote*

***Moved to approve the water transaction from San Antonio Water Company to Monte Vista Water District, and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they determine to be appropriate***

2. **Consider Approval for Notice of Sale or Transfer** – The lease and/or purchase of 500.000 acre-feet of water from San Antonio Water Company to Monte Vista Water District. This lease is made first from San Antonio's net underproduction in FY 2011-2012, with any remainder to be recaptured from storage. Date of application: February 14, 2012

*Motion by Aaron, second by Geye, and by unanimous vote*

***Moved to approve the water transaction from San Antonio Water Company to Monte Vista Water District, and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they determine to be appropriate***

**II. BUSINESS ITEMS****A. MATERIAL PHYSICAL INJURY ANALYSIS**

Consider Approval to Receive and File Wildermuth Environmental Inc. Material Physical Injury Analysis for the City of Ontario Application for Local Storage Agreement

*Motion by Aaron, second by Geye, and by unanimous vote*

***Moved to receive and file the Wildermuth Environmental Material Physical Injury Analysis, and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they determine to be appropriate***

**B. WATERMASTER ANNUAL AUDIT FISCAL YEAR 2010/2011**

Consider to Receive and File the Watermaster Annual Audit performed by Charles Z. Fedak & Company as Presented to the Watermaster Board on February 23, 2012

*Motion by Geye, second by Aaron, and by unanimous vote*

***Moved to receive and file the Watermaster Annual Audit Fiscal Year 2010/2011, and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they determine to be appropriate***

**C. PROPOSED SUPPLEMENTAL ORDER FOR RESOLUTION 2010-04**

Consider Approval of Proposed Supplemental Order for the Court Following the October 28, 2011 Hearing for Resolution 2010-04

*Motion by Aaron, second by Geye, and by unanimous vote*

***Moved to approve the supplemental order for Resolution 2010-04, and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they determine to be appropriate***

**D. PROPOSED CASH RESERVE POLICY**

Consider Approval of the Proposed Cash Reserve Policy 4.17

*Motion by Aaron, second by Geye, and by unanimous vote*

***Moved to approve the Reserve Policy with striking 4.17.9 from the Policy, and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they determine to be appropriate***

**E. WATERMASTER RESTATED JUDGMENT**

Consider Approve the Restated Judgment as the "Official" Copy of the Judgment

*Motion by Aaron, second by Geye, and by unanimous vote*

***Moved to continue this item until April***

Added Item:

**F. WEST VENTURE DEVELOPMENT (Added)**

Mr. Hubsch offered comment on this item. Chair Bowcock asked staff to submit to the Pool prior to the next meeting of the Pool a report regarding all work staff has performed to implement the Pool's vote at a prior meeting to re-allocate West Venture Development's water pro rata to the remaining members of the Pool.

**III. REPORTS/UPDATES****A. ENGINEERING REPORT**

1. Extensometer Progress  
Mr. Malone gave a report on this item.

**B. CEO/STAFF REPORT**

1. Recharge Master Plan Update/Storage Issues Review Process  
Mr. Jeske gave a report on this item.
2. Investment Policy  
Mr. Jeske gave a report on this item.
3. Record and Document Request  
Mr. Jeske gave a report on this item.
4. CEO Search  
Mr. Jeske gave a report on this item. A discussion regarding the CEO search ensued and it was noted the Non-Agricultural Pool will support this action at the Advisory Committee meeting.

**IV. INFORMATION**

1. Cash Disbursements for February 2012  
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 Non-Agricultural Pool Rules & Regulations, a Confidential Session may be held during the Watermaster Pool meeting for the purpose of discussion and possible action.

Chair Bowcock noted the Non-Agricultural Pool held their confidential session at 10:00 a.m. until 10:45 a.m. this morning and there was no reportable action taken.

**VIII. FUTURE MEETINGS AT WATERMASTER**

Thursday, March 8, 2012	9:00 a.m.	Appropriative Pool Meeting
Thursday, March 8, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Mtg.
Thursday, March 8, 2012	<b>2:00 p.m.</b>	Agricultural Pool Meeting
<b>(PLEASE NOTE: NEW TIME FOR THE AGRICULTURAL POOL MEETINGS)</b>		
Thursday, March 15, 2012	8:00 a.m.	IEUA DYY Meeting
Thursday, March 15, 2012	9:00 a.m.	Advisory Committee Meeting
Thursday, March 15, 2012	10:00 a.m.	CB RMPU Steering Committee Mtg.
Thursday, March 22, 2012	9:00 a.m.	Land Subsidence Committee Meeting
Thursday, March 22, 2012	11:00 a.m.	Watermaster Board Meeting
Tuesday, March 27, 2012	9:00 a.m.	GRCC Meeting

**The Chino Basin Recharge Master Plan Update Steering Committee will now be meeting on a regular basis on the 1<sup>st</sup> and 3<sup>rd</sup> Thursday of every month at 10:00 a.m. starting in March until further notice**

Chair Bowcock adjourned the Agricultural Pool meeting at 11:30 a.m.

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

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



# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Agricultural Pool Meeting held on March 8, 2012



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

*March 8, 2012*

The Agricultural Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on March 8, at 2:00 p.m.

**Agricultural Pool Members Present**

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

**Watermaster Board Members Present**

Paul Hofer	Crops
Geoffrey Vanden Heuvel	Dairy

**Watermaster Staff Present**

Ken Jeske	Interim CEO
Danielle Maurizio	Senior Engineer
Joe Joswiak	Chief Financial Officer
Gerald Greene	Senior Environmental Engineer
Sherri Molino	Recording Secretary

**Watermaster Consultants Present**

Brad Herrema	Brownstein, Hyatt, Farber & Schreck
Andy Malone	Wildermuth Environmental Inc.

**Others Present**

Tracy Egoscue	Egoscue Law Group
Dave Crosley	City of Chino
Gil Aldaco	City of Chino
Paul Deutsch	Geomatrix Consultants, Inc.
Rick Reese	Geomatrix Consultants, Inc.
Bob Gluck	City of Ontario
Marsha Westropp	Orange County Water District
Curtis Paxton	Chino Desalter Authority

Vice-Chair Pierson called the Agricultural Pool meeting to order at 2:03 p.m.

**AGENDA - ADDITIONS/REORDER**

Mr. Jeske stated there are no additions or reorders on the agenda.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Agricultural Pool Meeting held February 9, 2012

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of January 2012
2. Watermaster VISA Check Detail for the month of January 2012
3. Combining Schedule for the Period July 1, 2011 through January 31, 2012
4. Treasurer's Report of Financial Affairs for the Period January 1, 2012 through January 31, 2012
5. Budget vs. Actual Report for the Period July 1, 2011 through January 31, 2012

**C. WATER TRANSACTION**

1. **Consider Approval for Notice of Sale or Transfer** – The lease and/or purchase of 2.372 acre-feet of water from San Antonio Water Company to Monte Vista Water District as a method of utilizing its SAWCO shares. This lease is made first from San Antonio's net underproduction in FY 2011-2012, with any remainder to be recaptured from storage. Date of application: February 9, 2012
2. **Consider Approval for Notice of Sale or Transfer** – The lease and/or purchase of 500.000 acre-feet of water from San Antonio Water Company to Monte Vista Water District. This lease is made first from San Antonio's net underproduction in FY 2011-2012, with any remainder to be recaptured from storage. Date of application: February 14, 2012

Mr. Durrington inquired about there being a lot of water transferred from San Antonio Water Company to Monte Vista Water District. Mr. Jeske stated for the 2.372 acre-feet San Antonio Water Company owns SAWCO shares so they are exercising their shares by transferring the water. Mr. Jeske stated for the 500 acre-feet this is a common transaction. A brief discussion regarding this matter ensued.

*Motion by Vanden Heuvel, second by Durrington, and by unanimous vote*

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

**II. BUSINESS ITEMS****A. MATERIAL PHYSICAL INJURY ANALYSIS**

Mr. Jeske stated Watermaster received an application from the City of Ontario and staff has asked that a Material Physical Injury Analysis be performed. Mr. Jeske noted this is similar to the Material Physical Injury Analysis that was on the agenda recently for several historical applications. Mr. Jeske stated Mr. Malone is here today and can answer any questions; however, the Material Physical Injury Analysis does not show any injury. Mr. Jeske stated staff is not asking for action on the Storage Agreement. Mr. Jeske stated there are a lot of issues relating to storage that need to be discussed, and at the Appropriative Pool they gave staff the direction to start the process with a workshop. Vice-Chair Pierson stated it is staff's recommendation to receive and file this report.

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

***Moved to receive and file the Wildermuth Environmental Material Physical Injury Analysis on the City of Ontario Application for Local Storage Agreement, as presented***

At 2:12 p.m. Chair Feenstra took the meeting over from Vice-Chair Pierson.

**B. WATERMASTER ANNUAL AUDIT FISCAL YEAR 2010/2011**

Mr. Jeske stated this item went to the Watermaster Board last month. Mr. Jeske noted the auditor is retained by the Board, meaning the report/findings are presented to the Board first, and then it is brought back through the rest of the Watermaster process to receive and file the report. Mr. Jeske stated Watermaster used a new external auditor this year, Charles Z. Fedak & Company, and they did a good job. There were no exceptions found to the audit, which means Watermaster did a good job on our financial accounting and review. Chair Feenstra inquired to Mr. Joswiak if he saw any major changes in the coming year for the Agricultural Pool budget. Mr. Joswiak stated no. Chair Feenstra asked that the Committee Members start thinking of

items for the Agricultural Pool's budget for next fiscal year. Chair Feenstra thanked Mr. Joswiak for a great job.

*Motion by deBoom, second by Novak, and by unanimous vote*

***Moved to receive and file the Watermaster Annual Audit Fiscal Year 2010/2011, as presented***

**C. PROPOSED SUPPLEMENTAL ORDER FOR RESOLUTION 2010-04**

Mr. Jeske stated this is the item regarding the Chino Desalter Authority (CDA) Resolution and this Pool in particular requested some clarification regarding the retention of rights by private well owners; this Resolution and attached order achieves this. Mr. Jeske stated this has been worked on by both attorneys and it will be filed the next time there is a court hearing which is scheduled for the June time frame. Mr. Jeske stated staff is seeking the approval of the Resolution and supplemental order. Mr. Vanden Heuvel inquired to Ms. Egoscue if she felt this is acceptable to what was trying to be accomplished to protect the private well owner rights. Ms. Egoscue stated yes, she has reviewed it and worked with previous counsel, and also the counsel for the CDA. Ms. Novak stated there is some language in here that has been changed to avoid a problem which Ms. Egoscue said she had noted the last go around on this document. Ms. Novak commented on the change and stated she thinks the change in the presented document addresses that issue so that the court is no longer making an inaccurate statement; however, she is still not 100% satisfied with the language. Ms. Novak offered comments on her concerns over documents being fully vetted and items being discussed versus items actually on the agenda.

*Motion by deBoom, second by Pierson, and by unanimous vote*

***Moved to approve the supplemental order for Resolution 2010-04, as presented***

**D. PROPOSED CASH RESERVE POLICY**

Mr. Jeske stated there have been a lot of discussions over the last few months on how much cash Watermaster should hold and for what purposes. Mr. Jeske stated staff was requested by all three Pools, Advisory Committee, and Watermaster Board to conduct a meeting/workshop to get input and get a proposal. Mr. Jeske stated that workshop was held, and attached in the meeting packet are the results and input of that meeting. Mr. Jeske stated this will result in Watermaster holding less cash. Mr. Jeske stated instead of keeping 30% of the annual budget for administration and for OBMP on hand, Watermaster actually needs 10% for administration and 15% for OBMP. Mr. Jeske stated the Appropriative and Non-Agricultural Pool's agreed with that unanimously. Mr. Jeske stated both the Appropriative and Non-Agricultural Pool's determined to remove section 4.17.9, which is the preemptive replenishment water purchases from the Cash Reserve Policy. Mr. Jeske stated currently Watermaster does not have a reserve fund for that and those Pools did not want to address that at this time and noted they want to address this on a case-by-case, party-by-party basis, based on whatever party wants to purchase water in advance. Mr. Jeske stated that section was pulled out from the other two Pools, and staff is recommending this Pool take the same action. Chair Feenstra commented on a phone conversation he recently had with Mr. Joswiak regarding money on hand in Watermaster's reserve. Mr. Jeske noted that particular situation could be handled with a special assessment, which Watermaster has done in the past. Mr. Pierson inquired if a special assessment would go through the normal Watermaster process. Mr. Joswiak stated yes, it would go through the regular process. A discussion regarding this matter ensued. Chair Feenstra asked that Mr. Joswiak give further information on what Watermaster holds in its accounts. Mr. Joswiak stated Watermaster maintains a reserve of 30% administrative and 30% OBMP, which is approximately \$300,000 for administrative reserve and \$1.5M for OBMP. Mr. Joswiak offered comment on the funds available. Mr. Pierson inquired about how the reserves work. Mr. Joswiak stated the reserves are established during the budget process and throughout the year if the reserve is needed to be pulled from. Mr. Jeske stated staff would need appropriation and authorization to move money from reserves into a spending category, then the following year when the budget is established, it is established back up to the reserve level and that goes into

the assessment process. Mr. Jeske stated next year with this new policy Watermaster will have 10% and 15% meaning there will be less reserve amount being held. Chair Feenstra inquired about the settlement. Mr. Jeske stated the settlement was not discussed at that workshop. A discussion regarding the settlement ensued. Mr. Geoffrey Vanden Heuvel stated he is very uncomfortable speaking in public about the settlement issue in an open session and asked to please limit this discussion, and noted he does not think this item and Watermaster's reserves are related. Mr. Pierson stated he agrees with Mr. Geoffrey Vanden Heuvel comments; however, his question was to find out if it was Watermaster's policy to replenish the reserve account on an ongoing basis. Mr. Jeske stated it would take a special assessment only if the extraordinary expenses exceeded what Watermaster had in reserves in a year; at the end of the year when we go into the next year's assessment, the reserves will automatically be replenished. A discussion regarding the reserves ensued.

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

***Moved to approve Reserve Policy with striking 4.17.9 from the Policy, as presented***

#### **E. WATERMASTER RESTATED JUDGMENT**

Mr. Jeske stated the Restated Judgment is the action requested by the court. Mr. Jeske stated this document will go back to the court as the official copy of the Judgment. Mr. Jeske stated this is taking all of the amendments that have occurred since 1978 to present and putting them into one official document. Mr. Jeske stated the Appropriative Pool approved moving forward with this item; however, the Non-Agricultural Pool asked that this be held for a month for continued review. Mr. Jeske noted since one of the Pools have asked for a continuance, it is likely staff will not take this to the Advisory Committee next week. Chair Feenstra stated he recently spoke with Mr. McKinney and was told that things are quiet. Chair Feenstra stated Mr. McKinney went to the Watermaster website for the review of the Restated Judgment and he stated that it should be made clear to the Committee Members on what is being voted on. Chair Feenstra stated he spoke with Ms. Egoscue and asked for her recommendation. Ms. Egoscue directed the Committee Members to page 163 in the meeting packet, which is the transcript from the actual hearing. The judge at line 25 specifically asked that the Restated Judgment will be confirmed as the operative Judgment from this point forward. Ms. Egoscue went on to review the judge's discussion with Michael Fife in the transcript. Ms. Egoscue stated she is not the counsel that was hired to deal with the Restated Judgment. Ms. Egoscue stated that she recommends that this Committee follow the Non-Agricultural Pool's motion to defer for a month. Ms. Egoscue inquired about the portion of the transcript in the meeting package that cuts off mid sentence. Counsel Herrema stated he would need to find out the rest of that statement. Ms. Novak stated she does not disagree with what Ms. Egoscue is recommending and the issue is whether the document that is before us today, to have the court file as the current and official Judgment is the same one that was agreed upon by us previously and by our Counsel, Mr. McKinney. Ms. Novak stated what this Pool needs to understand is that the old document is no longer the Judgment and this document is now the Judgment for governing the basin. Chair Feenstra noted his concerns that the document has been changed and Mr. McKinney did not know if the document had been changed, which is unacceptable. Ms. Novak stated she has looked at the document and it appeared appropriate; however, she has not gone through it line by line. Chair Feenstra stated he agrees with Ms. Egoscue's recommendation as well as with the Non-Agricultural Pool to defer for a month. Mr. Pierson stated he thinks that the Chair should request from Mr. McKinney that he do a full review and verify that it is the same document that this Committee passed as a receive and file and that, in fact, we are replacing essentially the original Judgment with this Restated Judgment.

*Motion by Novak, second by Pierson, and by unanimous vote*

***Moved to defer this item until the April, as presented***

#### **F. OLD BUSINESS**

Mr. Durrington asked that staff move the Agricultural Pool meetings from 2:00 to 1:30 p.m. Mr. Jeske stated staff is fine with the suggested time change.

Mr. Durrington inquired about the past issue with Hansen Aggregates and inquired if they have paid off that payment to Watermaster. Mr. Joswiak stated it is done and we have received all the monies owed.

*Motion by Durrington, second by Vanden Heuvel, and by unanimous vote*

***Moved to change the Agricultural Pool meeting time from 2:00 p.m. to 1:30 p.m., as presented***

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

#### **A. AGRICULTURAL POOL GENERAL LEGAL COUNSEL REPORT**

Ms. Egoscue stated her comments are for closed session only.

#### **B. ENGINEERING REPORT**

##### **1. Extensometer Progress**

Mr. Malone stated Watermaster is getting ready to install a sophisticated monitoring facility to monitor land subsidence that might be associated with Desalter pumping. Mr. Malone gave the Extensometer Progress presentation in detail. Mr. Malone stated installation will begin in April and will be finished before the end of the fiscal year. Mr. Malone reviewed several maps in detail. Mr. Malone stated there are a number of agreements for this endeavor, one is the land lease agreement with the County, and Watermaster approved that last month and the County Board of Supervisors at the end of this month is scheduled to approve it. Mr. Malone stated the second agreement is the reimbursement agreement that Watermaster and the Chino Desalter Authority have agreed to. Mr. Malone stated there is also the CEQA document which is to go the IEUA board at the end of the month for approval. Mr. Malone stated if you need more information there is a Land Subsidence Committee and they meet at the end of this month before the Watermaster Board meeting. Chair Feenstra stated that this extensometer is going to be very close to the plume coming from the Chino Airport and inquired if the extensimeter has multiple uses or not. Mr. Malone stated yes, it does, and the reason why it is being installed is because of subsidence; however, in the initial well development we can take samples and test it for water quality. Mr. Malone stated it will not be a water quality testing well on a go forward basis once the extensometers are in there because they are very sensitive. Mr. Malone stated this is also in the area where we are trying to demonstrate hydraulic control, and we will be measuring water levels with transducers in these wells. Mr. Malone continued with his presentation. A discussion regarding this matter and water level drawdown ensued. Mr. Malone stated there is Monitoring and Mitigation Plan set up for the existing wells. Chair Feenstra offered comment on the history of water level drawdown. Mr. Pierson inquired about the longevity of the program. Mr. Malone stated there is a Land Subsidence Committee which meets at Watermaster, and that committee will be reviewing this data. Mr. Malone stated the decision or recommendation to change the monitoring program, not only this one but other parts of the subsidence motoring program, comes from that committee after their review of the data. A discussion regarding the extensometers ensued. Chair Feenstra offered comment on the inflow of water for this project. Mr. Malone stated it is supposed to be flush to the ground; however, we try and put it up slightly so that water does not go in. Mr. Geoffrey Vanden Heuvel offered comment on this monitoring program and noted all the prudent steps have been taken regarding this endeavor. A lengthy discussion regarding this matter ensued.

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

##### **1. Recharge Master Plan Update/Storage Issues Review Process**

Mr. Jeske stated Watermaster is still moving forward with the Recharge Master Plan Update. Mr. Jeske stated the next meeting is scheduled for next Thursday following the Advisory Committee, and we welcome all for that meeting. Mr. Jeske stated at past meetings we have received good input and we expect to have a lot of information available for the upcoming meeting. Mr. Jeske stated it is now time that Watermaster will begin review

storage issues, there is a host of policies that need to be developed. Mr. Jeske stated at the Appropriative Pool this morning they recognized that we need to begin working on storage issues; a process similar to the Recharge Master Plan will be implemented to begin this process. Mr. Jeske stated both of these reviews will come through the Watermaster process. Mr. Pierson asked for the timeline on storage. Mr. Jeske stated the timeline on recharge is in June and the storage issues are around the end of the year.

2. Investment Policy

Mr. Jeske stated as we worked with the group on the cash reserves, one of the member agencies' finance officer offered comment, Mr. Jeske stated Watermaster's current investment policy has its investments in one conservative investment and the suggestion is that Watermaster maybe look at that policy and determine if there are one or two other investment options that are extremely secure. Mr. Jeske stated staff will be taking a look into this and bring it forward if there is anything to add to the current investment policy.

3. Record and Document Request

Mr. Jeske stated quite frequently Watermaster staff gets requests, particularly on Fridays when we are short staffed and trying to get agendas packages out, and sometimes from third parties. Mr. Jeske stated sometimes when people call in and reach one of the support staff, sometimes it is very unclear what they want or need, and in looking at how to make this easier on them and on Watermaster staff, an already Board approved policy is in place which is not being utilized presently. Mr. Jeske stated on the back table is the Request for Information form which is also posted to the Watermaster website, along with the Resolution adopting this policy that staff is now requesting be used each and every time any kind of information is being requested. Mr. Jeske stated this will alleviate any confusion on what the party wants.

4. CEO Search

Mr. Jeske stated the Watermaster Board gave staff direction at their last meeting to work with the chairman of the Board, the pool chairs and himself in putting together a very thorough process together to assist in hiring a Watermaster CEO. Mr. Jeske stated he has already received a number of proposals and he will be working through those and he would like to move forward to the Board with recommendations as early as this month. Mr. Jeske stated he thinks the process is going to take a while. Mr. Jeske offered comment on what he is seeking from the assisting agencies. Mr. Jeske stated in order to do this it is going to cost money that is not in the Watermaster budget, and he asked for a recommendation to move this forward to the Advisory Committee and Watermaster Board next week and the following week to authorize them to appropriate \$32,000.00 which is the maximum cost. Mr. Jeske stated this money can be taken from the unanticipated revenue from Metropolitan Water District which will then not affect assessments. Chair Feenstra stated he has been in contact with Mr. Jeske through this whole process and he has a big responsibility in bringing this to the Personnel Committee as well as the other boards. Chair Feenstra stated this is not going to be an easy process and a request for a maximum budget has been put before this Committee. Mr. Pierson inquired as to the process. A discussion regarding the correct process to address this ensued. Mr. Jeske stated a budget appropriation will be made through the Advisory Committee and Watermaster Board; however, the selection and final process is a Board action and that will not come back through the Pool process. Mr. Jeske stated the Appropriative and Non-Agricultural Pools directed staff to bring this matter to the Advisory Committee and Watermaster Board. Mr. Geoffrey Vanden Heuvel stated he thinks what Mr. Jeske is asking this Committee to do is defer this to the Advisory Committee and is asking for assistance through this Committee who has representation on the Advisory Committee. Chair Feenstra asked if Mr. Hofer concurred and he stated he did. Mr. Pierson offered comment on this matter and suggested the Chair advise the Executive Officer, without any objection by the Pool, to bring it to the Advisory Committee for vote. Chair Feenstra stated there is no objection and he will meet with Mr. Jeske after the meeting.

**IV. INFORMATION**

1. Cash Disbursements for February 2012  
No comment was made.

**V. POOL MEMBER COMMENTS**

Chair Feenstra stated thanked Mr. Jeske for his job as Interim CEO.

Ms. Novak offered comment on the settlement which is set for oral argument on April 4, 2012.

**VI. OTHER BUSINESS**

No comment was made.

The regular open Agricultural Pool meeting was convened to hold its confidential session at 3:04 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.

There was no reportable action.

The confidential session concluded at 3:37 p.m.

**VIII. FUTURE MEETINGS AT WATERMASTER**

Thursday, March 8, 2012	9:00 a.m.	Appropriative Pool Meeting
Thursday, March 8, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Mtg.
Thursday, March 8, 2012	2:00 p.m.	Agricultural Pool Meeting
Thursday, March 15, 2012	8:00 a.m.	IEUA DYY Meeting
Thursday, March 15, 2012	9:00 a.m.	Advisory Committee Meeting
Thursday, March 15, 2012	10:00 a.m.	CB RMPU Steering Committee Mtg.
Thursday, March 22, 2012	9:00 a.m.	Land Subsidence Committee Meeting
Thursday, March 22, 2012	11:00 a.m.	Watermaster Board Meeting
Tuesday, March 27, 2012	9:00 a.m.	GRCC Meeting

**The Chino Basin Recharge Master Plan Update Steering Committee will now be meeting on a regular basis on the 1<sup>st</sup> and 3<sup>rd</sup> Thursday of every month at 10:00 a.m. starting in March until further notice**

Ms. Egoscue stated the Agricultural Pool meeting is adjourned today at 3:38 p.m. with congratulatory comments and gratitude for Ms. Jennifer Novak's many years of proud service as a board member of the Agricultural Pool and for the State of California.

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 February 2012
2. Watermaster VISA Check Detail for the month of February 2012
3. Combining Schedule for the Period July 1, 2011 through February 29, 2012
4. Treasurer's Report of Financial Affairs for the Period February 1, 2012 through February 29, 2012
5. Budget vs. Actual Report for the Period July 1, 2011 through February 29, 2012

## **I. BUSINESS ITEM ROUTINE (Non-Ag Pool)**

### **B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of February 2012
2. Watermaster VISA Check Detail for the month of February 2012
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# CHINO BASIN WATERMASTER

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

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## STAFF REPORT

**DATE:** April 12, 2012  
**TO:** Pool Members  
**SUBJECT:** Cash Disbursement Report – Financial Report B1

### SUMMARY

**Issue** – Record of cash disbursements for the month of February 2012.

**Recommendation** – Staff recommends the Cash Disbursements for February 2012 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 February 2012 were \$550,218.44. The most significant expenditures during the month were to Wildermuth Environmental, Inc. in the amount of \$144,001.19 (check number 15837 dated February 22, 2012), Fontana Water Company (check number 15814 dated February 15, 2012) and Brownstein Hyatt Farber Schreck in the amount of \$58,808.78 (check number 15819 dated February 22, 2012).

### Actions:

April 12, 2012 Appropriative Pool –  
April 12, 2012 Non-Agricultural Pool –  
April 12, 2012 Agricultural Pool –  
April 19, 2012 Advisory Committee –  
April 26, 2012 Watermaster Board –

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**February 2012**

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	02/02/2012	15769	ACWA SERVICES CORPORATION	00198	1012 · Bank of America Gen'l Ckg	
Bill	01/26/2012	00198		Prepayment - February 2012	1409 · Prepaid Life, BAD&D & LTD	129.07
				January 2012	60191 · Life & Disab.Ins Benefits	129.06
TOTAL						258.13
Bill Pmt -Check	02/02/2012	15770	CALPERS 457 PLAN	Payroll and taxes for 01/08/12-01/21/12	1012 · Bank of America Gen'l Ckg	
General Journal	01/27/2012	01/27/2012	CALPERS 457 PLAN	Employee Deductions for 01/08/12-01/21/12	2000 · Accounts Payable	2,805.62
TOTAL						2,805.62
Bill Pmt -Check	02/02/2012	15771	DIRECTV	019447404	1012 · Bank of America Gen'l Ckg	
Bill	01/26/2012	019447404		1/19/12 - 2/18/12	6031.7 · Other Office Supplies	86.99
TOTAL						86.99
Bill Pmt -Check	02/02/2012	15772	HOGAN LOVELLS	2638336	1012 · Bank of America Gen'l Ckg	
Bill	01/26/2012	2638336		Non-Ag Pool Legal Services for December 2011	8567 · Non-Ag Legal Service	1,842.75
TOTAL						1,842.75
P29 Bill Pmt -Check	02/02/2012	15773	PAUL HASTINGS LLP	1912510	1012 · Bank of America Gen'l Ckg	
Bill	01/26/2012	1912510		Ag Pool Legal Services for December 2011	8467 · Ag Legal & Technical Services	8,670.81
TOTAL						8,670.81
Bill Pmt -Check	02/02/2012	15774	STANDARD INSURANCE CO.	Policy # 00-640888-0009	1012 · Bank of America Gen'l Ckg	
Bill	01/26/2012	006408880009		Policy # 00-640888-0009	60191 · Life & Disab.Ins Benefits	539.66
TOTAL						539.66
Bill Pmt -Check	02/02/2012	15775	STATE COMPENSATION INSURANCE FUND	1970970-11	1012 · Bank of America Gen'l Ckg	
Bill	01/26/2012	1970970-11		January 2012	60183 · Worker's Comp Insurance	1,210.90
TOTAL						1,210.90
Bill Pmt -Check	02/02/2012	15776	UNITED HEALTHCARE	0026627593	1012 · Bank of America Gen'l Ckg	
Bill	01/26/2012	0026627593		Dental insurance - February 2012	60182.2 · Dental & Vision Ins	447.47
TOTAL						447.47
Bill Pmt -Check	02/02/2012	15777	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	01/26/2012	001017890001		Vision Insurance - February 2012	60182.2 · Dental & Vision Ins	26.71
TOTAL						26.71
Bill Pmt -Check	02/02/2012	15778	WATSON WINDOW WASHING		1012 · Bank of America Gen'l Ckg	
Bill	01/26/2012			Office window cleaning	6024 · Building Repair & Maintenance	179.00

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**February 2012**

	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
TOTAL							179.00
	Bill Pmt -Check	02/02/2012	15779	CALPERS	1394905143	1012 - Bank of America Gen'l Ckg	
	Bill	01/26/2012	1394905143		Medical Insurance - February 2012	60182.1 - Medical Insurance	5,782.68
TOTAL							5,782.68
	General Journal	02/04/2012	02/04/2012	Payroll and Taxes for 01/22/12-02/04/12	Payroll and Taxes for 01/22/12-02/04/12	1012 - Bank of America Gen'l Ckg	
					Payroll Taxes for 01/22/12-02/04/12	1012 - Bank of America Gen'l Ckg	11,962.43
					Direct Deposits for 01/22/12-02/04/12	1012 - Bank of America Gen'l Ckg	25,395.83
TOTAL							37,358.26
	Bill Pmt -Check	02/06/2012	15780	DGO AUTO DETAILING		1012 - Bank of America Gen'l Ckg	
	Bill	01/31/2012			Wash on 01/11/12 and 01/26/12	6177 - Vehicle Repairs & Maintenance	125.00
TOTAL							125.00
	Bill Pmt -Check	02/07/2012	15781	KRUGER, W. C. "BILL"		1012 - Bank of America Gen'l Ckg	
	Bill	01/04/2012	1/04 Assmnt Pkg		1/04/12 Assessment Package Workshop	6311 - Board Member Compensation	125.00
	Bill	01/12/2012	1/12 Appro Pool Mtg		1/12/12 Appropriative Pool Meeting	6311 - Board Member Compensation	125.00
	Bill	01/19/2012	1/19 Advisory Comm		1/19/12 Advisory Committee Meeting	6311 - Board Member Compensation	125.00
	Bill	01/26/2012	1/26 Board Mtg		1/26/12 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL							500.00
	Bill Pmt -Check	02/07/2012	15782	VANDEN HEUVEL, GEOFFREY	6311	1012 - Bank of America Gen'l Ckg	
	Bill	01/12/2012	1/12 Admin Conf Call		1/12/12 Administrative Conference Call	6311 - Board Member Compensation	125.00
	Bill	01/26/2012	1/26 Board Mtg		1/26/12 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL							250.00
	Bill Pmt -Check	02/07/2012	15783	APPLIED COMPUTER TECHNOLOGIES	2044	1012 - Bank of America Gen'l Ckg	
	Bill	01/31/2012	2044		Database Services - January 2012	6052.2 - Applied Computer Technol	3,133.75
TOTAL							3,133.75
	Bill Pmt -Check	02/07/2012	15784	ARROWHEAD MOUNTAIN SPRING WATER	0023230253	1012 - Bank of America Gen'l Ckg	
	Bill	01/31/2012	0023230253		Office Water Bottle - January 2012	6031.7 - Other Office Supplies	38.94
TOTAL							38.94
	Bill Pmt -Check	02/07/2012	15785	HSBC BUSINESS SOLUTIONS	7003-7309-1000-2744	1012 - Bank of America Gen'l Ckg	
	Bill	01/31/2012	7003730910002744		Miscellaneous office supplies	6031.7 - Other Office Supplies	321.73
TOTAL							321.73
	Bill Pmt -Check	02/07/2012	15786	JAMES JOHNSTON	251	1012 - Bank of America Gen'l Ckg	

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
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	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
	Bill	01/31/2012	251		Website Services - January 2012	6052.3 · Website Consulting	855.00
TOTAL							855.00
	Bill Pmt -Check	02/07/2012	15787	MCCALL'S METER SALES & SERVICE	21887	1012 · Bank of America Gen'l Ckg	
	Bill	01/31/2012	21887		21887	7102.8 · In-line Meter-Calib & Test	225.00
TOTAL							225.00
	Bill Pmt -Check	02/07/2012	15788	PARK PLACE COMPUTER SOLUTIONS, INC.	459	1012 · Bank of America Gen'l Ckg	
	Bill	01/31/2012	459		IT Services - January 2012	6052.1 · Park Place Comp Solutn	2,325.00
TOTAL							2,325.00
	Bill Pmt -Check	02/07/2012	15789	PRINTING RESOURCES	57675	1012 · Bank of America Gen'l Ckg	
	Bill	01/31/2012	57675		Setup/Business cards for Ken Jeske (250)	6031.7 · Other Office Supplies	110.93
TOTAL							110.93
	Bill Pmt -Check	02/07/2012	15790	UNION 76	300-732-989	1012 · Bank of America Gen'l Ckg	
	Bill	01/31/2012	300732989		Fuel costs - January 2012	6175 · Vehicle Fuel	180.23
TOTAL							180.23
P31	Bill Pmt -Check	02/07/2012	15791	VERIZON		1012 · Bank of America Gen'l Ckg	
	Bill	01/31/2012	012561121521714508		Field Operations - 012561121521714508	7405 · PE4-Other Expense	168.47
	Bill	01/31/2012	012519116950792103		Monthly office - 012519116950792103	6022 · Telephone	435.73
TOTAL							604.20
	Bill Pmt -Check	02/07/2012	15792	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
	General Journal	01/27/2012	01/27/2012	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS for 01/08/12-01/21/12	2000 · Accounts Payable	8,293.04
TOTAL							8,293.04
	Bill Pmt -Check	02/07/2012	15793	PURCHASE POWER	8000909000168851	1012 · Bank of America Gen'l Ckg	
	Bill	01/31/2012	8000909000168851		Send invoices to and from WM	6042 · Postage - General	84.50
TOTAL							84.50
	Bill Pmt -Check	02/07/2012	15794	STAPLES BUSINESS ADVANTAGE	8020821652	1012 · Bank of America Gen'l Ckg	
	Bill	01/31/2012	8020821652		Miscellaneous office supplies	6031.7 · Other Office Supplies	424.47
TOTAL							424.47
	Bill Pmt -Check	02/07/2012	15795	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	
	Bill	01/31/2012	1VC070000018076		Week ending 1/22/12	6017 · Temporary Services	659.20
TOTAL							659.20

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**February 2012**

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	02/07/2012	15796	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	01/31/2012	08-k2 213849		Service for February 2012	6024 · Building Repair & Maintenance	106.53
TOTAL						106.53
Bill Pmt -Check	02/07/2012	15797	BOWCOCK, ROBERT		1012 · Bank of America Gen'l Ckg	
Bill	01/04/2012	1/04 Assmnt Pkg		1/04/12 Assessment Package Workshop	6311 · Board Member Compensation	125.00
Bill	01/26/2012	1/26 Board Mtg		1/26/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	02/07/2012	15798	CURATALO, JAMES	1/26/12 Board Meeting	1012 · Bank of America Gen'l Ckg	
Bill	01/26/2012	1/26 Board Mtg		1/26/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	02/07/2012	15799	ELJE, STEVEN	1/26/12 Board Meeting	1012 · Bank of America Gen'l Ckg	
Bill	01/26/2012	1/26 Board Mtg		1/26/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	02/07/2012	15800	KUHN, BOB		1012 · Bank of America Gen'l Ckg	
Bill	01/12/2012	1/12 Admin Conf Call		1/12/12 Administrative Conference Call	6311 · Board Member Compensation	125.00
Bill	01/19/2012	1/19 Advisory Comm		1/19/12 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	01/26/2012	1/26 Board Mtg		1/26/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	02/07/2012	15801	LANTZ, PAULA		1012 · Bank of America Gen'l Ckg	
Bill	01/12/2012	1/12 Admin Conf Call		1/12/12 Administrative Conference Call	6311 · Board Member Compensation	125.00
Bill	01/17/2012	1/17 RMP Wkshp		1/17/12 RMP Meeting	6311 · Board Member Compensation	125.00
Bill	01/19/2012	1/19 Advisory Comm		1/19/12 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	01/26/2012	1/26 Board Mtg		1/26/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						500.00
Bill Pmt -Check	02/07/2012	15802	DE BOOM, NATHAN	AG Pool Member Meeting Compensation	1012 · Bank of America Gen'l Ckg	
Bill	01/12/2012	1/12 Ag Pool Mtg		1/12/12 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	02/07/2012	15803	DURRINGTON, GLEN	AG POOL MEMBER COMPENSATION	1012 · Bank of America Gen'l Ckg	
Bill	01/12/2012	1/12 Ag Pool Meeting		1/12/12 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**February 2012**

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
Bill Pmt -Check	02/07/2012	15804	FEENSTRA, BOB		1012 · Bank of America Gen'l Ckg	
Bill	01/19/2012	1/19 Advisory Comm		1/19/12 Advisory Committee Meeting	8411 · Compensation	25.00
				1/19/12 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	01/26/2012	1/26 Board Mtg		1/26/12 Board Meeting	8411 · Compensation	25.00
				1/26/12 Board Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	01/31/2012	1/12 Ag Pool Mtg		1/12/12 Ag Pool Meeting	8411 · Compensation	25.00
				1/12/12 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						375.00
Bill Pmt -Check	02/07/2012	15805	HALL, PETE*		1012 · Bank of America Gen'l Ckg	
Bill	01/19/2012	1/19 Advisory Comm		1/19/12 Advisory Committee Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	01/26/2012	1/26 Board Mtg		1/26/12 Board Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						250.00
Bill Pmt -Check	02/07/2012	15806	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	01/12/2012	1/12 Ag Pool Mtg		1/12/12 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	02/07/2012	15807	KOOPMAN, GENE	AG Pool Member Meeting Compensation	1012 · Bank of America Gen'l Ckg	
Bill	01/12/2012	1/12 Ag Pool Mtg		1/12/12 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	02/07/2012	15808	PIERSON, JEFFREY		1012 · Bank of America Gen'l Ckg	
Bill	01/12/2012	1/12 Ag Pool Mtg		1/12/12 Ag Pool Meeting	8411 · Compensation	25.00
				1/12/12 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	01/19/2012	1/19 Advisory Comm		1/19/12 Advisory Committee Meeting	8411 · Compensation	25.00
				1/19/12 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	01/26/2012	1/26 Board Meeting		1/26/12 Board Meeting	8411 · Compensation	25.00
				1/26/12 Board Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						375.00
Bill Pmt -Check	02/07/2012	15809	VANDEN HEUVEL, ROB	AG POOL MEMBER COMPENSATION	1012 · Bank of America Gen'l Ckg	
Bill	01/12/2012	1/12 Ag Pool Mtg		1/12/12 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	02/08/2012	15810	INLAND EMPIRE UTILITIES AGENCY	1800001994	1012 · Bank of America Gen'l Ckg	
Bill	01/31/2012	1800001994		1800001994	7690 · Recharge Improvement Debt Pymt	3,000.00
TOTAL						<u>3,000.00</u>
Bill Pmt -Check	02/08/2012	15811	MWH LABORATORIES		1012 · Bank of America Gen'l Ckg	
Bill	01/31/2012	L0076838		L0076838	7108.4 · Hydraulic Control-Lab Svcs	1,770.00
Bill	01/31/2012	L0076456		L0076456	7108.4 · Hydraulic Control-Lab Svcs	615.00
Bill	01/31/2012	L0076455		L0076455	7108.4 · Hydraulic Control-Lab Svcs	2,065.00
Bill	01/31/2012	L0077462		L0077462	7108.4 · Hydraulic Control-Lab Svcs	1,532.00
Bill	01/31/2012	L0076452		L0077452	7108.4 · Hydraulic Control-Lab Svcs	615.00
Bill	01/31/2012	L0076451		L0076451	7108.4 · Hydraulic Control-Lab Svcs	2,065.00
Bill	01/31/2012	L0076450		L0076450	7108.4 · Hydraulic Control-Lab Svcs	1,475.00
TOTAL						<u>10,137.00</u>
Bill Pmt -Check	02/08/2012	15812	SAN BERNARDINO COUNTY FLOOD CONTROL	IFC 124/12	1012 · Bank of America Gen'l Ckg	
Bill	01/31/2012	FC 124/12		San Sevaine Channel Reconstruction Project	7207 · Comp Recharge-Other	23,805.39
TOTAL						<u>23,805.39</u>
Bill Pmt -Check	02/08/2012	15813	COMPUTER NETWORK	83405	1012 · Bank of America Gen'l Ckg	
Bill	01/31/2012	83405		83405	6055 · Computer Hardware	221.98
TOTAL						<u>221.98</u>
Check	02/15/2012	02/15/2012	Service Charge	Service Charge	1012 · Bank of America Gen'l Ckg	
				Service Charge	6031.7 · Other Office Supplies	44.85
TOTAL						<u>44.85</u>
Check	02/15/2012	15814	FONTANA WATER COMPANY		1012 · Bank of America Gen'l Ckg	
Credit Memo	02/06/2012	AP12-06CR		Refund of Excess Reserves-Assessments	9996 · Refund-Excess Reserves-Approp.	138,931.82
				Refund of Excess Reserves-Recharge Debt	9998 · Refund-Recharge Debt-Approp.	6.75
TOTAL						<u>138,938.57</u>
Check	02/15/2012	15815	GENERAL ELECTRIC COMPANY		1012 · Bank of America Gen'l Ckg	
Credit Memo	02/06/2012	NAG12-05CR		CURO Adjustment	4224 · CURO Adjustment	70.58
				Non-Agricultural Pool Adjustment of Legal	4123.3 · Non-Ag Pool-Special Assessment	169.72
				Refund of Excess Reserves-Assessments	9997 · Refund-Excess Reserve-NonAg	200.07
TOTAL						<u>440.37</u>
Check	02/15/2012	15816	VULCAN MATERIALS COMPANY		1012 · Bank of America Gen'l Ckg	
Credit Memo	02/06/2012	NAG12-16CR		Refund of Excess Reserves-Assessments	9997 · Refund-Excess Reserve-NonAg	74.46
				Non-Agricultural Pool Adjustment of Legal	4123.3 · Non-Ag Pool-Special Assessment	7.85

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
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	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
TOTAL							82.31
	General Journal	02/18/2012	02/18/2012	Payroll and Taxes for 02/05/12-02/18/12	Payroll and Taxes for 02/05/12-02/18/12	1012 · Bank of America Gen'l Ckg	
					Payroll Taxes for 02/05/12-02/18/12	1012 · Bank of America Gen'l Ckg	9,660.91
					Direct Deposits for 02/05/12-02/18/12	1012 · Bank of America Gen'l Ckg	22,499.60
TOTAL							32,160.51
	Bill Pmt -Check	02/22/2012	15817	AMERICAN GROUND WATER TRUST	CD of Presenations Jan. 30-31, 2012 Conf.	1012 · Bank of America Gen'l Ckg	
	Bill	02/13/2012			Purchase cd of presentations	6191 · Conferences - General	20.00
TOTAL							20.00
	Bill Pmt -Check	02/22/2012	15818	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
	Bill	01/31/2012	XXXX-XXXX-XXXX-9341		Fastrack replenishment	6174 · Transportation	30.00
					Registration fee-Maurizio & Greene-AGWT	6191 · Conferences - General	460.00
					1099 Tax Forms	6031.7 · Other Office Supplies	25.86
					Lunch for 1/26/12 Board meeting	6312 · Meeting Expenses	392.06
TOTAL							907.92
P35	Bill Pmt -Check	02/22/2012	15819	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
	Bill	01/31/2012	445627		445627 - BHFS Legal - Appropriative Pool	8375 · BHFS Legal - Appropriative Pool	2,316.10
					445627 - BHFS Legal - Agricultural Pool	8475 · BHFS Legal - Agricultural Pool	2,316.10
					445627 - BHFS Legal - Non-Ag Pool	8575 · BHFS Legal - Non-Ag Pool	1,806.95
					445627 - BHFS Legal - Advisory Committee	6275 · BHFS Legal - Advisory Committee	2,534.96
					445627 - BHFS Legal - Board Meeting	6375 · BHFS Legal - Board Meeting	2,427.00
					445627 - BHFS Legal - Personnel Matters	6073 · BHFS Legal - Personnel Matters	1,621.14
					445627 - BHFS Legal - Storage Agreements	6076 · BHFS Legal - Storage Agreements	5,054.07
					445627 - BHFS Legal - Miscellaneous	6078 · BHFS Legal - Miscellaneous	5,249.69
					445627 - Paragraph 31 Motion	6907.35 · Paragraph 31 Motion	5,266.35
					445627 - Recharge Master Plan	6907.39 · Recharge Master Plan	2,793.29
	Bill	01/31/2012	445628		445628 - BHFS Legal - Personnel Matters	6073 · BHFS Legal - Personnel Matters	12,475.50
	Bill	01/31/2012	445629		445629 - Chino Airport Plume	6907.32 · Chino Airport Plume	175.50
	Bill	01/31/2012	445630		445630 - Paragraph 31 Motion	6907.35 · Paragraph 31 Motion	14,772.13
TOTAL							58,808.78
	Bill Pmt -Check	02/22/2012	15820	CALPERS 457 PLAN	Payroll and Taxes for 01/22/12-02/04/12	1012 · Bank of America Gen'l Ckg	
	General Journal	02/04/2012	02/04/2012	CALPERS 457 PLAN	Employee Deductions for 01/22/12-02/04/12	2000 · Accounts Payable	11,435.10
TOTAL							11,435.10
	Bill Pmt -Check	02/22/2012	15821	COMPUTER NETWORK		1012 · Bank of America Gen'l Ckg	
	Bill	01/31/2012	82950		HP Designjet Postscript Upgrade	6054 · Computer Software	1,535.44

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Type	Date	Num	Name	Memo	Account	Paid Amount	
Bill	01/31/2012	82949		HP Designjet T2300 Printer - Replacement	6055 · Computer Hardware	8,620.00	
Bill	02/03/2012	83446		Repair projector in board room	6057 · Computer Maintenance	300.00	
TOTAL						10,455.44	
Bill Pmt -Check	02/22/2012	15822	CUCAMONGA VALLEY WATER DISTRICT	Lease Due March 1, 2012	1012 · Bank of America Gen'l Ckg		
Bill	02/15/2012			Lease Due March 1, 2012	1422 · Prepaid Rent	5,984.00	
TOTAL						5,984.00	
Bill Pmt -Check	02/22/2012	15823	GREAT AMERICA LEASING CORP.	11862159	1012 · Bank of America Gen'l Ckg		
Bill	01/31/2012	11862159		Monthly Lease Invoice	6043.1 · Ricoh Lease Fee	2,788.53	
				Usage for Black Copies	6043.2 · Ricoh Usage & Maintenance Fee	292.15	
				Usage for Color Copies	6043.2 · Ricoh Usage & Maintenance Fee	224.08	
TOTAL						3,304.76	
Bill Pmt -Check	02/22/2012	15824	GUARANTEED JANITORIAL SERVICE, INC.	1-28887	1012 · Bank of America Gen'l Ckg		
Bill	02/01/2012	1-28887		Janitorial Service - February 2012	6024 · Building Repair & Maintenance	865.00	
TOTAL						865.00	
P 3 6	Bill Pmt -Check	02/22/2012	15825	MWH LABORATORIES		1012 · Bank of America Gen'l Ckg	
	Bill	01/31/2012	L0077444		L0077444 - Hydraulic Control-Lab Svcs	7108.4 · Hydraulic Control-Lab Svcs	615.00
	Bill	01/31/2012	L0077445		L0077445 - Hydraulic Control-Lab Svcs	7108.4 · Hydraulic Control-Lab Svcs	2,065.00
	Bill	01/31/2012	L0077645		L0077645 - Hydraulic Control-Lab Svcs	7108.4 · Hydraulic Control-Lab Svcs	1,770.00
	Bill	01/31/2012	L0077447		L0077447 - Hydraulic Control-Lab Svcs	7108.4 · Hydraulic Control-Lab Svcs	1,532.00
	Bill	01/31/2012	L0078443		L0078443 - Hydraulic Control-Lab Svcs	7108.4 · Hydraulic Control-Lab Svcs	2,065.00
	Bill	01/31/2012	L0078444		L0078444 - Hydraulic Control-Lab Svcs	7108.4 · Hydraulic Control-Lab Svcs	615.00
	Bill	01/31/2012	L0078445		L0078445 - Hydraulic Control-Lab Svcs	7108.4 · Hydraulic Control-Lab Svcs	1,770.00
TOTAL						10,432.00	
Bill Pmt -Check	02/22/2012	15826	PAYCHEX	2012020200	1012 · Bank of America Gen'l Ckg		
Bill	01/31/2012	2012020200		Payroll Service - January 2012	6012 · Payroll Services	393.57	
TOTAL						393.57	
Bill Pmt -Check	02/22/2012	15827	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg		
General Journal	02/04/2012	02/04/2012	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS for 01/22/12-02/04/12	2000 · Accounts Payable	8,074.07	
TOTAL						8,074.07	
Bill Pmt -Check	02/22/2012	15828	RAUCH COMMUNICATION CONSULTANTS, LLC	Feb-1206	1012 · Bank of America Gen'l Ckg		
Bill	01/31/2012	Feb-1206		Progress Billing - CBWM Annual Report	6061.3 · Rauch	2,028.75	
TOTAL						2,028.75	

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	02/22/2012	15829	SAFEGUARD DENTAL & VISION	4190814	1012 - Bank of America Gen'l Ckg	
Bill	02/01/2012	4190814		Vision Insurance - February 2012	60182.2 - Dental & Vision Ins	7.91
TOTAL						7.91
Bill Pmt -Check	02/22/2012	15830	STAPLES BUSINESS ADVANTAGE		1012 - Bank of America Gen'l Ckg	
Bill	01/31/2012	8020887455		Miscellaneous office supplies	6031.7 - Other Office Supplies	54.92
Bill	02/04/2012	8020968323		Miscellaneous office supplies	6031.7 - Other Office Supplies	39.52
TOTAL						94.44
Bill Pmt -Check	02/22/2012	15831	STAULA, MARY L	Retiree Medical	1012 - Bank of America Gen'l Ckg	
Bill	02/29/2012				60182.4 - Retiree Medical	136.61
TOTAL						136.61
Bill Pmt -Check	02/22/2012	15832	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	
Bill	01/31/2012	1VC070000018102		Week ending 1/29/12	6017 - Temporary Services	824.00
TOTAL						824.00
Bill Pmt -Check	02/22/2012	15833	UNITED PARCEL SERVICE	2x81x0	1012 - Bank of America Gen'l Ckg	
Bill	01/31/2012	2x81x0		Package to Andy Malone @ WE Inc.	6042 - Postage - General	25.37
TOTAL						25.37
Bill Pmt -Check	02/22/2012	15834	VERIZON BUSINESS	64217340	1012 - Bank of America Gen'l Ckg	
Bill	02/13/2012	64217340		64217340	6053 - Internet Expense	1,562.96
TOTAL						1,562.96
Bill Pmt -Check	02/22/2012	15835	VERIZON WIRELESS	1054382992	1012 - Bank of America Gen'l Ckg	
Bill	02/13/2012	1054382992		Monthly service	6022 - Telephone	406.91
TOTAL						406.91
Bill Pmt -Check	02/22/2012	15836	WESTERN DENTAL SERVICES, INC.	002483	1012 - Bank of America Gen'l Ckg	
Bill	02/13/2012	002483		Dental Insurance - March 2012	60182.2 - Dental & Vision Ins	28.88
TOTAL						28.88
Bill Pmt -Check	02/22/2012	15837	WILDERMUTH ENVIRONMENTAL INC		1012 - Bank of America Gen'l Ckg	
Bill	01/31/2012	2012010		2012010 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	6,212.50
Bill	01/31/2012	2012011		2012011 - OBMP Engineering Services	6906 - OBMP Engineering Services	5,262.50
Bill	01/31/2012	2012012		2012012 - OBMP Engineering Services	6906 - OBMP Engineering Services	575.00
Bill	01/31/2012	2012013		2012013 - OBMP Engineering Services	6906 - OBMP Engineering Services	3,825.26
Bill	01/31/2012	2012014		2012014 - Grdwtr Level-Engineering	7104.3 - Grdwtr Level-Engineering	21,813.44
Bill	01/31/2012	2012015		2012015 - Grdwtr Qual-Engineering	7103.3 - Grdwtr Qual-Engineering	13,393.75

P3 TOTAL

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month of**  
**February 2012**

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
Bill	01/31/2012	2012016		2012016 - Hydraulic Control-Engineering	7108.3 · Hydraulic Control-Engineering	12,913.65
Bill	01/31/2012	2012017		2012017 - Hydraulic Control-Engineering	7108.3 · Hydraulic Control-Engineering	907.43
Bill	01/31/2012	2012018		2012018 - Hydraulic Control-Engineering	7108.3 · Hydraulic Control-Engineering	8,373.72
Bill	01/31/2012	2012019		2012019 - Grd Level-Engineering	7107.2 · Grd Level-Engineering	24,997.60
				Associated Engineers - Contract Svcs	7107.6 · Grd Level-Contract Svcs	11,000.00
Bill	01/31/2012	2012020		2012020 - PE3&5-Engineering	7303 · PE3&5-Engineering	4,300.00
Bill	01/31/2012	2012021		2012021 - PE4-Engineering	7402 · PE4-Engineering	3,825.00
Bill	01/31/2012	2012022		2012022 - OBMP Engineering Services	6906 · OBMP Engineering Services	4,727.50
Bill	01/31/2012	2012023		2012023 - Comp Recharge-Implementation	7202.3 · Comp Recharge-Implementation	15,957.59
Bill	01/31/2012	2012024		2012024 - PE6&7-Engineering	7502 · PE6&7-Engineering	5,476.25
Bill	01/31/2012	2012025		2012025 - OBMP Engineering Services	6906 · OBMP Engineering Services	440.00
TOTAL						<u>144,001.19</u>
<b>General Journal</b>	<b>02/29/2012</b>	<b>02/29/2012</b>	<b>Wage Works Direct Debits - February 2012</b>	<b>Wage Works Direct Debits - February 2012</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
				Wage Works Direct Debits - February 2012	1012 · Bank of America Gen'l Ckg	495.40
				Wage Works Direct Debits - February 2012	1012 · Bank of America Gen'l Ckg	495.40
				Wage Works Direct Debits - February 2012	1012 · Bank of America Gen'l Ckg	76.25
				Wage Works Direct Debits - February 2012	1012 · Bank of America Gen'l Ckg	76.25
						<u>1,143.30</u>
					<b>Total Disbursements:</b>	<u><u>550,218.44</u></u>

TOTAL 138



# CHINO BASIN WATERMASTER

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## STAFF REPORT

**DATE:** April 12, 2012  
**TO:** Pool Members  
**SUBJECT:** VISA Check Detail Report – Financial Report B2

### SUMMARY

**Issue** – Record of VISA credit card payment disbursed for the month of February 2012.

**Recommendation** – Staff recommends the VISA Check Detail Report for February 2012 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 February 2012 was \$907.92. The monthly charges for February 2012 were for routine and customary expenditures and properly documented with receipts.

### Actions:

- April 12, 2012 Appropriative Pool –
- April 12, 2012 Non-Agricultural Pool –
- April 12, 2012 Agricultural Pool –
- April 19, 2012 Advisory Committee –
- April 26, 2012 Watermaster Board –

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CHINO BASIN WATERMASTER  
 VISA Check Detail Report  
 February 2012

Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	02/22/2012	15818	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	01/31/2012	XXXX-XXXX-XXXX-9341		Fastrack replenishment	6174 · Transportation	30.00
				Registration fee-Maurizio & Greene-AGWT	6191 · Conferences - General	460.00
				1099 Tax Forms	6031.7 · Other Office Supplies	25.86
				Lunch for 1/26/12 Board meeting	6312 · Meeting Expenses	392.06
TOTAL					<b>Total Disbursements:</b>	<b>907.92</b>

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## STAFF REPORT

**DATE:** April 12, 2012  
**TO:** Pool Members  
**SUBJECT:** Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2011 through February 29, 2012 - Financial Report B3

### SUMMARY

**Issue** – Record of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2011 through February 29, 2012.

**Recommendation** – Staff recommends the Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2011 through February 29, 2012 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 February 29, 2012 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:

- April 12, 2012 Appropriative Pool –
- April 12, 2012 Non-Agricultural Pool –
- April 12, 2012 Agricultural Pool –
- April 19, 2012 Advisory Committee –
- April 26, 2012 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 FEBRUARY 29, 2012

Financial Report - B3

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER OPERATIONS		EDUCATION FUNDS	GRAND TOTALS	BUDGET 2011-2012
			APPROPRIATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS			
<b>Administrative Revenues:</b>										
Administrative Assessments			5,844,372		252,359				6,096,730	\$6,097,177
Interest Revenue			7,674	912	286			1	8,872	150,010
Mutual Agency Project Revenue	705,777								705,777	654,580
Grant Income									-	0
Miscellaneous Income									-	0
<b>Total Revenues</b>	<b>705,777</b>	<b>-</b>	<b>5,852,046</b>	<b>912</b>	<b>252,644</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>6,811,379</b>	<b>6,901,767</b>
<b>Administrative &amp; Project Expenditures:</b>										
Watermaster Administration	491,115								491,115	577,107
Watermaster Board-Advisory Committee	127,787								127,787	155,297
Ag Pool Misc. Expense - Ag Fund				99					99	-
Pool Administration			35,146	111,924	80,299				227,369	503,822
Optimum Basin Mgmt Administration		916,685							916,685	1,279,496
OBMP Project Costs		2,777,213							2,777,213	4,139,706
Debt Service		178,135							178,135	450,964
Education Funds Use								375	375	375
Mutual Agency Project Costs									-	10,000
<b>Total Administrative/OBMP Expenses</b>	<b>618,902</b>	<b>3,872,033</b>	<b>35,146</b>	<b>111,924</b>	<b>80,299</b>	<b>-</b>	<b>-</b>	<b>375</b>	<b>4,718,779</b>	<b>7,116,767</b>
Net Administrative/OBMP Expenses	86,875	(3,872,033)								
Allocate Net Admin Expenses To Pools	(86,875)		(59,929)	(23,955)	(2,992)					
Allocate Net OBMP Expenses To Pools		3,693,898	2,548,146	1,018,541	127,212					
Allocate Debt Service to App Pool		178,135	178,135							
Agricultural Expense Transfer*			1,106,510	(1,106,510)						
<b>Total Expenses</b>	<b>3,808,009</b>	<b>-</b>	<b>3,808,009</b>	<b>99</b>	<b>204,519</b>	<b>-</b>	<b>-</b>	<b>375</b>	<b>4,718,779</b>	<b>7,116,767</b>
<b>Net Administrative Income</b>	<b>-</b>	<b>-</b>	<b>2,044,037</b>	<b>812</b>	<b>48,125</b>	<b>-</b>	<b>-</b>	<b>(374)</b>	<b>2,092,600</b>	<b>(215,000)</b>
<b>Other Income/(Expense)</b>										
Replenishment Water Assessments						714,284			714,284	0
Non-Ag Stored Water Purchases			2,377,250						2,377,250	0
Interest Revenue						7			7	0
MWD Water Purchases						10,269,933			10,269,933	0
Non-Ag Stored Water Purchases			(2,377,250)						(2,377,250)	0
MWD Water Purchases						(10,269,932)			(10,269,932)	0
Groundwater Replenishment						(25,146)			(25,146)	0
Refund-Excess Reserves			(1,957,901)		(81,757)				(2,039,658)	0
Refund-Recharge Debt			(584,280)						(584,280)	0
<b>Net Other Income/(Expense)</b>	<b>-</b>	<b>-</b>	<b>(2,542,181)</b>	<b>-</b>	<b>(81,757)</b>	<b>689,146</b>	<b>-</b>	<b>-</b>	<b>(1,934,792)</b>	<b>0</b>
<b>Net Transfers To/(From) Reserves</b>	<b>-</b>	<b>157,809</b>	<b>(498,144)</b>	<b>812</b>	<b>(33,632)</b>	<b>689,146</b>	<b>-</b>	<b>(374)</b>	<b>157,809</b>	<b>(215,000)</b>
<b>Working Capital, July 1, 2011</b>	<b>0</b>	<b>-</b>	<b>6,922,600</b>	<b>475,807</b>	<b>282,721</b>	<b>35,379</b>	<b>158,251</b>	<b>630</b>	<b>7,875,387</b>	<b>-</b>
<b>Working Capital, End Of Period</b>	<b>-</b>	<b>-</b>	<b>6,424,456</b>	<b>476,619</b>	<b>249,089</b>	<b>724,525</b>	<b>158,251</b>	<b>256</b>	<b>8,033,196</b>	<b>8,033,196</b>
<b>10/11 Assessable Production</b>			<b>78,410,414</b>	<b>31,342,082</b>	<b>3,914,499</b>				<b>113,666,995</b>	
<b>10/11 Production Percentages</b>			<b>68.983%</b>	<b>27.574%</b>	<b>3.444%</b>				<b>100.000%</b>	

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

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# CHINO BASIN WATERMASTER

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

## STAFF REPORT

**DATE:** April 12, 2012  
**TO:** Pool Members  
**SUBJECT:** Treasurer's Report of Financial Affairs for the Period February 1, 2012 through February 29, 2012 - Financial Report B4

### SUMMARY

**Issue** – Record of increases or decreases in the cash position, assets and liabilities of Watermaster for the Period of February 1, 2012 through February 29, 2012.

**Recommendation** – Staff recommends the Treasurer's Report of Financial Affairs for the Period February 1, 2012 through February 29, 2012 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 February 1, 2012 through February 29, 2012 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:

April 12, 2012 Appropriative Pool –  
April 12, 2012 Non-Agricultural Pool –  
April 12, 2012 Agricultural Pool –  
April 19, 2012 Advisory Committee –  
April 26, 2012 Watermaster Board –

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**CHINO BASIN WATERMASTER  
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD  
FEBRUARY 1 THROUGH FEBRUARY 29, 2012**

Financial Report - B4

**DEPOSITORIES:**

Cash on Hand - Petty Cash		\$	500
Bank of America			
Governmental Checking-Demand Deposits	\$	2,725,206	
Zero Balance Account - Payroll	\$	-	2,725,206
Local Agency Investment Fund - Sacramento			3,968,824
<b>TOTAL CASH IN BANKS AND ON HAND</b>	<b>2/29/2012</b>		<b>\$ 6,694,530</b>
<b>TOTAL CASH IN BANKS AND ON HAND</b>	<b>1/31/2012</b>		<b>5,116,836</b>
<b>PERIOD INCREASE (DECREASE)</b>			<b>\$ 1,577,694</b>

**CHANGE IN CASH POSITION DUE TO:**

Decrease/(Increase) in Assets: Accounts Receivable		\$	-
Assessments Receivable			(1,952,326)
Prepaid Expenses, Deposits & Other Current Assets			(246,343)
(Decrease)/Increase in Liabilities: Accounts Payable			374,249
Accrued Payroll, Payroll Taxes & Other Current Liabilities			1,718
Transfer to/(from) Reserves			3,400,395
<b>PERIOD INCREASE (DECREASE)</b>			<b>\$ 1,577,694</b>

**SUMMARY OF FINANCIAL TRANSACTIONS:**

	Petty Cash	Govt'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 1/31/2012	\$ 500	\$ 1,147,512	\$ -	\$ 3,968,824	\$ 5,116,836
Deposits	-	2,127,913	-	-	2,127,913
Transfers	-	(69,519)	69,519	-	-
Withdrawals/Checks	-	(480,700)	(69,519)	-	(550,218)
<b>Balances as of 2/29/2012</b>	<b>\$ 500</b>	<b>\$ 2,725,206</b>	<b>\$ -</b>	<b>\$ 3,968,824</b>	<b>\$ 6,694,530</b>
<b>PERIOD INCREASE OR (DECREASE)</b>	<b>\$ -</b>	<b>\$ 1,577,694</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,577,694</b>

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**CHINO BASIN WATERMASTER  
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD  
FEBRUARY 1 THROUGH FEBRUARY 29, 2012**

Financial Report - B4

**INVESTMENT TRANSACTIONS**

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
<b>TOTAL INVESTMENT TRANSACTIONS</b>			<b>\$</b>	<b>-</b>	<b>-</b>		

\* The earnings rate for L.A.I.F. is a daily variable rate; 0.38% was the effective yield rate at the Quarter ended December 31, 2011.

**INVESTMENT STATUS  
February 29, 2012**

<u>Financial Institution</u>	<u>Principal Amount</u>	<u>Number of Days</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Local Agency Investment Fund	\$ 3,968,824			
<b>TOTAL INVESTMENTS</b>	<b>\$ 3,968,824</b>			

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

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

Respectfully submitted,

Joseph S. Joswiak  
Chief Financial Officer  
Chino Basin Watermaster



# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
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## STAFF REPORT

**DATE:** April 12, 2012  
**TO:** Pool Members  
**SUBJECT:** Budget vs. Actual Report for the Period July 1, 2011 through February 29, 2012 - Financial Report - B5

### SUMMARY

**Issue** – Record of revenues and expenses of Watermaster for the Period of July 1, 2011 through February 29, 2012.

**Recommendation** – Staff recommends the Budget vs. Actual Report for the Period July 1, 2011 through February 29, 2012 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 February 29, 2012 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 was a Budget Amendment approved during the March 2012 Pools, Advisory Committee and Board meeting. The "Amended" Total Revenues increased from \$6,869,767 to \$6,901,767 (an increase of \$32,000) while the "Amended" Total Expenses increased from 7,084,767 to \$7,116,767 (an increase of \$32,000). The additional \$32,000 was to fund the Watermaster CEO Recruitment Contract.

Year-To-Date (YTD) for the eight months ending February 29, 2012, all but nine categories were at or below the projected budget. The categories above budget were the Watermaster Legal Services (6070's) of \$9,271; Watermaster Board Expenses (6300's) of \$19,250; Appropriate Pool Administration Expenses (8300's) of \$1,626; Non-Ag Pool Administration Expenses (8500's) of \$12,490; Optimum Basin

Management Plan Expenses (6900's) of \$6,439; In-Line Meter Installation Expenses (7102's) of \$7,033; Groundwater Quality Monitoring Expenses (7103's) of \$5,025; Comprehensive Recharge Program Expenses (7200's) of \$4,792; and Cooperative Efforts/Salt Management (7500's) of \$19,519.

The chart listed below summarized the Year-To-Date (YTD) Actual Watermaster salary costs compared to the Year-To-Date (YTD) Budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. As of February 29, 2012, the total (YTD) Watermaster salary expenses are \$19,646 or 1.9% above the YTD budgeted amount of \$1,025,291. The following details are provided:

	Jul '11 - Feb '12	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>WM Salary Expense</b>					
6011 · WM Staff Salaries	303,637.59	294,021.72	9,615.87	103.27%	441,032.00
6011.2 · WM Staff - Admin. Paid Leave	55,510.21	40,000.00	15,510.21	138.78%	0.00
6011.3 · WM Staff - Temporary Upgrade	7,223.90	0.00	7,223.90	100.0%	0.00
6201 · Advisory Committee - WM Staff Salaries	14,360.67	14,160.68	199.99	101.41%	21,241.00
6301 · Watermaster Board - WM Staff Salaries	19,944.55	19,944.00	0.55	100.0%	29,916.00
8301 · Appropriative Pool - WM Staff Salaries	21,393.46	18,966.68	2,426.78	112.8%	28,450.00
8401 · Agricultural Pool - WM Staff Salaries	17,159.16	16,623.32	535.84	103.22%	24,935.00
8501 · Non-Agricultural Pool - WM Staff Salaries	9,553.56	9,488.68	64.88	100.68%	14,233.00
6901 · OBMP - WM Staff Salaries	158,892.81	144,661.32	14,231.49	109.84%	216,992.00
7101.1 · Production Monitor - WM Staff Salaries	68,303.20	78,433.32	-10,130.12	87.08%	104,150.00
7102.1 · In-line Meter - WM Staff Salaries	6,078.64	6,908.68	-830.04	87.99%	10,363.00
7103.1 · Grdwater Quality - WM Staff Salaries	48,897.04	61,463.32	-12,566.28	79.56%	80,195.00
7104.1 · Grdwater Level - WM Staff Salaries	32,668.98	59,908.68	-27,239.70	54.53%	89,863.00
7105.1 · Sur Wtr Qual - WM Staff Salaries	567.23	1,994.68	-1,427.45	28.44%	2,992.00
7107.1 · Grd Level Monitoring - WM Staff Salaries	408.40	1,044.00	-635.60	39.12%	1,566.00
7108.1 · Hydraulic Control - WM Staff Salaries	3,360.62	4,848.68	-1,488.06	69.31%	7,273.00
7201 · Comp Recharge - WM Staff Salaries	83,412.64	83,391.32	21.32	100.03%	125,087.00
7301 · PE3&5 - WM Staff Salaries	24,924.15	25,028.68	-104.53	99.58%	37,543.00
7401 · PE4 - WM Staff Salaries	6,285.08	8,156.68	-1,871.60	77.05%	12,235.00
7501.1 · PE 6&7 - WM Staff Salaries (Plume)	19,696.60	0.00	19,696.60	100.0%	0.00
7501 · PE6&7 - WM Staff Salaries	3,596.90	1,994.68	1,602.22	180.33%	2,992.00
7601 · PE8&9 - WM Staff Salaries	30,409.83	30,282.00	127.83	100.42%	45,423.00
7701 · Inactive Well - WM Staff Salaries	0.00	309.75	-309.75	0.0%	413.00
<b>Subtotal WM Staff Costs</b>	<b>936,285.22</b>	<b>921,630.87</b>	<b>14,654.35</b>	<b>101.59%</b>	<b>1,296,894.00</b>
60185 · Vacation	48,565.31	38,941.50	9,623.81	124.71%	51,922.00
60186 · Sick Leave	21,546.87	27,540.00	-5,993.13	78.24%	41,310.00
60187 · Holidays	38,540.23	37,179.00	1,361.23	103.66%	41,310.00
<b>Subtotal WM Paid Leaves</b>	<b>108,652.41</b>	<b>103,660.50</b>	<b>4,991.91</b>	<b>104.82%</b>	<b>134,542.00</b>
<b>Total WM Salary Costs</b>	<b>1,044,937.63</b>	<b>1,025,291.37</b>	<b>19,646.26</b>	<b>101.92%</b>	<b>1,431,436.00</b>

Added to the financial reports in the month of November 2011, the chart listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of February 29, 2012 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. As of February 29, 2012, the BHFS expenses are \$22,587 or 5.2% above the (YTD) budgeted amount of \$438,240. The following details are provided:

	Jul '11 - Feb '12	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>6070 · Watermaster Legal Services</b>					
6071 · BHFS Legal - Court Coordination	0.00	26,066.68	-26,066.68	0.0%	39,100.00
6072 · BHFS Legal - Restated Judgment	18,306.96	62,400.00	-44,093.04	29.34%	62,400.00
6073 · BHFS Legal - Personnel Matters	47,576.29	6,583.32	40,992.97	722.68%	9,875.00
6074 · BHFS Legal - Interagency Issues	3,510.45	22,866.68	-19,356.23	15.35%	34,300.00
6075 · BHFS Legal - Replenishmnt Water	42,186.60	0.00	42,186.60	100.0%	0.00
6076 · BHFS Legal - Storage Agreements	5,779.47	0.00	5,779.47	100.0%	0.00
6078 · BHFS Legal - Miscellaneous	47,748.33	37,920.00	9,828.33	125.92%	56,880.00
<b>Total 6070 · Watermaster Legal Services</b>	<b>165,108.10</b>	<b>155,836.68</b>	<b>9,271.42</b>	<b>105.95%</b>	<b>202,555.00</b>
6275 · BHFS Legal - Advisory Committee	21,473.18	20,540.00	933.18	104.54%	30,810.00
6375 · BHFS Legal - Board Meeting	51,658.47	34,420.00	17,238.47	150.08%	45,630.00
8375 · BHFS Legal - Appropriative Pool	13,263.68	14,220.00	-956.32	93.28%	21,330.00
8475 · BHFS Legal - Agricultural Pool	12,738.88	20,540.00	-7,801.12	62.02%	30,810.00
8575 · BHFS Legal - Non-Ag Pool	11,897.63	6,320.00	5,577.63	188.25%	9,480.00
<b>Total BHFS Legal Services</b>	<b>111,031.84</b>	<b>96,040.00</b>	<b>14,991.84</b>	<b>115.61%</b>	<b>138,060.00</b>
<b>6907.3 · WM Legal Counsel</b>					
6907.30 · Peace II - CEQA	3,019.50	0.00	3,019.50	100.0%	0.00
6907.31 · S. Archibald Plume-Formerly OIA	6,642.00	16,416.68	-9,774.68	40.46%	24,625.00
6907.32 · Chino Airport Plume	10,358.70	17,116.68	-6,757.98	60.52%	25,675.00
6907.33 · Desalter Negotiations	82,498.31	67,425.00	15,073.31	122.36%	67,425.00
6907.34 · Santa Ana River Water Rights	5,121.97	16,750.00	-11,628.03	30.58%	25,125.00
6907.35 · Paragraph 31 Motion	52,096.49	39,200.00	12,896.49	132.9%	39,200.00
6907.36 · Santa Ana River Habitat	7,969.13	0.00	7,969.13	100.0%	0.00
6907.37 · Water Auction	0.00	0.00	0.00	0.0%	0.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	9,166.68	-9,166.68	0.0%	13,750.00
6907.39 · Recharge Master Plan	16,980.44	20,288.00	-3,307.56	83.7%	25,360.00
6907.3 · WM Legal Counsel - Other	0.00	0.00	0.00	0.0%	0.00
<b>Total 6907.3 · WM Legal Counsel</b>	<b>184,686.54</b>	<b>186,363.04</b>	<b>-1,676.50</b>	<b>99.1%</b>	<b>221,160.00</b>
<b>Total Brownstein, Hyatt, Farber, Schreck Costs</b>	<b>460,826.48</b>	<b>438,239.72</b>	<b>22,586.76</b>	<b>105.15%</b>	<b>561,775.00</b>

**OBMP Engineering Services and Legal Costs:**

Several individual line items within the 6900 (Optimum Basin Mgmt Program) are above the Year-To-Date budget. These are the 6901 (WM Staff Salaries) of \$14,231 and the 6906 (OBMP Engineering Services-Other) of \$6,090. These overages totaling \$20,321 are a direct result of increased activities and allocating the budget in equal 1/12 portions throughout the fiscal year. The Year-To-Date expenses in these categories are running ahead of budget and should level off as the fiscal year progresses.

Within the category 6900 (Optimum Basin Mgmt Program) are the remaining Brownstein Hyatt Farber Schreck (BHFS) Watermaster's legal expenses. Within the legal expense category, some individual line item activities were above the budget \$38,958 while the majority of line item activities were below the budget \$40,635. Above the budget line items were the Peace II CEQA of \$3,020; the Desalter Negotiations of \$15,073; the Paragraph 31 Motion of \$12,896; and the Santa Ana River Habitat of \$7,969. The individual legal projects/activities that were below budget for the Year-To-Date period were the South Archibald Plume (formerly the OIA Plume) of \$9,775; the Chino Airport Plume \$6,758; the Santa Ana River Water Rights Application of \$11,628; the Regional Water Quality Control Board of \$9,167; and the Recharge Master Plan of \$3,307. For the eight months ended February 29, 2012, the overall cumulative

(YTD) budget was \$186,363 and the actual (BHFS) legal expenses totaled \$184,686 which resulted in an (Under) budget variance of (\$1,677) or (0.9%).

The chart listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of February 29, 2012 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. Overall, the Optimum Basin Management Program (OBMP) category was \$800,019 compared to a (YTD) budget of \$793,580 for an Over budget of \$6,439 or 0.8% as of February 29, 2012.

	Jul '11 - Feb '12	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>6900 · Optimum Basin Mgmt Plan</b>					
6901 · WM Staff Salaries	158,892.81	144,661.32	14,231.49	109.84%	216,992.00
6903 · OBMP SAWPA Group	11,655.00	11,655.00	0.00	100.0%	11,655.00
6906 · OBMP Engineering Services					
6906.1 · OBMP - Watermaster Model Update	264,023.48	264,010.00	13.48	100.01%	354,010.00
6906 · OBMP Engineering Services - Other	176,314.71	170,224.25	6,090.46	103.58%	224,304.00
<b>Total 6906 · OBMP Engineering Services</b>	<b>440,338.19</b>	<b>434,234.25</b>	<b>6,103.94</b>	<b>101.41%</b>	<b>578,314.00</b>
6907 · OBMP Legal Fees					
6907.3 · WM Legal Counsel					
6907.30 · Peace II - CEQA	3,019.50	0.00	3,019.50	100.0%	0.00
6907.31 · S. Archibald Plume-Formerly OIA	6,642.00	16,416.68	-9,774.68	40.46%	24,625.00
6907.32 · Chino Airport Plume	10,358.70	17,116.68	-6,757.98	60.52%	25,675.00
6907.33 · Desalter Negotiations	82,498.31	67,425.00	15,073.31	122.36%	67,425.00
6907.34 · Santa Ana River Water Rights	5,121.97	16,750.00	-11,628.03	30.58%	25,125.00
6907.35 · Paragraph 31 Motion	52,096.49	39,200.00	12,896.49	132.9%	39,200.00
6907.36 · Santa Ana River Habitat	7,969.13	0.00	7,969.13	100.0%	0.00
6907.37 · Water Auction	0.00	0.00	0.00	0.0%	0.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	9,166.68	-9,166.68	0.0%	13,750.00
6907.39 · Recharge Master Plan	16,980.44	20,288.00	-3,307.56	83.7%	25,360.00
6907.3 · WM Legal Counsel - Other	0.00	0.00	0.00	0.0%	0.00
<b>Total 6907.3 · WM Legal Counsel</b>	<b>184,686.54</b>	<b>186,363.04</b>	<b>-1,676.50</b>	<b>99.1%</b>	<b>221,160.00</b>
<b>Total 6907 · OBMP Legal Fees</b>	<b>184,686.54</b>	<b>186,363.04</b>	<b>-1,676.50</b>	<b>99.1%</b>	<b>221,160.00</b>
6909 · OBMP Other Expenses					
6909.1 · OBMP Meetings	874.28	0.00	874.28	100.0%	0.00
6909.3 · Other OBMP Expenses	1,977.00	0.00	1,977.00	100.0%	0.00
6909.4 · Printing	1,595.00	0.00	1,595.00	100.0%	0.00
6909.5 · Ad Hoc Litigation Committee	0.00	0.00	0.00	0.0%	0.00
6909 · OBMP Other Expenses - Other	0.00	16,666.68	-16,666.68	0.0%	25,000.00
<b>Total 6909 · OBMP Other Expenses</b>	<b>4,446.28</b>	<b>16,666.68</b>	<b>-12,220.40</b>	<b>26.68%</b>	<b>25,000.00</b>
<b>Total 6900 · Optimum Basin Mgmt Plan</b>	<b>800,018.82</b>	<b>793,580.29</b>	<b>6,438.53</b>	<b>100.81%</b>	<b>1,053,121.00</b>

The OBMP Implementation Projects (accounts 7100's – 7700's) were under budget as of February 29, 2012 except for several categories. Those categories over budget (YTD) were In-Line Meter Installation (7102's), over budget by the amount of \$7,033; Groundwater Quality Monitoring (7103's) over budget by the amount of \$5,025; Comprehensive Recharge Program (7200's) over budget by the amount of \$4,792; and Cooperative Efforts/Salt Management (7500's) over budget by the amount of \$19,519. The In-Line Meter Installation category was over budget due to the increased number of meters being installed than was originally budgeted in the Watermaster FY 2011/2012 budget. The Groundwater Quality Monitoring category and the Comprehensive Recharge Program categories were over budget due to timing differences between actual expenses and budgeted expenses. The Cooperative Efforts/Salt

Management variance is a result of the additional labor efforts regarding the South Archibald Plume monitoring and testing, resulting in a larger unanticipated labor cost.

Category 7107 (Ground Level Monitoring) contains the annual budget costs of \$465,002 for the installation of a vertical extensometer in the Chino Creek Well Field area, located at the Chino Airport. The initial payment of \$295,200 to the Chino Basin Desalter Authority is planned to be issued in March 2012. This budget category also includes the \$30,000 quarterly InSar Imagery costs which are tracking well below the budget.

The Recharge Improvement Debt Payment (Category 7690) is another category which the budget and expense fluctuate due to the timing of expense receipts. Watermaster received a credit from IEUA in the amount of \$296,265 during the month of January. This credit is the direct result of the refinancing efforts by IEUA and a true-up of the budgeted costs vs. actual payments on the debt servicing to IEUA. Currently, this category is below the budgeted amount by \$272,829. Excess funds from this category could be used for the upcoming 3-year Turner Basin Improvements, which are estimated in the range of \$270K+.

Added to the financial reports during the month of November 2011, the chart listed below summarized the Year-To-Date (YTD) Actual Wildermuth Environmental, Inc., (WEI) and other Engineering costs compared to the Year-To-Date (YTD) Budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. As of February 29, 2012, the total (YTD) Engineering expenses are \$159,208 or 7.9% below the (YTD) budget amount of \$2,009,697. The following details are provided:

	Jul '11 - Feb '12	Budget	\$ Over Budget	% of Budget	Annual Budget
6906.1 • OBMP - Watermaster Model Update	264,023.48	264,010.00	13.48	100.01%	354,010.00
6906 • OBMP Engineering Services - Other	176,314.71	170,224.25	6,090.46	103.58%	224,304.00
7103.3 • Grdwtr Qual-Engineering	95,879.50	81,305.00	14,574.50	117.93%	86,470.00
7103.5 • Grdwtr Qual-Lab Svcs	31,330.00	27,588.68	3,741.32	113.56%	36,883.00
7104.3 • Grdwtr Level-Engineering	178,781.97	133,414.00	45,367.97	134.01%	172,518.00
7104.8 • Grdwtr Level-Contracted Serv	0.00	6,666.68	-6,666.68	0.0%	10,000.00
7104.9 • Grdwtr Level-Capital Equip	0.00	10,443.75	-10,443.75	0.0%	13,925.00
7107.2 • Grd Level-Engineering	179,256.00	110,956.68	68,299.32	161.56%	166,435.00
7107.3 • Grd Level-SAR Imagery	0.00	60,000.00	-60,000.00	0.0%	120,000.00
7107.6 • Grd Level-Contract Svcs	147,076.76	149,823.32	-2,746.56	98.17%	224,735.00
7107.7 • Grd Level-Extensometer Install	295,200.00	440,517.00	-145,317.00	67.01%	465,001.00
7107.8 • Grd Level-Cap Equip Exte	0.00	19,321.50	-19,321.50	0.0%	25,762.00
7108.3 • Hydraulic Control-Engineering	150,656.49	171,385.00	-20,728.51	87.91%	246,956.00
7108.4 • Hydraulic Control-Lab Svcs	96,303.00	113,899.32	-17,596.32	84.55%	170,849.00
7108.9 • Hydraulic Control-Contract Svcs	0.00	1,333.32	-1,333.32	0.0%	2,000.00
7109.3 • Recharge & Well - Engineering	0.00	2,232.00	-2,232.00	0.0%	6,696.00
7202.2 • Engineering Svc	0.00	6,880.00	-6,880.00	0.0%	10,320.00
7202.3 • Comp Recharge-Implementation	102,305.02	98,490.00	3,815.02	103.87%	122,490.00
7303 • PE3&5-Engineering - Other	34,735.74	36,221.00	-1,485.26	95.9%	36,221.00
7402 • PE4-Engineering	30,509.02	28,422.00	2,087.02	107.34%	50,123.00
7403 • PE4-Contract Svcs	0.00	6,666.68	-6,666.68	0.0%	10,000.00
7502 • PE6&7-Engineering	30,588.82	32,106.68	-1,517.86	95.27%	48,160.00
7503 • PE6&7-Contract Svcs (Plume)	37,528.00	37,790.00	-262.00	99.31%	37,790.00
<b>Total Wildermuth Environmental, Inc. Costs</b>	<b>1,850,488.51</b>	<b>2,009,696.86</b>	<b>-159,208.35</b>	<b>92.08%</b>	<b>2,641,648.00</b>

**Other Income and Expense:**

In August 2011, Watermaster received two payments from the Metropolitan Water District. Metropolitan entered into agreements with Watermaster and other member agencies and partners for dry-year groundwater storage. Pursuant to Section VI of these agreements, Metropolitan committed to pay an annual administrative fee to one of the partners on each of the agreements for the 25-year term of the each agreement a) beginning on July 1<sup>st</sup> after the initial storage of water in each program, and b) with the set fee dollar amount escalating annually by the lesser of 2.5% or CPI. Watermaster received \$145,568.70 for the FY 2009/2010 payment (due July 1, 2010) and \$149,207.92 for the FY 2010/2011 payment (due July 1, 2011). The total amount received of \$294,776.62 was recorded to account 4040 (Cooperative Agreements). A portion of the \$294,776.62 (the amount of \$211,580) has now been included in the FY 2011/2012 budget. This amount of \$211,580 is being used to offset and additional extensometer costs as well as other salary costs. The balance of un-appropriated revenue of \$83,196.62 ( $\$294,776.62 - \$211,580.00 = \$83,196.62$ ) will be used for any unanticipated expenses that might arise before the end of the fiscal year.

On March 22, 2012, the Watermaster Board approved to appropriate the amount of \$32,000 for the Watermaster CEO Recruitment contract. This approval action reduces the un-appropriated revenue of \$83,196.62 down to \$51,196.62 ( $\$83,196.62 - \$32,000.00 = \$51,196.62$ ).

With the exceptions previously noted, there were no other unusual or significant transactions or events during the month of February 2012. Looking ahead, the month of March should provide similar financial results.

**Actions:**

- April 12, 2012 Appropriative Pool –
- April 12, 2012 Non-Agricultural Pool –
- April 12, 2012 Agricultural Pool –
- April 19, 2012 Advisory Committee –
- April 26, 2012 Watermaster Board –

	1/12th of the Total Budget				8/12th (67%) of the Total Budget				100% of the Total Budget			
	For The Month of February 2012				Year-To-Date as of February 29, 2012				Fiscal Year End as of June 30, 2012			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
<b>Income</b>												
4010 · Local Agency Subsidies	0.00	0.00	0.00	0.0%	705,776.62	622,580.00	83,196.62	113.36%	705,776.62	654,580.00	51,196.62	107.82%
4110 · Admin Asmnts-Approp Pool	5,844,371.90	5,844,797.00	-425.10	99.99%	5,844,371.90	5,844,797.00	-425.10	99.99%	5,844,797.00	5,844,797.00	0.00	100.0%
4120 · Admin Asmnts-Non-Agri Pool	252,358.50	252,380.00	-21.50	99.99%	252,358.50	252,380.00	-21.50	99.99%	252,380.00	252,380.00	0.00	100.0%
4700 · Non Operating Revenues	0.00	0.00	0.00	0.0%	8,872.09	75,005.00	-66,132.91	11.83%	150,010.00	150,010.00	0.00	100.0%
4900 · Miscellaneous Income	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
<b>Total Income</b>	<b>6,096,730.40</b>	<b>6,097,177.00</b>	<b>-446.60</b>	<b>99.99%</b>	<b>6,811,379.11</b>	<b>6,794,762.00</b>	<b>16,617.11</b>	<b>100.25%</b>	<b>6,952,963.62</b>	<b>6,901,767.00</b>	<b>51,196.62</b>	<b>100.74%</b>
<b>Gross Profit</b>	<b>6,096,730.40</b>	<b>6,097,177.00</b>	<b>-446.60</b>	<b>99.99%</b>	<b>6,811,379.11</b>	<b>6,794,762.00</b>	<b>16,617.11</b>	<b>100.25%</b>	<b>6,952,963.62</b>	<b>6,901,767.00</b>	<b>51,196.62</b>	<b>100.74%</b>
<b>Expense</b>												
6010 · Salary Costs	29,930.59	54,904.21	-24,973.62	54.51%	354,470.16	382,587.30	-28,117.14	92.65%	592,976.00	592,976.00	0.00	100.0%
6020 · Office Building Expense	7,953.82	8,331.00	-377.18	95.47%	66,367.88	69,108.00	-3,740.12	94.59%	103,369.00	103,369.00	0.00	100.0%
6030 · Office Supplies & Equip.	1,904.82	2,125.00	-220.18	89.64%	13,014.68	17,000.00	-3,985.32	76.56%	25,500.00	25,500.00	0.00	100.0%
6040 · Postage & Printing Costs	3,575.91	5,865.00	-2,289.09	60.97%	32,878.60	45,820.00	-12,941.40	71.76%	66,180.00	66,180.00	0.00	100.0%
6050 · Information Services	11,145.83	10,835.00	310.83	102.87%	85,215.51	99,680.00	-14,464.49	85.49%	148,020.00	148,020.00	0.00	100.0%
6060 · Contract Services	420.00	0.00	420.00	100.0%	13,188.75	34,000.00	-20,811.25	38.79%	66,000.00	66,000.00	0.00	100.0%
6070 · Watermaster Legal Services	7,338.79	11,679.58	-4,340.79	62.83%	165,108.10	155,836.68	9,271.42	105.95%	202,555.00	202,555.00	0.00	100.0%
6080 · Insurance	0.00	0.00	0.00	0.0%	17,740.87	19,036.00	-1,295.13	93.2%	19,036.00	19,036.00	0.00	100.0%
6110 · Dues and Subscriptions	0.00	0.00	0.00	0.0%	26,781.15	27,270.00	-488.85	98.21%	30,000.00	30,000.00	0.00	100.0%
6140 · WM Admin Expenses	148.83	250.00	-101.17	59.53%	845.40	2,000.00	-1,154.60	42.27%	3,000.00	3,000.00	0.00	100.0%
6150 · Field Supplies	0.00	150.00	-150.00	0.0%	297.58	750.00	-452.42	39.68%	1,600.00	1,600.00	0.00	100.0%
6170 · Travel & Transportation	2,063.87	1,680.00	383.87	122.85%	12,419.01	14,265.00	-1,845.99	87.06%	21,970.00	21,970.00	0.00	100.0%
6190 · Conferences & Seminars	20.00	0.00	20.00	100.0%	4,179.44	13,125.00	-8,945.56	31.84%	17,500.00	17,500.00	0.00	100.0%
6200 · Advisory Comm - WM Board	1,918.21	4,504.25	-2,586.04	42.59%	35,939.31	36,034.00	-94.69	99.74%	54,051.00	54,051.00	0.00	100.0%
6300 · Watermaster Board Expenses	12,397.49	7,237.17	5,160.32	171.3%	91,847.23	72,597.32	19,249.91	126.52%	101,246.00	101,246.00	0.00	100.0%
8300 · Appr PI-WM & Pool Admin	3,720.62	4,190.00	-469.38	88.8%	35,146.12	33,520.00	1,626.12	104.85%	50,280.00	50,280.00	0.00	100.0%
8400 · Agri Pool-WM & Pool Admin	4,640.21	5,319.09	-678.88	87.24%	35,363.98	42,552.64	-7,188.66	83.11%	63,829.00	63,829.00	0.00	100.0%
8467 · Ag Legal & Technical Services	16,246.28	17,583.33	-1,337.05	92.4%	63,960.08	140,666.68	-76,706.60	45.47%	211,000.00	211,000.00	0.00	100.0%
8470 · Ag Meeting Attend -Special	1,300.00	1,000.00	300.00	130.0%	12,600.00	8,000.00	4,600.00	157.5%	12,000.00	12,000.00	0.00	100.0%
8471 · Ag Pool Expense	0.00	0.00	0.00	0.0%	0.00	32,500.00	-32,500.00	0.0%	65,000.00	65,000.00	0.00	100.0%
8485 · Ag Pool - Misc. Exp. - Ag Fund	0.00	0.00	0.00	0.0%	99.34	0.00	99.34	100.0%	0.00	0.00	0.00	0.0%
8500 · Non-Ag PI-WM & Pool Admin	9,370.81	8,476.08	894.73	110.56%	80,299.13	67,808.68	12,490.45	118.42%	101,713.00	101,713.00	0.00	100.0%
6500 · Education Funds Use Expens	0.00	0.00	0.00	0.0%	375.00	375.00	0.00	100.0%	375.00	375.00	0.00	100.0%
9400 · Depreciation Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9500 · Allocated G&A Expenditures	-46,652.18	-60,049.92	13,397.74	77.69%	-300,391.91	-480,399.32	180,007.41	62.53%	-720,599.00	-720,599.00	0.00	100.0%
6900 · Optimum Basin Mgmt Plan	124,994.94	80,272.99	44,721.95	155.71%	800,018.82	793,580.29	6,438.53	100.81%	1,053,121.00	1,053,121.00	0.00	100.0%
6950 · Mutual Agency Projects	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	10,000.00	10,000.00	0.00	100.0%
9501 · G&A Expenses Allocated-OBMP	17,491.84	18,031.25	-539.41	97.01%	116,666.33	144,250.00	-27,583.67	80.88%	216,375.00	216,375.00	0.00	100.0%
7101 · Production Monitoring	7,856.39	8,741.67	-885.28	89.87%	68,803.20	78,933.32	-10,130.12	87.17%	104,900.00	104,900.00	0.00	100.0%
7102 · In-Line Meter Installation	20,133.02	5,530.25	14,602.77	364.05%	51,275.06	44,242.00	7,033.06	115.9%	66,363.00	66,363.00	0.00	100.0%
7103 · Grdwtr Quality Monitoring	20,841.26	9,367.75	11,473.51	222.48%	179,632.37	174,607.00	5,025.37	102.88%	209,923.00	209,923.00	0.00	100.0%

PS7

	1/12th of the Total Budget				8/12th (67%) of the Total Budget				100% of the Total Budget			
	For The Month of February 2012				Year-To-Date as of February 29, 2012				Fiscal Year End as of June 30, 2012			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
7104 · Gdwtr Level Monitoring	28,301.49	18,586.91	9,714.58	152.27%	211,450.95	218,933.11	-7,482.16	96.58%	297,806.00	297,806.00	0.00	100.0%
7105 · Sur Wtr Qual Monitoring	567.23	291.00	276.23	194.92%	567.23	2,403.00	-1,835.77	23.61%	3,592.00	3,592.00	0.00	100.0%
7107 · Ground Level Monitoring	331,779.29	113,740.50	218,038.79	291.7%	621,941.16	781,662.50	-159,721.34	79.57%	1,003,500.00	1,003,500.00	0.00	100.0%
7108 · Hydraulic Control Monitoring	37,398.59	69,620.17	-32,221.58	53.72%	250,320.11	291,466.32	-41,146.21	85.88%	427,078.00	427,078.00	0.00	100.0%
7109 · Recharge & Well Monitoring Prog	0.00	2,232.00	-2,232.00	0.0%	0.00	2,232.00	-2,232.00	0.0%	6,696.00	6,696.00	0.00	100.0%
7200 · PE2- Comp Recharge Pgm	71,969.79	60,450.59	11,519.20	119.06%	987,607.24	982,815.64	4,791.60	100.49%	1,233,275.00	1,233,275.00	0.00	100.0%
7300 · PE3&5-Water Supply/Desalte	6,181.86	6,795.25	-613.39	90.97%	61,737.05	66,583.00	-4,845.95	92.72%	81,764.00	81,764.00	0.00	100.0%
7400 · PE4- Mgmt Plan	13,068.93	10,752.91	2,316.02	121.54%	38,137.22	44,820.36	-6,683.14	85.09%	74,457.00	74,457.00	0.00	100.0%
7500 · PE6&7-CoopEfforts/SaltMgmt	4,757.63	4,262.66	494.97	111.61%	91,410.32	71,891.36	19,518.96	127.15%	88,942.00	88,942.00	0.00	100.0%
7600 · PE8&9-StorageMgmt/Conj Use	4,734.98	3,785.25	949.73	125.09%	30,437.81	30,544.50	-106.69	99.65%	45,773.00	45,773.00	0.00	100.0%
7690 · Recharge Improvement Debt Pymt	0.00	0.00	0.00	0.0%	178,135.00	450,964.00	-272,829.00	39.5%	450,964.00	450,964.00	0.00	100.0%
7700 · Inactive Well Protection Prgm	0.00	0.00	0.00	0.0%	167.97	1,059.75	-891.78	15.85%	1,413.00	1,413.00	0.00	100.0%
9502 · G&A Expenses Allocated-Projects	29,160.34	42,018.67	-12,858.33	69.4%	183,725.62	336,149.32	-152,423.70	54.66%	504,224.00	504,224.00	0.00	100.0%
<b>Total Expense</b>	<b>786,681.48</b>	<b>538,559.61</b>	<b>248,121.87</b>	<b>146.07%</b>	<b>4,718,778.87</b>	<b>5,351,270.45</b>	<b>-632,491.58</b>	<b>88.18%</b>	<b>7,116,767.00</b>	<b>7,116,767.00</b>	<b>0.00</b>	<b>100.0%</b>
<b>Net Ordinary Income</b>	<b>5,310,048.92</b>	<b>5,558,617.39</b>	<b>-248,568.47</b>	<b>95.53%</b>	<b>2,092,600.24</b>	<b>1,443,491.55</b>	<b>649,108.69</b>	<b>144.97%</b>	<b>-163,803.38</b>	<b>-215,000.00</b>	<b>51,196.62</b>	<b>76.19%</b>
<b>Other Income</b>												
4225 · Interest Income	0.00	0.00	0.00	0.0%	7.01	0.00	7.01	100.0%	150.00	0.00	150.00	100.0%
4210 · Approp Pool-Replenishment	0.00	0.00	0.00	0.0%	686,814.11	0.00	686,814.11	100.0%	686,814.15	0.00	686,814.15	100.0%
4220 · Non-Ag Pool-Replenishment	0.00	0.00	0.00	0.0%	27,469.75	0.00	27,469.75	100.0%	27,469.75	0.00	27,469.75	100.0%
4600 · Groundwater Sales	0.00	0.00	0.00	0.0%	12,647,183.31	0.00	12,647,183.31	100.0%	12,647,183.31	0.00	12,647,183.31	100.0%
<b>Total Other Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>13,361,474.18</b>	<b>0.00</b>	<b>13,361,474.18</b>	<b>100.0%</b>	<b>13,361,617.21</b>	<b>0.00</b>	<b>13,361,617.21</b>	<b>100.0%</b>
<b>Other Expense</b>												
5010 · Groundwater Replenishment	0.00	0.00	0.00	0.0%	10,269,932.04	0.00	10,269,932.04	100.0%	10,269,932.04	0.00	10,269,932.04	100.0%
5100 · Other Water Purchases	0.00	0.00	0.00	0.0%	2,402,395.88	0.00	2,402,395.88	100.0%	2,402,395.88	0.00	2,402,395.88	100.0%
9996 · Refund-Excess Reserves-Approp.	0.00	0.00	0.00	0.0%	1,957,901.00	0.00	1,957,901.00	100.0%	1,957,901.00	0.00	1,957,901.00	100.0%
9997 · Refund-Excess Reserves-NonAg	0.00	0.00	0.00	0.0%	81,757.00	0.00	81,757.00	100.0%	81,757.00	0.00	81,757.00	100.0%
9998 · Refund-Recharge Debt-Approp.	0.00	0.00	0.00	0.0%	584,280.00	0.00	584,280.00	100.0%	584,280.00	0.00	584,280.00	100.0%
9999 · To/(From) Reserves	5,310,048.92	5,558,617.39	-248,568.47	95.53%	157,808.50	1,443,491.55	-1,285,683.05	10.93%	-2,098,452.09	-215,000.00	-1,883,452.09	976.02%
<b>Total Other Expense</b>	<b>5,310,048.92</b>	<b>5,558,617.39</b>	<b>-248,568.47</b>	<b>95.53%</b>	<b>15,454,074.42</b>	<b>1,443,491.55</b>	<b>14,010,582.87</b>	<b>1,070.6%</b>	<b>13,197,813.83</b>	<b>-215,000.00</b>	<b>13,412,813.83</b>	<b>-6,138.52%</b>
<b>Net Other Income</b>	<b>-5,310,048.92</b>	<b>-5,558,617.39</b>	<b>248,568.47</b>	<b>95.53%</b>	<b>-2,092,600.24</b>	<b>-1,443,491.55</b>	<b>-649,108.69</b>	<b>144.97%</b>	<b>163,803.38</b>	<b>215,000.00</b>	<b>-51,196.62</b>	<b>76.19%</b>
<b>Net Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

Note: Please see the staff report (Financial Report-B5) for additional detailed information on the account categories.



## CHINO BASIN WATERMASTER

### I. CONSENT CALENDAR (App & Ag Pool)

#### C. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the City of Upland. The transfer will be made first from the City of Upland's under-production in Fiscal Year 2011-12, then any additional from storage. Date of Application: March 26, 2012.
2. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from Monte Vista Irrigation Company. The transfer will be made from Monte Vista Irrigation Company's Excess Carryover Account. Date of Application: March 26, 2012.
3. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from Monte Vista Water District. The transfer will be made from Monte Vista Water District's Excess Carryover Account. Date of Application: March 26, 2012.
4. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the Santa Ana River Water Company. The transfer will be made first from the Santa Ana River Water Company's under-production in Fiscal Year 2011-12, then any additional from storage. Date of Application: March 26, 2012.
5. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the City of Chino. The transfer will be made from the City of Chino's Excess Carryover Account. Date of Application: March 26, 2012.
6. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 16.394 acre-feet of water from Aqua Capital Management. The transfer will be made from Aqua Capital Management's Local Storage Account. Date of Application: March 26, 2012.
7. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 16.394 acre-feet of water from Auto Club Speedway. The transfer will be made from Auto Club Speedway's Local Storage Account. Date of Application: March 26, 2012.

### I. BUSINESS ITEM ROUTINE (Non-Ag Pool)

#### C. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the City of Upland. The transfer will be made first from the City of Upland's under-production in Fiscal Year 2011-12, then any additional from storage. Date of Application: March 26, 2012.
2. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from Monte Vista Irrigation Company. The transfer will be made from Monte Vista Irrigation Company's Excess Carryover Account. Date of Application: March 26, 2012.
3. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from Monte Vista Water District. The transfer will be made from Monte Vista Water District's Excess Carryover Account. Date of Application: March 26, 2012.
4. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the Santa Ana River Water Company. The transfer will be made first from the Santa Ana River Water Company's under-production in Fiscal Year 2011-12, then any additional from storage. Date of Application: March 26, 2012.
5. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the City of Chino. The transfer will be made from the City of Chino's Excess Carryover Account. Date of Application: March 26, 2012.
6. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 16.394 acre-feet of water from Aqua Capital Management. The transfer will be made from Aqua Capital Management's Local Storage Account. Date of Application: March 26, 2012.
7. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 16.394 acre-feet of water from Auto Club Speedway. The transfer will be made from Auto Club Speedway's Local Storage Account. Date of Application: March 26, 2012.

***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

April 5, 2012

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

**NOTICE OF APPLICATION(S) RECEIVED**

Date of Application: **March 26, 2012**

Date of this notice: **April 5, 2012**

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

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 169,944 acre-feet of water from the City of Upland. The transfer will be made first from the City of Upland’s under-production in Fiscal Year 2011-12, then any additional from storage.

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

Appropriative Pool: April 12, 2012

Non-Agricultural Pool: April 12, 2012

Agricultural Pool: April 12, 2012

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

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

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

Watermaster address:

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

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

# **CHINO BASIN WATERMASTER**

## **NOTICE OF TRANSFER OF WATER**

Notification Dated: April 5, 2012

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

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## CHINO BASIN WATERMASTER

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

**DATE:** April 5, 2012  
**TO:** Watermaster Interested Parties  
**SUBJECT:** Summary and Analysis of Application for Water Transaction

### Summary –

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

### Issue –

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the City of Upland. The transfer will be made first from the City of Upland's under-production in Fiscal Year 2011-12, then any additional from storage.

### Recommendation –

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

### Fiscal Impact –

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

### Background

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

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

The following application for the water transaction is attached with the notice of application.

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the City of Upland. The transfer will be made first from the City of Upland's under-production in Fiscal Year 2011-12, then any additional from storage.

Notice of the water transaction identified above was mailed on April 5, 2012 along with the materials submitted by the requestors.

**DISCUSSION**

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.

The Chino Basin Watermaster has a total Appropriative Pool replenishment obligation of 1,189,608 acre-feet. Due to the fact that MWD does not expect to have water available at the replenishment rate this fiscal year, Watermaster wishes to use the option to purchase water from Appropriators to fulfill the replenishment obligation. Watermaster is taking advantage of the City of Upland's offer to sell 169,944 acre-feet of water to Watermaster. The transfer will be made first from the City of Upland's under-production in Fiscal Year 2011-12, then any additional from storage.



# CHINO BASIN WATERMASTER

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

March 26, 2012

## CITY OF UPLAND'S ACCEPTANCE OF WATERMASTER'S WATER TRANSFER TERMS

Chino Basin Watermaster will purchase 169.944 acre-feet of water from the City of Upland. Watermaster will purchase the water at \$560.00 per acre-foot, which is the 2012 MWD Tier 1 rate (not including IEUA and OCWD fees). The transfer will be made first from the City of Upland's under-production in Fiscal Year 2011-12, then any additional from storage.

If these terms are acceptable to the City of Upland, please sign below and return to Watermaster at your earliest convenience.

---

Signature: Rosemary Hoerning  
Printed Name: ROSEMARY HOERNING  
Title: PUBLIC WORKS DIRECTOR  
Date Signed: 3/28/2012



**IS THE 85/15 RULE EXPECTED TO APPLY?** (If yes, all answers below must be "yes.") Yes  No

Is the Buyer an 85/15 Party? Yes  No

Is the purpose of the transfer to meet a current demand over and above production right? Yes  No

Is the water being placed into the Buyer's Annual Account? Yes  No

**IF WATER IS TO BE TRANSFERRED FROM STORAGE:**

N/A (paper transfer) \_\_\_\_\_ N/A (paper transfer) \_\_\_\_\_  
 Projected Rate of Recapture Projected Duration of Recapture

**METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):**

N/A

**PLACE OF USE OF WATER TO BE RECAPTURED:**

N/A

**LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):**

N/A

**WATER QUALITY AND WATER LEVELS**

Are the Parties aware of any water quality issues that exist in the area? Yes  No

If yes, please explain:

N/A

What are the existing water levels in the areas that are likely to be affected?

N/A

**MATERIAL PHYSICAL INJURY**

Are any of the recapture wells located within Management Zone 1? Yes  No

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

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

N/A

N/A

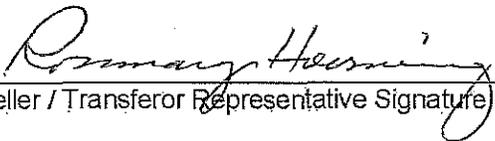
N/A

**SAID TRANSFER SHALL BE CONDITIONED UPON:**

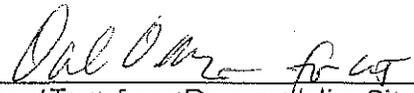
- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
- (2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
- (3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
- (4) Any Transferee not already a party must Intervene and become a party to the Judgment.

**ADDITIONAL INFORMATION ATTACHED**

Yes  No

  
\_\_\_\_\_  
Seller / Transferor Representative Signature

Rosemary Hoerning  
Seller / Transferor Representative Name (Printed)

  
\_\_\_\_\_  
Buyer / Transferee Representative Signature

Ken Jeske  
Buyer / Transferee Representative Name (Printed)

**TO BE COMPLETED BY WATERMASTER STAFF:**

DATE OF WATERMASTER NOTICE: \_\_\_\_\_

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

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

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

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

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

DATE OF BOARD APPROVAL: \_\_\_\_\_

***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

April 5, 2012

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

**NOTICE OF APPLICATION(S) RECEIVED**

Date of Application: **March 26, 2012**

Date of this notice: **April 5, 2012**

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

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 169,944 acre-feet of water from Monte Vista Irrigation Company. The transfer will be made from Monte Vista Irrigation Company's Excess Carryover Account.

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

Appropriative Pool: April 12, 2012

Non-Agricultural Pool: April 12, 2012

Agricultural Pool: April 12, 2012

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

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

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

Watermaster address:

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

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

# **CHINO BASIN WATERMASTER**

## **NOTICE OF TRANSFER OF WATER**

Notification Dated: April 5, 2012

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

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# CHINO BASIN WATERMASTER

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

**DATE:** April 5, 2012

**TO:** Watermaster Interested Parties

**SUBJECT:** Summary and Analysis of Application for Water Transaction

### Summary –

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### Issue –

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 169.944 acre-feet of water from Monte Vista Irrigation Company. The transfer will be made from Monte Vista Irrigation Company's Excess Carryover Account.

### Recommendation –

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

### Fiscal Impact –

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

### Background

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

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

The following application for the water transaction is attached with the notice of application.

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 169.944 acre-feet of water from Monte Vista Irrigation Company. The transfer will be made from Monte Vista Irrigation Company's Excess Carryover Account.

Notice of the water transaction identified above was mailed on April 5, 2012 along with the materials submitted by the requestors.

**DISCUSSION**

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.

The Chino Basin Watermaster has a total Appropriative Pool replenishment obligation of 1,189.608 acre-feet. Due to the fact that MWD does not expect to have water available at the replenishment rate this fiscal year, Watermaster wishes to use the option to purchase water from Appropriators to fulfill the replenishment obligation. Watermaster is taking advantage of Monte Vista Irrigation Company's offer to sell 169.944 acre-feet of water to Watermaster. The transfer will be made from the Monte Vista Irrigation Company's Excess Carryover Account.



# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: 909.484.3888 Fax: 909.484.3890 [www.cbwm.org](http://www.cbwm.org)

RECEIVED

MAR 29 2012

CHINO BASIN WATERMASTER

March 26, 2012

## MONTE VISTA IRRIGATION COMPANY'S ACCEPTANCE OF WATERMASTER'S WATER TRANSFER TERMS

Chino Basin Watermaster will purchase 169.944 acre-feet of water from Monte Vista Irrigation Company. Watermaster will purchase the water at \$560.00 per acre-foot, which is the 2012 MWD Tier 1 rate (not including IEUA and OCWD fees). The transfer will be made from Monte Vista Irrigation Company's Excess Carryover account.

If these terms are acceptable to Monte Vista Irrigation Company, please sign below and return to Watermaster at your earliest convenience.

Signature: \_\_\_\_\_

*Mark Kinsey*

Printed Name: \_\_\_\_\_

MARK KINSEY

Title: \_\_\_\_\_

General Manager

Date Signed: \_\_\_\_\_

3/27/2012

**CONSOLIDATED WATER TRANSFER FORMS:  
 FORM 3: APPLICATION FOR SALE OR TRANSFER OF RIGHT TO PRODUCE WATER FROM STORAGE  
 FORM 4: APPLICATION OR AMENDMENT TO APPLICATION TO RECAPTURE WATER IN STORAGE  
 FORM 5: APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD**

**FISCAL YEAR 20 11 - 20 12**

**DATE REQUESTED:** March 26, 2012

**AMOUNT REQUESTED:** 169.944 Acre-Feet

<p><b>TRANSFER FROM (SELLER / TRANSFEROR):</b></p> <p><u>Monte Vista Irrigation Company</u>                  Name of Party</p> <p><u>P.O. Box 71</u>                  Street Address</p> <p><u>Montclair</u>                      <u>CA</u>                      <u>91763</u>                  City                                      State                      Zip Code</p> <p><u>(909) 624-3812</u>                  Telephone</p> <p><u>(909) 624-0037</u>                  Facsimile</p>	<p><b>TRANSFER TO (BUYER / TRANSFEREE):</b></p> <p><u>Chino Basin Watermaster</u>                  Name of Party</p> <p><u>9641 San Bernardino Rd</u>                  Street Address</p> <p><u>Rancho Cucamonga</u>                      <u>CA</u>                      <u>91730</u>                  City                                      State                      Zip Code</p> <p><u>(909) 484-3888</u>                  Telephone</p> <p><u>(909) 484-3890</u>                  Facsimile</p>
--	--

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?                      Yes                       No

**PURPOSE OF TRANSFER:**

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain To partially fulfill Watermaster's replenishment obligation

**WATER IS TO BE TRANSFERRED FROM:**

- Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool)
- Storage
- Annual Production Right / Operating Safe Yield first, then any additional from Storage
- Other, explain \_\_\_\_\_

**WATER IS TO BE TRANSFERRED TO:**

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain Watermaster's replenishment obligation

**IS THE 85/15 RULE EXPECTED TO APPLY? (If yes, all answers below must be "yes.")**    Yes     No

Is the Buyer an 85/15 Party?    Yes     No

Is the purpose of the transfer to meet a current demand over and above production right?    Yes     No

Is the water being placed into the Buyer's Annual Account?    Yes     No

**IF WATER IS TO BE TRANSFERRED FROM STORAGE:**

N/A (paper transfer) Projected Rate of Recapture	N/A (paper transfer) Projected Duration of Recapture
---	---

**METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):**

N/A

**PLACE OF USE OF WATER TO BE RECAPTURED:**

N/A

**LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):**

N/A

**WATER QUALITY AND WATER LEVELS**

Are the Parties aware of any water quality issues that exist in the area?    Yes     No

If yes, please explain:

N/A

What are the existing water levels in the areas that are likely to be affected?

N/A

**MATERIAL PHYSICAL INJURY**

Are any of the recapture wells located within Management Zone 1?    Yes     No

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

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

N/A

N/A

N/A

**SAID TRANSFER SHALL BE CONDITIONED UPON:**

- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
- (2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
- (3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
- (4) Any Transferee not already a party must Intervene and become a party to the Judgment.

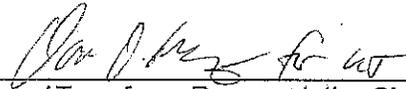
**ADDITIONAL INFORMATION ATTACHED**

Yes  No



\_\_\_\_\_  
Seller / Transferor Representative Signature

Mark Kinsey  
\_\_\_\_\_  
Seller / Transferor Representative Name (Printed)



\_\_\_\_\_  
Buyer / Transferee Representative Signature

Ken Jeske  
\_\_\_\_\_  
Buyer / Transferee Representative Name (Printed)

**TO BE COMPLETED BY WATERMASTER STAFF:**

DATE OF WATERMASTER NOTICE: \_\_\_\_\_

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

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

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

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

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

DATE OF BOARD APPROVAL: \_\_\_\_\_

***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

April 5, 2012

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

**NOTICE OF APPLICATION(S) RECEIVED**

Date of Application: **March 26, 2012**

Date of this notice: **April 5, 2012**

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

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 169.944 acre-feet of water from Monte Vista Water District. The transfer will be made from Monte Vista Water District's Excess Carryover Account.

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

Appropriative Pool: April 12, 2012

Non-Agricultural Pool: April 12, 2012

Agricultural Pool: April 12, 2012

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

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

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

Watermaster address:

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

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

# **CHINO BASIN WATERMASTER**

## **NOTICE OF TRANSFER OF WATER**

Notification Dated: April 5, 2012

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

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# CHINO BASIN WATERMASTER

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

**DATE:** April 5, 2012  
**TO:** Watermaster Interested Parties  
**SUBJECT:** Summary and Analysis of Application for Water Transaction

### Summary –

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

### Issue –

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 169.944 acre-feet of water from Monte Vista Water District. The transfer will be made from Monte Vista Water District's Excess Carryover Account.

### Recommendation –

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

### Fiscal Impact –

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

### Background

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

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

The following application for the water transaction is attached with the notice of application.

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 169.944 acre-feet of water from Monte Vista Water District. The transfer will be made from Monte Vista Water District's Excess Carryover Account.

Notice of the water transaction identified above was mailed on April 5, 2012 along with the materials submitted by the requestors.

**DISCUSSION**

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.

The Chino Basin Watermaster has a total Appropriative Pool replenishment obligation of 1,189.608 acre-feet. Due to the fact that MWD does not expect to have water available at the replenishment rate this fiscal year, Watermaster wishes to use the option to purchase water from Appropriators to fulfill the replenishment obligation. Watermaster is taking advantage of Monte Vista Water District's offer to sell 169.944 acre-feet of water to Watermaster. The transfer will be made from the Monte Vista Water District's Excess Carryover Account.



RECEIVED

# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: 909.484.3888 Fax: 909.484.3890

www.cbwm.org

CHINO BASIN WATERMASTER

MAR 29 2012

March 26, 2012

## MONTE VISTA WATER DISTRICT'S ACCEPTANCE OF WATERMASTER'S WATER TRANSFER TERMS

Chino Basin Watermaster will purchase 169.944 acre-feet of water from Monte Vista Water District. Watermaster will purchase the water at \$560.00 per acre-foot, which is the 2012 MWD Tier 1 rate (not including IEUA and OCWD fees). The transfer will be made from Monte Vista Water District's Excess Carryover account.

If these terms are acceptable to Monte Vista Water District, please sign below and return to Watermaster at your earliest convenience.

Signature: \_\_\_\_\_

*Mark Kinsey*

Printed Name: \_\_\_\_\_

MARK KINSEY

Title: \_\_\_\_\_

General Manager

Date Signed: \_\_\_\_\_

3/27/2012

**CONSOLIDATED WATER TRANSFER FORMS:**  
**FORM 3: APPLICATION FOR SALE OR TRANSFER OF RIGHT TO PRODUCE WATER FROM STORAGE**  
**FORM 4: APPLICATION OR AMENDMENT TO APPLICATION TO RECAPTURE WATER IN STORAGE**  
**FORM 5: APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD**

FISCAL YEAR 2011-2012

DATE REQUESTED: March 26, 2012

AMOUNT REQUESTED: 169.944 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR):	TRANSFER TO (BUYER / TRANSFEREE):
<u>Monte Vista Water District</u>	<u>Chino Basin Watermaster</u>
Name of Party	Name of Party
<u>P.O. Box 71</u>	<u>9641 San Bernardino Rd</u>
Street Address	Street Address
<u>Montclair</u> <u>CA</u> <u>91763</u>	<u>Rancho Cucamonga</u> <u>CA</u> <u>91730</u>
City                                      State              Zip Code	City                                      State              Zip Code
<u>(909) 624-3812</u>	<u>(909) 484-3888</u>
Telephone	Telephone
<u>(909) 624-0037</u>	<u>(909) 484-3890</u>
Facsimile	Facsimile

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?      Yes       No

**PURPOSE OF TRANSFER:**

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain To partially fulfill Watermaster's replenishment obligation

**WATER IS TO BE TRANSFERRED FROM:**

- Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool)
- Storage
- Annual Production Right / Operating Safe Yield first, then any additional from Storage
- Other, explain \_\_\_\_\_

**WATER IS TO BE TRANSFERRED TO:**

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain Watermaster's replenishment obligation



**SAID TRANSFER SHALL BE CONDITIONED UPON:**

- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
- (2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
- (3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
- (4) Any Transferee not already a party must Intervene and become a party to the Judgment.

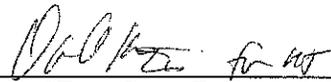
**ADDITIONAL INFORMATION ATTACHED**

Yes  No



\_\_\_\_\_  
Seller / Transferor Representative Signature

Mark Kinsey  
\_\_\_\_\_  
Seller / Transferor Representative Name (Printed)



\_\_\_\_\_  
Buyer / Transferee Representative Signature

Ken Jeske  
\_\_\_\_\_  
Buyer / Transferee Representative Name (Printed)

**TO BE COMPLETED BY WATERMASTER STAFF:**

DATE OF WATERMASTER NOTICE: \_\_\_\_\_

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

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

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

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

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

DATE OF BOARD APPROVAL: \_\_\_\_\_

***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

April 5, 2012

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

**NOTICE OF APPLICATION(S) RECEIVED**

Date of Application: **March 26, 2012**

Date of this notice: **April 5, 2012**

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

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the Santa Ana River Water Company. The transfer will be made first from the Santa Ana River Water Company's under-production in Fiscal Year 2011-12, then any additional from storage.

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

Appropriative Pool: April 12, 2012

Non-Agricultural Pool: April 12, 2012

Agricultural Pool: April 12, 2012

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

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

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

Watermaster address:

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

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

# **CHINO BASIN WATERMASTER**

## **NOTICE OF TRANSFER OF WATER**

Notification Dated: April 5, 2012

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

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# CHINO BASIN WATERMASTER

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

**DATE:** April 5, 2012  
**TO:** Watermaster Interested Parties  
**SUBJECT:** Summary and Analysis of Application for Water Transaction

### Summary –

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

### Issue –

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the Santa Ana River Water Company. The transfer will be made first from the Santa Ana River Water Company's under-production in Fiscal Year 2011-12, then any additional from storage.

### Recommendation –

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

### Fiscal Impact –

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

### Background

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

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

The following application for the water transaction is attached with the notice of application.

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the Santa Ana River Water Company. The transfer will be made first from the Santa Ana River Water Company's under-production in Fiscal Year 2011-12, then any additional from storage.

Notice of the water transaction identified above was mailed on April 5, 2012 along with the materials submitted by the requestors.

**DISCUSSION**

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.

The Chino Basin Watermaster has a total Appropriative Pool replenishment obligation of 1,189.608 acre-feet. Due to the fact that MWD does not expect to have water available at the replenishment rate this fiscal year, Watermaster wishes to use the option to purchase water from Appropriators to fulfill the replenishment obligation. Watermaster is taking advantage of the Santa Ana River Water Company's offer to sell 169.944 acre-feet of water to Watermaster. The transfer will be made first from the Santa Ana River Water Company's under-production in Fiscal Year 2011-12, then any additional from storage.



## CHINO BASIN WATERMASTER

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

March 26, 2012

### SANTA ANA RIVER WATER COMPANY'S ACCEPTANCE OF WATERMASTER'S WATER TRANSFER TERMS

Chino Basin Watermaster will purchase 169,944 acre-feet of water from the Santa Ana River Water Company. Watermaster will purchase the water at \$580.00 per acre-foot, which is the 2012 MWD Tier 1 rate (not including IEUA and OCWD fees). The transfer will be made first from the Santa Ana River Water Company's under-production in Fiscal Year 2011-12, then any additional from storage.

If these terms are acceptable to the Santa Ana River Water Company, please sign below and return to Watermaster at your earliest convenience.

Signature:

Printed Name:

J. ARNOLD RODRIGUEZ

Title:

GENERAL MANAGER

Date Signed:

March 28, 2012

**CONSOLIDATED WATER TRANSFER FORMS:  
 FORM 3: APPLICATION FOR SALE OR TRANSFER OF RIGHT TO PRODUCE WATER FROM STORAGE  
 FORM 4: APPLICATION OR AMENDMENT TO APPLICATION TO RECAPTURE WATER IN STORAGE  
 FORM 5: APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD**

FISCAL YEAR 2011-2012

DATE REQUESTED: March 26, 2012

AMOUNT REQUESTED: 169.944 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR):	TRANSFER TO (BUYER / TRANSFEREE):
<u>Santa Ana River Water Company</u>	<u>Chino Basin Watermaster</u>
Name of Party	Name of Party
<u>10530 54<sup>th</sup> Street</u>	<u>9641 San Bernardino Rd</u>
Street Address	Street Address
<u>Mira Loma</u> <u>CA</u> <u>91752-2331</u>	<u>Rancho Cucamonga</u> <u>CA</u> <u>91730</u>
City                                      State                      Zip Code:	City                                      State                      Zip Code
<u>(951) 685-6503</u>	<u>(909) 484-3888</u>
Telephone	Telephone
<u>(951) 685-1978</u>	<u>(909) 484-3890</u>
Facsimile	Facsimile

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?                      Yes                       No

**PURPOSE OF TRANSFER:**

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain To partially fulfill Watermaster's replenishment obligation

**WATER IS TO BE TRANSFERRED FROM:**

- Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool)
- Storage
- Annual Production Right / Operating Safe Yield first, then any additional from Storage
- Other, explain \_\_\_\_\_

**WATER IS TO BE TRANSFERRED TO:**

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain Watermaster's replenishment obligation

**IS THE 85/15 RULE EXPECTED TO APPLY?** (If yes, all answers below must be "yes.") Yes  No

Is the Buyer an 85/15 Party? Yes  No

Is the purpose of the transfer to meet a current demand over and above production right? Yes  No

Is the water being placed into the Buyer's Annual Account? Yes  No

**IF WATER IS TO BE TRANSFERRED FROM STORAGE:**

N/A (paper transfer)	N/A (paper transfer)
Projected Rate of Recapture	Projected Duration of Recapture

**METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):**

N/A

---

**PLACE OF USE OF WATER TO BE RECAPTURED:**

N/A

---

**LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):**

N/A

**WATER QUALITY AND WATER LEVELS**

Are the Parties aware of any water quality issues that exist in the area? Yes  No

If yes, please explain:

N/A

What are the existing water levels in the areas that are likely to be affected?

N/A

**MATERIAL PHYSICAL INJURY**

Are any of the recapture wells located within Management Zone 1? Yes  No

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

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

N/A

N/A

N/A

SAID TRANSFER SHALL BE CONDITIONED UPON:

- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
- (2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
- (3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
- (4) Any Transferee not already a party must Intervene and become a party to the Judgment.

ADDITIONAL INFORMATION ATTACHED

Yes  No

  
 \_\_\_\_\_  
 Seller / Transferor Representative Signature

J. Arnold Rodriguez  
 \_\_\_\_\_  
 Seller / Transferor Representative Name (Printed)

  
 \_\_\_\_\_  
 Buyer / Transferee Representative Signature

Ken Jeske  
 \_\_\_\_\_  
 Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

DATE OF WATERMASTER NOTICE: \_\_\_\_\_

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

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

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

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

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

DATE OF BOARD APPROVAL: \_\_\_\_\_

***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

April 5, 2012

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

**NOTICE OF APPLICATION(S) RECEIVED**

Date of Application: **March 26, 2012**

Date of this notice: **April 5, 2012**

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

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the City of Chino. The transfer will be made from the City of Chino’s Excess Carryover Account.

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

Appropriative Pool:	April 12, 2012
Non-Agricultural Pool:	April 12, 2012
Agricultural Pool:	April 12, 2012

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

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

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

Watermaster address:

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

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

# **CHINO BASIN WATERMASTER**

## **NOTICE OF TRANSFER OF WATER**

Notification Dated: April 5, 2012

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

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# CHINO BASIN WATERMASTER

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

**DATE:** April 5, 2012  
**TO:** Watermaster Interested Parties  
**SUBJECT:** Summary and Analysis of Application for Water Transaction

### Summary –

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

### Issue –

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the City of Chino. The transfer will be made from the City of Chino's Excess Carryover Account.

### Recommendation –

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

### Fiscal Impact –

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

### Background

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

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

The following application for the water transaction is attached with the notice of application.

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the City of Chino. The transfer will be made from the City of Chino's Excess Carryover Account.

Notice of the water transaction identified above was mailed on April 5, 2012 along with the materials submitted by the requestors.

**DISCUSSION**

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.

The Chino Basin Watermaster has a total Appropriative Pool replenishment obligation of 1,189.608 acre-feet. Due to the fact that MWD does not expect to have water available at the replenishment rate this fiscal year, Watermaster wishes to use the option to purchase water from Appropriators to fulfill the replenishment obligation. Watermaster is taking advantage of the City of Chino's offer to sell 169.944 acre-feet of water to Watermaster. The transfer will be made from the City of Chino's Excess Carryover Account.



# CHINO BASIN WATERMASTER

RECEIVED

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

MAR 28 2012

CHINO BASIN WATERMASTER

March 26, 2012

## CITY OF CHINO'S ACCEPTANCE OF WATERMASTER'S WATER TRANSFER TERMS

Chino Basin Watermaster will purchase 169.944 acre-feet of water from the City of Chino. Watermaster will purchase the water at \$560.00 per acre-foot, which is the 2012 MWD Tier 1 rate (not including IEUA and OCWD fees). The transfer will be made from the City of Chino's Excess Carryover account.

If these terms are acceptable to the City of Chino, please sign below and return to Watermaster at your earliest convenience.

Signature: \_\_\_\_\_

*[Handwritten Signature]*

Printed Name: \_\_\_\_\_

DAVID CROSLEY

Title: \_\_\_\_\_

WATER & ENVIRONMENTAL MANAGER

Date Signed: \_\_\_\_\_

3/27/12



**IS THE 85/15 RULE EXPECTED TO APPLY? (If yes, all answers below must be "yes.")**    Yes     No

Is the Buyer an 85/15 Party?    Yes     No

Is the purpose of the transfer to meet a current demand over and above production right?    Yes     No

Is the water being placed into the Buyer's Annual Account?    Yes     No

**IF WATER IS TO BE TRANSFERRED FROM STORAGE:**

N/A (paper transfer) \_\_\_\_\_ N/A (paper transfer) \_\_\_\_\_  
 Projected Rate of Recapture                      Projected Duration of Recapture

**METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):**

N/A \_\_\_\_\_

**PLACE OF USE OF WATER TO BE RECAPTURED:**

N/A \_\_\_\_\_

**LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):**

N/A \_\_\_\_\_

**WATER QUALITY AND WATER LEVELS**

Are the Parties aware of any water quality issues that exist in the area?    Yes     No

If yes, please explain:

N/A \_\_\_\_\_

What are the existing water levels in the areas that are likely to be affected?

N/A \_\_\_\_\_

**MATERIAL PHYSICAL INJURY**

Are any of the recapture wells located within Management Zone 1?    Yes     No

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

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

N/A \_\_\_\_\_

N/A \_\_\_\_\_

N/A \_\_\_\_\_

**SAID TRANSFER SHALL BE CONDITIONED UPON:**

- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement; and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
- (2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
- (3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
- (4) Any Transferee not already a party must Intervene and become a party to the Judgment.

**ADDITIONAL INFORMATION ATTACHED**

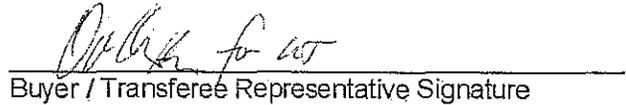
Yes  No



\_\_\_\_\_  
Seller / Transferor Representative Signature

Dave Crosley

\_\_\_\_\_  
Seller / Transferor Representative Name (Printed)



\_\_\_\_\_  
Buyer / Transferee Representative Signature

Ken Jeske

\_\_\_\_\_  
Buyer / Transferee Representative Name (Printed)

**TO BE COMPLETED BY WATERMASTER STAFF:**

DATE OF WATERMASTER NOTICE: \_\_\_\_\_

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

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

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

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

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

DATE OF BOARD APPROVAL: \_\_\_\_\_

***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

April 5, 2012

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

## NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **March 26, 2012**

Date of this notice: **April 5, 2012**

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

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 16.394 acre-feet of water from Aqua Capital Management. The transfer will be made from Aqua Capital Management's Local Storage Account.

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

Appropriative Pool: April 12, 2012

Non-Agricultural Pool: April 12, 2012

Agricultural Pool: April 12, 2012

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

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

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

Watermaster address:

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

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

# **CHINO BASIN WATERMASTER**

## **NOTICE OF TRANSFER OF WATER**

Notification Dated: April 5, 2012

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

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# CHINO BASIN WATERMASTER

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

**DATE:** April 5, 2012  
**TO:** Watermaster Interested Parties  
**SUBJECT:** Summary and Analysis of Application for Water Transaction

### Summary –

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

### Issue –

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 16.394 acre-feet of water from Aqua Capital Management. The transfer will be made from Aqua Capital Management's Local Storage Account.

### Recommendation –

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

### Fiscal Impact –

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

### Background

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

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

The following application for the water transaction is attached with the notice of application.

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 16.394 acre-feet of water from Aqua Capital Management. The transfer will be made from Aqua Capital Management's Local Storage Account.

Notice of the water transaction identified above was mailed on April 5, 2012 along with the materials submitted by the requestors.

**DISCUSSION**

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.

The Chino Basin Watermaster has a total Non-Agricultural Pool replenishment obligation of 49.183 acre-feet. Due to the fact that MWD does not expect to have water available at the replenishment rate this fiscal year, Watermaster wishes to use the option to purchase water from Non-Agricultural Pool Parties to fulfill the replenishment obligation. Watermaster is taking advantage of Aqua Capital Management's offer to sell 16.394 acre-feet of water to Watermaster. The transfer will be made from Aqua Capital Management's Local Storage Account.



# CHINO BASIN WATERMASTER

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

March 26, 2012

## AQUA CAPITAL MANAGEMENT'S ACCEPTANCE OF WATERMASTER'S WATER TRANSFER TERMS

Chino Basin Watermaster will purchase 16.394 acre-feet of water from Aqua Capital Management. Watermaster will purchase the water at \$560.00 per acre-foot, which is the 2012 MWD Tier 1 rate (not including IEUA and OCWD fees). The transfer will be made from Aqua Capital Management's Local Storage account.

If these terms are acceptable to Aqua Capital Management, please sign below and return to Watermaster at your earliest convenience.

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

David Penrice

Title: \_\_\_\_\_

CEO

Date Signed: \_\_\_\_\_

3/29/12

**CONSOLIDATED WATER TRANSFER FORMS:  
 FORM 3: APPLICATION FOR SALE OR TRANSFER OF RIGHT TO PRODUCE WATER FROM STORAGE  
 FORM 4: APPLICATION OR AMENDMENT TO APPLICATION TO RECAPTURE WATER IN STORAGE  
 FORM 5: APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD**

**FISCAL YEAR 20 11-20 12**

**DATE REQUESTED:** March 26, 2012

**AMOUNT REQUESTED:** 16.394 Acre-Feet

<p><b>TRANSFER FROM (SELLER / TRANSFEROR):</b></p> <p><u>Aqua Capital Management</u> Name of Party</p> <p><u>444 Regency Parkway Drive, Suite 300</u> Street Address</p> <p><u>Omaha</u>                      <u>NE</u>                      <u>68114</u> City                                      State                      Zip Code</p> <p><u>(402) 934-0066 ext 205</u> Telephone</p> <p><u>---</u> Facsimile</p>	<p><b>TRANSFER TO (BUYER / TRANSFEREE):</b></p> <p><u>Chino Basin Watermaster</u> Name of Party</p> <p><u>9641 San Bernardino Rd</u> Street Address</p> <p><u>Rancho Cucamonga</u>                      <u>CA</u>                      <u>91730</u> City                                      State                      Zip Code</p> <p><u>(909) 484-3888</u> Telephone</p> <p><u>(909) 484-3890</u> Facsimile</p>
--	---

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?                      Yes                       No

**PURPOSE OF TRANSFER:**

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain To partially fulfill Watermaster's replenishment obligation

**WATER IS TO BE TRANSFERRED FROM:**

- Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool)
- Storage
- Annual Production Right / Operating Safe Yield first, then any additional from Storage
- Other, explain \_\_\_\_\_

**WATER IS TO BE TRANSFERRED TO:**

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain Watermaster's replenishment obligation

**IS THE 85/15 RULE EXPECTED TO APPLY? (If yes, all answers below must be "yes.")**    Yes     No

Is the Buyer an 85/15 Party?    Yes     No

Is the purpose of the transfer to meet a current demand over and above production right?    Yes     No

Is the water being placed into the Buyer's Annual Account?    Yes     No

**IF WATER IS TO BE TRANSFERRED FROM STORAGE:**

N/A (paper transfer)	N/A (paper transfer)
Projected Rate of Recapture	Projected Duration of Recapture

**METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):**

N/A

**PLACE OF USE OF WATER TO BE RECAPTURED:**

N/A

**LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):**

N/A

**WATER QUALITY AND WATER LEVELS**

Are the Parties aware of any water quality issues that exist in the area?    Yes     No

If yes, please explain:

N/A

What are the existing water levels in the areas that are likely to be affected?

N/A

**MATERIAL PHYSICAL INJURY**

Are any of the recapture wells located within Management Zone 1?    Yes     No

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

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

N/A

N/A

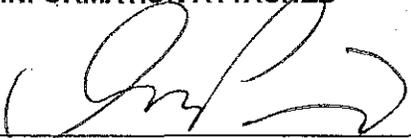
N/A

**SAID TRANSFER SHALL BE CONDITIONED UPON:**

- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
- (2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
- (3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
- (4) Any Transferee not already a party must Intervene and become a party to the Judgment.

**ADDITIONAL INFORMATION ATTACHED**

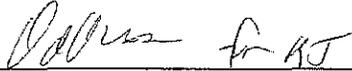
Yes  No



Seller / Transferor Representative Signature:

David Penrice

Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature

Ken Jeske

Buyer / Transferee Representative Name (Printed)

**TO BE COMPLETED BY WATERMASTER STAFF:**

DATE OF WATERMASTER NOTICE: \_\_\_\_\_

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

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

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

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

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

DATE OF BOARD APPROVAL: \_\_\_\_\_

***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

April 5, 2012

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

**NOTICE OF APPLICATION(S) RECEIVED**

Date of Application: **March 26, 2012**

Date of this notice: **April 5, 2012**

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

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 16.394 acre-feet of water from Auto Club Speedway. The transfer will be made from Auto Club Speedway's Local Storage Account.

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

Appropriative Pool:	April 12, 2012
Non-Agricultural Pool:	April 12, 2012
Agricultural Pool:	April 12, 2012

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

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

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

Watermaster address:

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

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

# **CHINO BASIN WATERMASTER**

## **NOTICE OF TRANSFER OF WATER**

Notification Dated: April 5, 2012

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

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# CHINO BASIN WATERMASTER

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

**DATE:** April 5, 2012  
**TO:** Watermaster Interested Parties  
**SUBJECT:** Summary and Analysis of Application for Water Transaction

### Summary –

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

### Issue –

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 16.394 acre-feet of water from Auto Club Speedway. The transfer will be made from Auto Club Speedway's Local Storage Account.

### Recommendation –

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

### Fiscal Impact –

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

### Background

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

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

The following application for the water transaction is attached with the notice of application.

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 16.394 acre-feet of water from Auto Club Speedway. The transfer will be made from Auto Club Speedway's Local Storage Account.

Notice of the water transaction identified above was mailed on April 5, 2012 along with the materials submitted by the requestors.

**DISCUSSION**

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.

The Chino Basin Watermaster has a total Non-Agricultural Pool replenishment obligation of 49.183 acre-feet. Due to the fact that MWD does not expect to have water available at the replenishment rate this fiscal year, Watermaster wishes to use the option to purchase water from Non-Agricultural Pool Parties to fulfill the replenishment obligation. Watermaster is taking advantage of Auto Club Speedway's offer to sell 16.394 acre-feet of water to Watermaster. The transfer will be made from Auto Club Speedway's Local Storage Account.



# CHINO BASIN WATERMASTER

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

March 26, 2012

## AUTO CLUB SPEEDWAY'S ACCEPTANCE OF WATERMASTER'S WATER TRANSFER TERMS

Chino Basin Watermaster will purchase 16.394 acre-feet of water from Auto Club Speedway. Watermaster will purchase the water at \$560.00 per acre-foot, which is the 2012 MWD Tier 1 rate (not including IEUA and OCWD fees). The transfer will be made from the Auto Club Speedway's Local Storage account.

If these terms are acceptable to Auto Club Speedway, please sign below and return to Watermaster at your earliest convenience.

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

BRIAN GEYS

Title: \_\_\_\_\_

SR. DIRECTOR OPERATIONS

Date Signed: \_\_\_\_\_

4/3/12

**CONSOLIDATED WATER TRANSFER FORMS:  
 FORM 3: APPLICATION FOR SALE OR TRANSFER OF RIGHT TO PRODUCE WATER FROM STORAGE  
 FORM 4: APPLICATION OR AMENDMENT TO APPLICATION TO RECAPTURE WATER IN STORAGE  
 FORM 5: APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD**

**FISCAL YEAR 20 11 - 20 12**

**DATE REQUESTED:** March 26, 2012

**AMOUNT REQUESTED:** 16.394 Acre-Feet

<b>TRANSFER FROM (SELLER / TRANSFEROR):</b>	<b>TRANSFER TO (BUYER / TRANSFEREE):</b>
<u>Auto Club Speedway</u>	<u>Chino Basin Watermaster</u>
Name of Party	Name of Party
<u>9300 Cherry Avenue</u>	<u>9641 San Bernardino Rd</u>
Street Address	Street Address
<u>Fontana</u> <u>CA</u> <u>92335</u>	<u>Rancho Cucamonga</u> <u>CA</u> <u>91730</u>
City                                      State              Zip Code	City                                      State              Zip Code
<u>(909) 429-5651</u>	<u>(909) 484-3888</u>
Telephone	Telephone
<u>(909) 429-5660</u>	<u>(909) 484-3890</u>
Facsimile	Facsimile

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?      Yes       No

**PURPOSE OF TRANSFER:**

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain To partially fulfill Watermaster's replenishment obligation

**WATER IS TO BE TRANSFERRED FROM:**

- Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool)
- Storage
- Annual Production Right / Operating Safe Yield first, then any additional from Storage
- Other, explain \_\_\_\_\_

**WATER IS TO BE TRANSFERRED TO:**

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain Watermaster's replenishment obligation

**IS THE 85/15 RULE EXPECTED TO APPLY?** (If yes, all answers below must be "yes.") Yes  No

Is the Buyer an 85/15 Party? Yes  No

Is the purpose of the transfer to meet a current demand over and above production right? Yes  No

Is the water being placed into the Buyer's Annual Account? Yes  No

**IF WATER IS TO BE TRANSFERRED FROM STORAGE:**

N/A (paper transfer) \_\_\_\_\_ N/A (paper transfer) \_\_\_\_\_  
 Projected Rate of Recapture. Projected Duration of Recapture

**METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):**

N/A

**PLACE OF USE OF WATER TO BE RECAPTURED:**

N/A

**LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):**

N/A

**WATER QUALITY AND WATER LEVELS**

Are the Parties aware of any water quality issues that exist in the area? Yes  No

If yes, please explain:

N/A

What are the existing water levels in the areas that are likely to be affected?

N/A

**MATERIAL PHYSICAL INJURY**

Are any of the recapture wells located within Management Zone 1? Yes  No

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

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

N/A

N/A

N/A

**SAID TRANSFER SHALL BE CONDITIONED UPON:**

- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
- (2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
- (3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
- (4) Any Transferee not already a party must Intervene and become a party to the Judgment.

**ADDITIONAL INFORMATION ATTACHED**

Yes  No



\_\_\_\_\_  
Seller / Transferor Representative Signature

Brian Geye

\_\_\_\_\_  
Seller / Transferor Representative Name (Printed)



\_\_\_\_\_  
Buyer / Transferee Representative Signature

Ken Jeske

\_\_\_\_\_  
Buyer / Transferee Representative Name (Printed)

**TO BE COMPLETED BY WATERMASTER STAFF:**

DATE OF WATERMASTER NOTICE: \_\_\_\_\_

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

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

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

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

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

DATE OF BOARD APPROVAL: \_\_\_\_\_



# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM

### A. AMENDED WATERMASTER INVESTMENT POLICY





# CHINO BASIN WATERMASTER

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

## STAFF REPORT

**DATE:** April 12, 2012  
**TO:** Pool Members  
**SUBJECT:** Amend Current Chino Basin Watermaster Investment Policy To Include Investment Trust of California (CalTRUST) As An Additional Investment Option.

### SUMMARY

**Issue** – Consider Approval To (1) Amend The Current Chino Basin Watermaster Investment Policy To Include Investment Trust of California (CalTRUST) As An Additional Investment Option and (2) Grant Authority To Chief Financial Officer and/or Treasurer To Execute All Other Documents Required For Participation In The (CalTRUST) Program.

**Recommendation** – Approve To (1) Amend The Current Chino Basin Watermaster Investment Policy To Include Investment Trust of California (CalTRUST) As An Additional Investment Option and (2) Grant Authority To Chief Financial Officer and/or Treasurer To Execute All Other Documents Required For Participation In The (CalTRUST) Program.

**Financial Impact** – There are no direct costs associated with joining or investing with Investment Trust of California (CalTRUST). Please note that Investment results cannot be guaranteed due to market fluctuations. However, when compared to the returns of LAIF, there should be a small increase in interest income earned by Watermaster on funds invested in the short-term at (CalTRUST). This action combined with the Excess Reserve Return Policy recently adopted by the Board minimizes the impact to Watermaster parties resulting from Watermaster holding reserve funds.

### Background:

At the direction of the Appropriative Pool, Advisory Committee and Board, a meeting was held at the Watermaster offices on Wednesday, February 8, 2012 at 3:00pm for any interested Watermaster parties to discuss the overall Cash Reserve Policy. During these discussions involving the Cash Reserve Policy, the topic of the Watermaster Investment Policy was brought up. A recommendation for the Watermaster staff to investigate the option of adding (CalTRUST) to the Investment Policy as an additional investment option for Watermaster was suggested. During the Pool meetings of March 8, 2012; the Advisory Committee meeting of March 15, 2012; and the Watermaster Board meeting of March 22, 2012 the Interim CEO brought the suggestion of including (CalTRUST) as an additional option within the Watermaster Investment Policy. There were no clear objections at any of the meetings in March, so Staff is bringing forward the recommendation. The current Watermaster Investment Policy and Resolution 12-01 was approved and adopted by the Advisory Committee on January 19, 2012 and by the Watermaster Board on January 26, 2012.

**Summary/Discussion:**

A number of California public agencies have created a Joint Powers Authority (JPA) -- the Investment Trust of California, commonly known as (CalTRUST) -- for the purpose of pooling local agency assets for investing. Membership in the (CalTRUST) program is open to any Public Agency in California. At the present time, there are over 100 (CalTRUST) participants. A partial listing of the current participants within the (CalTRUST) program are listed below:

Counties:

- Riverside County\*
- San Diego County\*

Cities:

- Chino\*
- Chino Redevelopment Agency\*
- Riverside
- Rancho Cucamonga
- Rancho Cucamonga Redevelopment Agency
- San Bernardino
- Sacramento\*
- Sacramento Housing and Redevelopment Agency
- Palm Springs

Water Districts/Special Districts:

- Eastern Municipal Water District
- Chino Basin Water Conservation District
- West Valley Mosquito and Vector Control District\*
- Los Angeles County Metropolitan Transportation Agency
- Inland Empire Utilities Agency
- San Diego Unified Port District
- Santa Ana Watershed Project Authority
- Yorba Linda Water District
- West Valley Water District
- Chino Valley Fire District

Other:

- Association of California Water Agencies (ACWA)
- ACWA Health Benefits Authority

\*JPA Member

(CalTRUST) invests in fixed income securities eligible for local agency investment pursuant to California Government Code Sections 53601 and 53635. A Board of Trustees supervises and administers the investment programs of the JPA. (CalTRUST) maintains and administers four pooled accounts within the program:

- a **Money Market** option, which invests in an existing SEC-registered money market fund, which is rated "AAA" by Standard & Poor's and "Aaa" by Moody's Investor Services, and which maintains a dollar-weighted average maturity of less than 90 days;
- a **Short-Term** Account with a target duration of 0-2 years;
- a **Medium-Term** Account with a target duration of 1.5-3.5 years; and
- a **Long-Term** Account with a target duration of 5-7 years (although authorized by the CalTRUST Joint Powers Agreement, the CalTRUST Board of Trustees has elected to defer the opening of the Long-Term Account until the interest rate environment is more favorable for longer term securities).

Currently, Watermaster would be most interested in the Short-Term investment option due to cash flow restrictions and the availability of long term funds. The Money Market account permits daily transactions, with same-day liquidity (provided redemption requests are received by 1:00 p.m. Pacific time), with no limit on the amount of funds that may be invested. The Short-Term account permits an unlimited number of transactions per month (with prior day notice), with no limit on the amount of funds that may be invested. The Medium- and Long-Term accounts permit investments, withdrawals and transfers once per month, with five days advance notice. At present, the JPA requires a minimum investment of \$250,000; however, this requirement can be waived at the discretion of the CalTRUST Administrator. CalTRUST provides printed statements on a monthly basis, as well as 24-hour, password protected information on member accounts via online access.

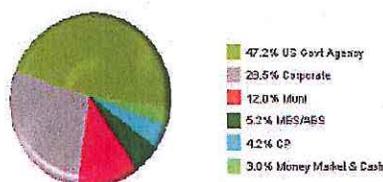
Staff recommends the current Chino Basin Watermaster Investment Policy be amended to include the Investment Trust of California (CalTRUST) as an additional investment option, as well as a grant of authority to the Chief Financial Officer and/or Treasurer to execute all other documents required for participation in the (CalTRUST) program.



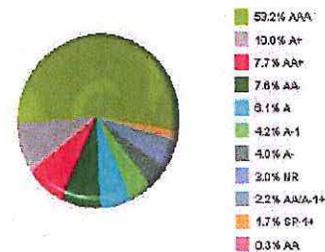
CalTrust Short Term Fund  
MONTH END PORTFOLIO STATISTICS  
February 29, 2012

	CalTrust Short Term	LAIF		CalTrust Short Term Total Return	CalTrust Short Term Yield Return	LAIF Yield Return
Market Value	\$588,518,689.89	N/A	One Month	0.07%	0.04%	0.03%
NAV per Share	\$10.02	N/A	Three Month	0.21%	0.13%	0.10%
Yield	0.54%	0.39%	Six Month	0.20%	0.26%	0.19%
Period Total Return	0.07%	N/A	Y-T-D	0.23%	0.09%	0.06%
Period Yield Return	0.04%	0.03%	One Year	0.50%	0.53%	0.40%
Effective Duration	0.65 Yrs.		Two Year	0.58%	0.56%	0.45%
Average Maturity	1.21 Yrs.	0.67 Yrs.	Three Year	1.04%	0.63%	0.63%
			Five Year	1.95%	1.90%	1.96%
			Since Inception	2.64%	2.60%	2.57%

Portfolio Sector Breakdown



Portfolio Quality Breakdown



Inception date of the Portfolio - February 13, 2005. See disclosure below.  
Returns are Net of Fees. Rating Source - Standard & Poor's.  
Yield represents the 7 Day Net Distribution on investment for the period.

Disclosure to Performance Information

- This performance information is based on an inception date of February 13, 2005, when the CalTrust Short-Term portfolio commenced investment operations according to its investment objective, and does not include any investment returns from temporary investments held before the commencement of those operations.
- First-month index returns, February 13-28, 2005, are intra-period and were calculated by calculating the average daily return during the month and multiplying the average daily return by number of days in the shortened period.
- Performance was calculated net of investment advisory and program administration fees.
- The Local Agency Investment Fund (LAIF) is a diversified portfolio managed by the State of California for local governments and special districts.
- Performance for the CalTRUST Short Term Account is on a trade date basis. LAIF's monthly performance was calculated by taking the average monthly effective yield and dividing it by 185 then multiplying the result by the number of days in the month.
- Past performance is no guarantee of future results.

**CHINO BASIN WATERMASTER  
INVESTMENT POLICY**

**1.0 POLICY**

**WHEREAS;** the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern; and

**WHEREAS;** the legislative body of a local agency may invest monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Sections 5922 and 53601 et seq.; and

**WHEREAS;** the Chief Executive Officer ("CEO") of the Chino Basin Watermaster ("Watermaster") shall annually prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the Board of Directors at a public meeting;

**NOW THEREFORE,** it shall be the policy of the Watermaster to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Watermaster and conforming to all statutes and judgments governing the investment of Watermaster funds.

**2.0 SCOPE**

This investment policy applies to all financial assets of the Watermaster. These funds are accounted for in the annual Watermaster audit.

**3.0 PRUDENCE**

Investments shall be made with judgment and care, under circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the Watermaster, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent investor" standard California Government Code (53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers (the CEO and his/her designees) acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

**4.0 OBJECTIVES**

When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

1. Safety: Safety of principal is the foremost objective of the investment program. Investments of the Watermaster shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

2. *Liquidity: The investment portfolio will remain sufficiently liquid to enable the Watermaster to meet all operating requirements which might be reasonably anticipated.*

3. Return on Investments: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

## **5.0 DELEGATION OF AUTHORITY**

Authority to manage the investment program is derived from the Judgment Paragraph 23, and from California Government Code 53600, et seq. Management responsibility for the investment program is hereby delegated to the Advisory Committee, who with the CEO shall establish written procedures for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking service contracts, as appropriate. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions, such as the Chief Financial Officer. No person may engage in an investment transaction except as provided under the terms of this policy and pursuant to Watermaster rules and regulations 2.16, derived from the Judgment, Paragraph 23. The Board shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. Under the provisions of California Government Code 53600.3, the CEO is a trustee and a fiduciary subject to the prudent investor standard.

## **6.0 ETHICS AND CONFLICTS OF INTEREST**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

## **7.0 AUTHORIZED AND SUITABLE INVESTMENTS**

The Watermaster is empowered by California Government Code 53601 et seq. to invest in the following:

1. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), or by a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed \$500,000 in any one Bank at a time.
2. Local Agency Investment Fund (LAIF) in Sacramento, CA.

**3. Investment Trust of California (CalTRUST).**

Such investments shall be limited to securities that at the time of the investment have a term remaining to maturity of five years or less, or as provided above.

**8.0 COLLATERALIZATION**

All certificates of deposit must be collateralized. Collateral must be held by a third party trustee and valued on a monthly basis.

**9.0 DIVERSIFICATION**

The Watermaster will diversify its investments by security type and institution. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities.

**10.0 REPORTING**

*The Watermaster Chief Financial Officer shall prepare Monthly Investment Reports which reflect investment transactions for review by the Pool Committees and the Advisory Committee prior to presentation to the Watermaster Board at their next regularly scheduled meeting.*

*Following formats used in prior years, said Investment Report will reflect the following information.*

- a. Funds held in each Bank at the beginning and ending of the reporting period; and
- b. Investments deposited and/or redeemed by type and by Bank (including interest rates, days invested and maturity yield rates) during the reporting period; and
- c. Investments outstanding at the close of the reporting period (including interest rates, days invested and maturity date); and
- d. Elements effecting the change in Watermaster's cash position; and
- e. A statement signed by the Chief Financial Officer as to the ability of the cash on hand to meet foreseen expenditures during the next six months.

**11.0 INVESTMENT POLICY ADOPTION**

The Investment Policy shall be adopted by resolution of the Watermaster on an annual basis. The Policy Statement will be reviewed by each Pool Committee. Should any Pool Committee recommend revisions to the Policy Statement, it shall be amended prior to presentation to the Advisory Committee for their review and comment. If necessary the Policy Statement will be further amended to reflect the comments of the Advisory Committee. The final Policy Statement will then be presented to the Watermaster Board for adoption at the next regularly scheduled meeting.

**Actions:**

- April 12, 2012 Appropriative Pool –
- April 12, 2012 Non-Agricultural Pool –
- April 12, 2012 Agricultural Pool –
- April 19, 2012 Advisory Committee –
- April 26, 2012 Watermaster Board –

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# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM

### B. WATERMASTER RESOLUTION 12-04





# CHINO BASIN WATERMASTER

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

## STAFF REPORT

**DATE:** April 12, 2012  
**TO:** Pool Members  
**SUBJECT:** Resolution 12-04 Approving Membership In The ACWA Joint Powers Authority, Consenting To Join The Health Benefits Program Of The ACWA Joint Powers Insurance Authority, Ratifying The Action Of The ACWA Health Benefits Authority Board Of Directors To Terminate The Health Benefits Authority Joint Powers Agreement, And Authorizing And Directing The Chino Basin Watermaster To Execute All Necessary Documents.

### SUMMARY

**Issue** – Consider Approval Of Resolution 12-04 Approving Membership In The ACWA Joint Powers Authority, Consenting To Join The Health Benefits Program Of The ACWA Joint Powers Insurance Authority, Ratifying The Action Of The ACWA Health Benefits Authority Board Of Directors To Terminate The Health Benefits Authority Joint Powers Agreement, And Authorizing And Directing The Chino Basin Watermaster To Execute All Necessary Documents.

**Recommendation** – Approve Resolution 12-04 Approving Membership In The ACWA Joint Powers Authority, Consenting To Join The Health Benefits Program Of The ACWA Joint Powers Insurance Authority, Ratifying The Action Of The ACWA Health Benefits Authority Board Of Directors To Terminate The Health Benefits Authority Joint Powers Agreement, And Authorizing And Directing The Chino Basin Watermaster To Execute All Necessary Documents.

**Financial Impact** – None.

### Background:

Chino Basin Watermaster currently purchases the basic employee life insurance policies through ACWA Health Benefits Authority. The life insurance policy amounts are based upon the employee's base salary, with a cap on salary/policy amount not to exceed \$150,000. Payments to ACWA Health Benefits Authority are issued from Watermaster on a monthly basis. Employees have the option of purchasing additional life insurance, however any additional insurance is at the employee's expense and a payroll deduction is processed each payroll period to cover the premium cost.

On April 4, 2012, Chino Basin Watermaster received a letter dated April 1, 2012 (See Attached) from ACWA Health Benefits Authority regarding the transition of the ACWA Health Benefits Authority (HBA) into the ACWA/Joint Powers Insurance Authority (ACWA/JPIA). On March 28, 2012 the HBA Board voted to dissolve the HBA and transfer the health benefits program to ACWA/JPIA.

ACWA Health Benefits Authority is requesting that (1) Chino Basin Watermaster's Board pass the attached resolution (Resolution 12-04) which consents to join the Employee Benefits Program of the ACWA/Joint Powers Insurance Authority and ratifies the action of the ACWA Health Benefit Authority Board of Directors to terminate the Health Benefits Authority Joint Powers Agreement and (2) that Resolution 12-04 be signed by April 30, 2012 (or sooner), if possible, but no later than May 31, 2012, and mailed.

Staff recommends to approve "Resolution 12-04 Approving Membership In The ACWA Joint Powers Authority, Consenting To Join The Health Benefits Program Of The ACWA Joint Powers Insurance Authority, Ratifying The Action Of The ACWA Health Benefits Authority Board Of Directors To Terminate The Health Benefits Authority Joint Powers Agreement, And Authorizing And Directing The Chino Basin Watermaster To Execute All Necessary Documents".

April 12, 2012



**ACWA  
Health Benefits  
Authority**

RECEIVED

APR 4 2012

CHINO BASIN WATERMASTER

April 1, 2012

Mr. Joe Joswiak  
CFO  
Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

**RE: Urgent Action Needed to Retain Health Benefits**

Dear Mr. Joswiak,

On March 7 you received a notice announcing the impending transition of the ACWA Health Benefits Authority (HBA) into the ACWA/Joint Powers Insurance Authority (ACWA/JPIA). On March 28, the HBA Board voted to dissolve the HBA and transfer the health benefits program to ACWA/JPIA.

We need your immediate assistance to secure the needed concurrence within the mandated 90-day window. The following steps must be taken to ensure a seamless transition and to retain the employee benefits currently provided by HBA:

1. **Your board will need to pass the enclosed resolution.** The resolution consents to join the Employee Benefits Program of the ACWA/Joint Powers Insurance Authority and ratifies the action of the ACWA Health Benefits Authority Board of Directors to terminate the Health Benefits Authority Joint Powers Agreement. **Please place the resolution on your next available agency agenda for action.**
2. **Return the signed resolution:** HBA is requesting the signed resolution by April 30, 2012 (or sooner), if possible, and no later than May 31, 2012. Please mail to:

ACWA HBA  
4600 Northgate Blvd, Suite #100  
Sacramento, CA 95834

**Failure to return the signed resolution by June 29, 2012, may result in loss of coverage for your district employees.**

ACWA Health Benefits Authority 4600 Northgate Blvd., Suite 100, Sacramento, California 95834-1103  
916/779-1145 FAX 916/325-2598 800/736-2292  
[www.acwa.com](http://www.acwa.com)



**ACWA  
Health Benefits  
Authority**

A dedicated website is available to assist you with the process. It includes a list of Frequently Asked Questions (FAQs), model resolutions, a timeline and other information. Please go to [www.hba-transition.com](http://www.hba-transition.com).

An informational webinar is scheduled for Wednesday, April 18, at 10 a.m. Registration details will be provided in the near future.

If you have any further questions, please contact Nancy Stangel, JPIA Director of Administration (800-231-5742, ext. 3133, [nstangel@acwajpia.com](mailto:nstangel@acwajpia.com)) or Cynthia Harding, HBA Operations Manager (800-736-2292, ext. 5, [cynthiah@acwa.com](mailto:cynthiah@acwa.com))

Thank you for your help.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rick Gilmore', is written over a light blue horizontal line.

Rick Gilmore  
Board President  
ACWA HBA

**Attachment: Sample resolution**

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION APPROVING MEMBERSHIP IN THE ACWA JOINT POWERS INSURANCE AUTHORITY, CONSENTING TO JOIN THE HEALTH BENEFITS PROGRAM OF THE ACWA JOINT POWERS INSURANCE AUTHORITY, RATIFYING THE ACTION OF THE ACWA HEALTH BENEFITS AUTHORITY BOARD OF DIRECTORS TO TERMINATE THE HEALTH BENEFITS AUTHORITY JOINT POWERS AGREEMENT, AND AUTHORIZING AND DIRECTING THE CHINO BASIN WATERMASTER TO EXECUTE ALL NECESSARY DOCUMENTS**

WHEREAS, this Agency entered into a joint exercise of powers agreement ("HBA Agreement") with the Association of California Water Agencies Health Benefits Authority ("HBA") in order to pool its purchasing needs with other public agencies desiring to provide their employees with comprehensive and economical health and welfare benefits; and

WHEREAS, this Agency entered into a Health Benefits Memorandum of Understanding ("MOU") to enroll in specific health programs and ancillary programs ("Existing Employee Benefits Coverage") offered by HBA and agreed to abide by: (1) the HBA Agreement; (2) all rules and procedures established by HBA in the administration of the Agency's Existing Employee Benefits Coverage; and (3) all underwriting, eligibility, and contribution requirements in Appendix A to the MOU; and

WHEREAS, certain public agencies have entered into a joint exercise of powers agreement ("JPIA Agreement") with the Association of California Water Agencies Joint Powers Insurance Authority ("JPIA") in order to pool their purchasing needs with other public agencies desiring to obtain comprehensive and economical public liability, workers' compensation, unemployment, health, accident and/or dental, or property coverage; and

WHEREAS, JPIA is both qualified and authorized by the laws of the State of California to administer the Existing Employee Benefits Coverage to this Agency through JPIA's Employee Benefits Program; and

WHEREAS, during a noticed special meeting held on February 6, 2012, the HBA Board of Directors unanimously voted to transfer all HBA operations and administrative functions to JPIA on or about July 1, 2012, and to pursue a merger of the two public agencies after which the HBA Agreement would be terminated; and

WHEREAS, pursuant to Article 22 of the HBA Agreement, the HBA Agreement may be terminated by the HBA Board of Directors subject to ratification by the written consent of three-fourths of the HBA Member agencies within 90 days of the HBA Board's action, provided, however, that HBA and the HBA Agreement shall continue to exist for the purpose of concluding all functions necessary to wind up HBA's affairs; and

WHEREAS, during a noticed regular meeting held on March 28, 2012, the HBA Board of Directors approved HBA Resolution 12-03-02: (1) electing to terminate the HBA Agreement pursuant to Article 22 of the HBA Agreement and, except as provided in clause 2 below, said termination shall become effective upon ratification by the written consent of three-fourths of the HBA member districts and agencies; (2) recognizing that pursuant to Article 22 of the HBA Agreement, HBA and the HBA Agreement shall continue to exist for the purpose of winding up and dissolving the business affairs of HBA, and acknowledge that the HBA Board of Directors is vested with all powers of HBA for doing the same; and (3) declaring that Resolution 12-03-02 shall take effect on April 1, 2012, thereby beginning the 90-day ratification period.

NOW, THEREFORE, BE IT RESOLVED that the Directors of Chino Basin Watermaster hereby:

1. Agree that the JPIA Agreement and the HBA Memorandum of Understanding referred to in the recitals above are incorporated in this resolution by reference.
2. Approve this Agency's membership in the Association of California Water Agencies Joint Powers Insurance Authority.
3. Consent to join JPIA's Employee Benefits Program and acknowledge, represent, and agree that all terms and conditions of the HBA Memorandum of Understanding apply to the provision of this Agency's Existing Employee Benefits Coverage through JPIA.
4. Authorize and direct this Agency's \_\_\_\_\_ to cooperate fully with HBA and JPIA in the execution of any other documents and in the completion of any additional actions that may be necessary or appropriate for the purpose of ensuring that this Agency's Existing Employee Benefits Coverage continues without lapse through JPIA.
5. Ratify the action of the HBA Board of Directors to terminate the HBA Agreement, to be effective as provided in Article 22 of the HBA Agreement.
6. Direct the Secretary of the Board of this Agency to immediately send a certified copy of this resolution to: Association of California Water Agencies Health Benefits Authority, 4600 Northgate Blvd, Suite 100, Sacramento, California, 95834.

PASSED AND ADOPTED by the Directors of Chino Basin Watermaster this \_\_\_\_ day of \_\_\_\_\_, 2012, by the following vote:

\_\_\_\_\_  
President

\_\_\_\_\_  
Attest by:

**Actions:**

- April 12, 2012 Appropriative Pool –
- April 12, 2012 Non-Agricultural Pool –
- April 12, 2012 Agricultural Pool –
- April 19, 2012 Advisory Committee –
- April 26, 2012 Watermaster Board –

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# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM (Non-Agricultural Pool Only)

### C. WEST VENTURE DEVELOPMENT





# CHINO BASIN WATERMASTER

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

## STAFF REPORT

**DATE:** April 12, 2012  
**TO:** Non-Agricultural Pool Members  
**SUBJECT:** Re-Allocation of West Venture Development Company's Safe Yield

### SUMMARY

**Issue** – The Non-Agricultural Pool Has Requested that West Venture Development's Safe Yield of 15.657 Acre-Feet Be Re-Allocated to the Current Parties of the Non-Agricultural Pool Pro-Rata to Their Respective Safe Yield.

**Recommendation** – Discuss and Make a Pool Recommendation.

**Financial Impact** – Legal Expenses Associated with the Court.

### BACKGROUND

The Non-Agricultural Pool at its meeting of March 8, 2012 requested that this item be placed on its April agenda.

As history, these rights derive from Red Star Fertilizer which was an original Non-Agricultural Pool Party to the Judgment with 15.657 acre-feet of safe yield in 1978. Red Star Fertilizer was acquired by Anaheim Citrus who was subsequently acquired by West Venture Development Company in 1987. West Venture Development subdivided the land into approximately 33 lots and subsequently sold those lots in the following years. Upon completion of the subdivision improvements and sale of the lots, West Venture Development capped the well on that site, ceased operations, and started the process to abandon its production rights in Fiscal Year 1991/1992. It appears that the abandonment process has not been completed as of this date and the rights have not been re-allocated.

### DISCUSSION

The Non-Agricultural Pool has requested that West Venture Development's Safe Yield of 15.657 acre-feet be re-allocated to the current parties of the Non-Agricultural Pool pro-rata to their respective Safe Yield with Notice to the property owners that purchased the property to give them an opportunity to object, and then ultimately proceeding with direction from the Court.

West Venture Development Company, the holder of the rights, indicated "...in view of the fact that the overlying water rights are appurtenant to the lots sold to others, this agreement [abandonment] by the company should not be read in any way as adversely impacting the rights of those lot purchasers....and that any abandonment of the overlying rights of the lot owners only occur in accordance with an order of the court...". The Company specifically requested that an appropriate proceeding be commenced by Watermaster in which West Development incurs no obligation to participate and no liability to the purchasers of the lots (attached).

The issue was brought to the Pools in December 2011. The following actions were taken:

- December 8, 2011 Appropriative Pool – Approved unanimously to not proceed with this item until further analyze this proposal.
- December 8, 2011 Non-Agricultural Pool – Approved unanimously to proceed with re-allocation of West Venture Development Company's Safe Yield of 15.657 acre-feet to the current Parties of the Non-Agricultural Pool pro-rata to their respective Safe Yield, with Notice to the property owners that purchased the property to give them an opportunity to object, and then ultimately proceeding with direction from the Court; and to direct the Non-Agricultural representatives to support at the Advisory Committee and Watermaster Board after the Appropriative Pool takes action on this item.
- December 8, 2011 Agricultural Pool – No action taken.
- December 15, 2011 Advisory Committee – Not on agenda.
- December 15, 2011 Watermaster Board – Not on agenda.

As of this date, the Appropriative and Agricultural Pools have not taken action.

The subject properties are located in the City of Chino. Therefore, the City is the possessor of applicable development records. Subsequent to the December 8, 2011 Pool meetings the City has been researching its historic records in effort to determine the properties and ownership. Staff has met with Chino staff during this effort which is not final as of the date of this agenda report.

**ACTIONS:**

April 12, 2012 Non-Agricultural Pool –

10-09-1992 10:31

0183440153

WEST VENTURE

P.02



*Watermaster*

October 9, 1992

Mr. Edwin D. James  
Water Resources Director  
Chino Basin Municipal Water District  
8555 Archibald Avenue  
P.O. Box 697  
Rancho Cucamonga, CA 91730-0697

Re: Chino Basin Overlying Water Rights

Dear Mr. James:

By prior letter I evidenced the intent of West Venture to abandon its overlying water rights in Chino Basin. After a review of the facts relevant to the ownership of those water rights by the company I must amend the prior letter.

West Venture acquired 8.44 acres from Anaheim Citrus Products in 1987. I am advised that this property was apparently owned by the Red Star Fertilizer some time prior to the ownership of Anaheim Citrus Products. I understand that Red Star Fertilizer was one of the parties to the 1978 Judgment in the case of Chino Basin Municipal Water District v. City of Chino, et al. - Case number 164327 (1978). As such some part of 15.657 acre feet of water was made appurtenant to the 8.44 acres of overlying land and was made non-assignable and non-severable from that land.

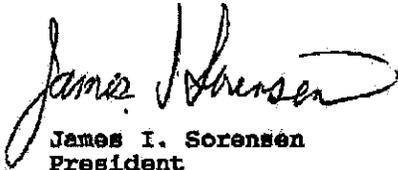
West Venture subdivided the land into approximately 33 lots and subsequently sold all of those lots in the ensuing years. West Venture capped the well on the 8.44 acres.

Consequently, West Venture abandoned any interest it may have had or now has to the appurtenant overlying water rights. The company will cooperate with the district in any formal steps which must be taken to effectuate this abandonment. However, in view of the fact that the overlying water rights are appurtenant to the lots sold to others, this agreement by the company should not be read in any way as adversely impacting the rights of those lot purchasers.

Mr. Edwin James  
October 9, 1992  
Page 2

Therefore, the company specifically requests that any abandonment of the overlying water rights of the lot owners only occur in accordance with an order of the court in an appropriate proceeding commenced by the district in which the company incurs no obligation to participate and no liability to the purchasers of the lots.

Very truly yours,



James I. Sorensen  
President

JIS/jt



# CHINO BASIN WATERMASTER

## III. REPORTS/UPDATES

### B. OBMP SEMI ANNUAL STATUS REPORT 2011-02





# CHINO BASIN WATERMASTER

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

## STAFF REPORT

**DATE:** April 12, 2012  
**TO:** Pool Members  
**SUBJECT:** OBMP Status Report 2011-2

### SUMMARY

**Issue** – Watermaster produces Semi-Annual Optimum Basin Management Program (OBMP) Status Reports. The report for the period from July to December of 2011 has been drafted.

**Recommendation** – Staff recommends receiving and filing the report along with filing of a courtesy copy with the Court.

**Financial Impact** – There are no significant direct costs for receiving and filing the draft report.

### BACKGROUND

Semi-Annual Status Report 2011-2 covers the period from July to December 2011. The report describes work conducted and the current status for elements of the Optimum Basin Management Program (OBMP) during the 6 month period.

### Actions:

April 12, 2012 Appropriative Pool –  
April 12, 2012 Non-Agricultural Pool –  
April 12, 2012 Agricultural Pool –  
April 19, 2012 Advisory Committee –  
April 26, 2012 Watermaster Board –

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# Optimum Basin Management Program

Staff Status Report 2011-2: July to December 2011



CHINO BASIN WATERMASTER

## Highlighted Activities

- While the basin recharge appetite was whetted by an unusually strong early October storm, the Fall of 2011 was dry in contrast to the wet Fall of 2010. Fortunately, the Summer of 2011 was mild, many conservation efforts remained in place, and state water reservoirs are nearly full.
- About 4,273 acre-feet of recycled water and 3,103 acre-feet of storm/local runoff were recharged within Chino Basin facilities during the July to December 2011 reporting period.
- Metropolitan Water District of Southern California (MWD) ended replenishment water deliveries on September 30, 2011, nearly three months earlier than anticipated. Over 23,634 acre-feet of imported water was recharged during July, August and September, resulting in a total 2011 replenishment water delivery of nearly 33,100 acre-feet, valued at over \$14 million.
- During October 2011, the Chino Basin Desalter Authority (CDA) issued a contract to Best Drilling for construction of Chino Creek Well Field (CCWF or CDA Phase III) Wells I-19, I-20, and I-21. When operational, these wells should allow Watermaster to functionally achieve hydraulic control and demonstrate compliance with Optimum Basin Management Plan (OBMP) objectives.
- In September 2011, initial excavation of soils for the Milliken Avenue Grade Separation also coincided with ground breaking for the Turner Basins Recharge Expansion Project. The City of Ontario, County of San Bernardino, and San Bernardino Association of Governments (SANBAG) jumpstarted the Turner Project, with \$4.5 million in savings, resulting from their project's need for 200,000 cubic yards of soil.
- In December 2011, Watermaster committed \$166,236, the Bureau of Reclamation granted \$406,712, and Inland Empire Utilities Agency (IEUA) committed \$1 million, to design and construct 300 acre-feet per year of additional storm, imported and recycled water recharge capacity at Turner Basins and Guasti Park.
- Construction and initial calibration of the Daniels Street Horizontal Extensometer was completed.
- Several potential sites for the Chino Creek Well Field Vertical (Cable) Extensometer were identified, with the preferred site being on County owned land just south of the Chino Airport. Installation and calibration of this facility is a prerequisite for timely activation of the CCWF.
- Reduced groundwater production projections, reported in 2010 Urban Water Management Plans, suggest a reduced aggregate need for supplemental recharge water in the greater Chino Basin; however, as observed during the summer 2011 MWD replenishment water recharge effort, not all of the Chino Basin Management Zones have comparable recharge capabilities and capacities.
- The 2010 Recharge Master Plan Update Steering Committee was initiated and convened, as directed by the Court Order of October 8, 2010 order. The Committee will continue to meet in 2012 and, based on developing studies, recommend how to implement the Recharge Master Plan.
- Revised HCMP monitoring requirements were negotiated with the Santa Ana Regional Water Quality Control Board and are expected to be implemented through a Basin Plan Amendment.



Turner Basins Recharge Expansion Project Excavation  
Milliken Grade Separation Stockpiles in Background

## Important Court Hearings and Orders

- OCTOBER 28—CHINO BASIN WATERMASTER COURT HEARING ON MANAGEMENT AND IMPLEMENTATION STATUS
- NOVEMBER 1 - ORDER APPROVING CDA RESOLUTION 10-04, PLACING GENERAL ELECTRIC IN OVERLYING (NON-AGRICULTURE) POOL, REQUESTING RESUBMITTAL OF RESTATED JUDGMENT
- DECEMBER 8—ORDER GRANTING EXTENSION TO FILE RECHARGE MASTER PLAN STATUS REPORT THROUGH JUNE 14, 2012

# Optimum Basin Management Program

## Program Element 1: Develop and Implement a Comprehensive Monitoring Program

### *Groundwater Level Monitoring*

The current Watermaster groundwater level monitoring program is comprised of about 700 wells. For about 500 of these wells, the well-owner records water levels monthly and forwards the data to Watermaster quarterly. The remaining 200 wells are mainly south of the 60 Freeway and assess hydraulic control, land subsidence, and impacts from the desalter wells. Watermaster manually measure water levels at these wells monthly or by using pressure transducers that record data in 15 minute increments. These data are quality control checked, loaded into a relational database, and used to develop groundwater level contour maps and implementation assumptions.

### *Groundwater Quality Monitoring*

The groundwater quality monitoring program assembles results from various regional remediation efforts, then integrates the data to provide a comprehensive assessment of groundwater quality:

1. Groundwater quality data developed by Appropriators, Department of Toxic Substance Control (DTSC), Regional Water Quality Control Board (RWQCB), US Geological Survey (USGS), and the Counties for their own requirements are cooperatively provided to the Chino Basin Data Collection (CBDC) program. Watermaster routinely collects, assesses, and loads this data into a centralized relational database management system for subsequent analyses.
2. The Watermaster Key Well Program tests an additional 120 private wells in the southern Chino Basin, that would not otherwise require monitoring. Twenty wells, associated with the southern edge of the Archibald South (formerly OIA), Chino Airport, and Kaiser Steel plumes, are sampled annually, while the remainder are sampled triennially. The Key Well Program also contributes data for triennial ambient water assessment, hydraulic control assessment, Biennial State of the Basin Report, and other Chino Basin groundwater studies.

### *Groundwater Production Monitoring*

Most active wells (except Agricultural Pool minimal producers of less than 10 acre-feet annually) are metered, production read quarterly, and the data entered into Watermaster's database.

### *Surface Water Monitoring*

**Water Quality and Quantity in Recharge Basins.** Watermaster and IEUA estimate the volume of storm and supplemental water recharged, using pressure transducers and staff gauges. MWD provides State Water Project and IEUA provides RP-1 and RP-4 recycled water quality data. Using a mass balance calculation and the volume and quality of each water type, the blended recycled dilution water quality can be projected and, in the near future, a "new yield" estimated.

**Surface Water Monitoring in the Santa Ana River (SAR).** Watermaster regularly measures flow and select water quality parameters to assess whether Chino Basin might impact SAR water quality. These data, combined with groundwater modeling, assess the extent and integrity of hydraulic control from the southern Chino Basin to the greater Santa Ana River Watershed.

### *HCMP Annual Report*

In January 2004, the RWQCB amended the Santa Ana River Basin, Water Quality Control Plan (Basin Plan) to incorporate "maximum benefit" and antidegradation objectives for Total Dissolved Solids (TDS) and Nitrate-Nitrogen (N) for the Chino Basin and Cucamonga Management Zones. Access to the "maximum benefit" objectives relies on Watermaster and IEUA's implementation of specific OBMP projects and monitoring requirements. Annual reports are due each April 15, while this periods quarterly Surface Water Monitoring Program Reports were submitted to the RWQCB on October 15, 2011 and January 16, 2012. During this reporting period, Watermaster manually measured water levels at 427 private wells, downloaded two quarterly data sets from 112 wells containing pressure transducers, collected 90 groundwater, 188 surface and 72 recycled water (direct treatment facility effluent discharge) water quality samples respectively.

ON JANUARY 1,  
2012, DEPTH TO  
GROUNDWATER  
LEVELS AT PA-7  
(AYALA PARK  
PIEZOMETER)  
WERE 104 FEET  
BELOW GROUND  
SURFACE, OVER  
140' ABOVE THE  
MZ-1 GUIDANCE  
CRITERIA LEVEL  
OF 245 FEET.

# Optimum Basin Management Program

## Program Element 1: Develop and Implement a Comprehensive Monitoring Program (Continued)

### Land Surface Monitoring

In response to land subsidence in the City of Chino, Watermaster submitted the MZ-1 Subsidence Management (MZ-1) Plan to the court for approval and, in November 2007, Watermaster Court ordered its implementation (see Program Element 4: Develop and Implement a Comprehensive Groundwater Management Plan for Management Zone 1). The MZ-1 Plan proposed several monitoring and mitigation measures to minimize or abate land subsidence and ground fissuring in the western Chino Basin. These measures and activities include:

- Continued water level monitoring, within the Managed Area, comparable to that which occurred during development of the MZ-1 Plan.
- Expand the aquifer and land subsidence monitoring into other areas of MZ-1, and the Chino Basin, where data indicate a potential concern for subsidence and ground fissuring.
- Construct a horizontal strain monitor (extensometer) across the observed fissure zone.
- Evaluate the potential contribution of groundwater production, in northern MZ-1, on conditions in southern MZ-1.
- Provide for recovery of MZ-1 groundwater levels, while conducting additional testing and monitoring to refine the PA-7 Guidance Criteria.
- Develop an alternative pumping plan for producers impacted by the MZ-1 Plan and post the PA-7 groundwater levels on the Watermaster website to guide its use.
- Construct, and comparison test, vertical and cable extensometers at Ayala Park.
- Evaluate and compare ground-level surveying with Interferometric Synthetic Aperture Radar (InSAR), and recommend future monitoring protocols for both techniques.
- Conduct an ASR (aquifer storage recovery) feasibility study at a City of Chino Hills MZ-1 production well (tentatively well 16).

Watermaster undertook the following monitoring and testing activities called for in the MZ-1 Plan:

- The Watermaster Land Subsidence Committee met twice during the period, to assess future monitoring priorities and identify funding support for those activities.
- Compared vertical and cable extensometers at Ayala Park, to validate use of the more cost-effective cable system for application in other parts of the basin, as necessary.
- Evaluated InSAR data from alternate satellite system, which may be further analyzed to detect potential land surface displacement (subsidence) in early 2012.
- Continued implementation of the MZ-1 Managed Area Monitoring Program with the goals of: (1) refining the Guidance Criteria; (2) confirming existence of the Riley Barrier; (3) testing ASR feasibility in the Managed Area; and (4) evaluating the effect of groundwater production and injection on subsidence and recovery in the fissure zone.
- Completed installation and began calibration of the Daniels Street horizontal extensometer across the City of Chino observed zone of surface ground fissuring.
- Identified a location and began negotiating agreements to construct the Chino Creek Well Field (CCWF) cable extensometer (located South of Chino Airport).

### Well Construction, Abandonment and Destruction Monitoring

During the reporting period, the County of San Bernardino provided Watermaster with copies of six well construction permits and five well destruction permits. Watermaster continues to request geologic and post-construction operational characteristics for new wells, as the data can be made available. Following the December 17, 2009 Determination of No Further Action (NFA) by the RWQCB, Watermaster requested continued access for water level and groundwater quality monitoring at sixteen wells owned by the State of California at the Chino Institute for Men through a February 23, 2011 letter. Watermaster will continue to assess whether other wells, planned for destruction can be cost effectively incorporated into our monitoring network, as occurred previously for several Alcoa Wells.

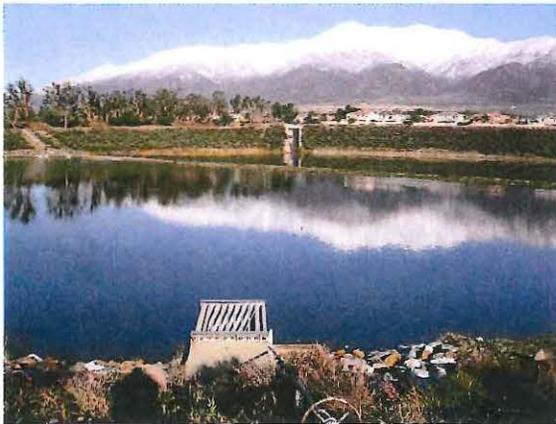


Horizontal Extensometer Construction

# Optimum Basin Management Program

## Program Element 2: Develop and Implement a Comprehensive Recharge Program

Watermaster, IEUA, Chino Basin Water Conservation District (CBWCD), and San Bernardino County Flood Control District (SBCFCD) jointly sponsor the Chino Basin Groundwater Recharge Program; a comprehensive water supply and reliability program to improve basin water quality, by increasing the recharge of storm, imported, and recycled water. The mean stormwater runoff and theoretical maximum supplemental water recharge capacity, of the Chino Basin Facilities Improvement Program (CBFIP) recharge basins, is about 14,000 and 99,000 acre-feet/yr (AFY) respectively. From July 1 to December 31, 2011, an estimated 30,828 acre-feet of water was recharged throughout the Chino Basin. Imported water made up 23,452 acre-feet of the total, with 16,610 recharging in Monitoring Zone (MZ)-1, 5,118 acre-feet in MZ-2, and 1,724 acre-feet in MZ-3. About 3,103 acre-feet of storm and local runoff infiltrated, with 704 recharging in MZ-1, 1,464 acre-feet in MZ-2, and 935 acre-feet in MZ-3. Since imported and runoff water are preferentially recharged and were relatively available during this reporting period, the volume of recycled water was constrained to about 4,273 acre-feet with 350 acre-feet recharging in MZ-1, 1,842 acre-feet in MZ-2, and 2,081 acre-feet in MZ-3.



Recharging the Chino Basin Groundwater at Victoria Basin

During this period, the 2010 Recharge Master Plan Steering Committee met and began to identify additional cost effective recharge opportunities and projects that could be undertaken in the future. This includes the identification of accounting measures that might recognize and even encourage potential contributions to water harvesting through the requirements of the recently adopted Municipal Separate Storm Sewer System (MS4) Permit, which identifies the need for Water Quality Management Plans (WQMP) with Low Impact Development (LID) characteristics. This Program Element will become increasingly important in preserving the Operational Safe Yield of the basin, flushing TDS and TIN out of the South Chino Basin and for blending with recycled water.

In December 2011 Watermaster committed to IEUA, up to \$162,236 towards the projected \$664,712 Turner Basins/Guasti Park Recharge Expansion Project in MZ-2. In a commendable example of inter-agency cooperation, this supplemental project became feasible through coordinated materials extraction for the Milliken Avenue Grade Separation project, supported by the City of Ontario, SanBAG, and San Bernardino County. Following completion in 2014, the expansion project is projected to recharge an additional 300 acre feet of storm runoff annually.

**Reporting.** Watermaster and IEUA submitted to the RWQCB the Second and Third Quarter Groundwater Recharge Program Reports on August 15 and November 15, 2011, respectively.

## Program Element 3: Develop and Implement Water Supply Plan for the Impaired Areas of the Basin

The Chino Basin Desalter Authority (CDA) reported 2010-11 production of 29,319 acre-feet of TDS and TIN impaired groundwater. This raw water was variously treated with air stripping, ion exchange, and reverse osmosis to remove contaminants and, now purified, supplied to the Authority Member Agencies to meet the need for high quality water supply needs in expanding urban areas of the southern Chino Basin. Without expansion of the CDA, the potential for adverse downstream impacts on Orange County Water District recharge facilities would likely have grown as a result of agricultural land conversion and reduced use of the impaired groundwater. Furthermore, increased groundwater losses from the basin might have led to a future reduction in safe yield. The continued operation of the CDA facilities, and eventual expansion to a planned annual capacity of over 40,000 acre-feet, is a prerequisite of the OBMP and will be necessary to achieve effective hydraulic control of the Chino Basin. Towards this production objective, Watermaster and CDA demonstrated continued progress on the RWQCB approved project schedule of June 2010, which should be completed sometime in 2015. The Desalter II expansion has been completed, wells I-16 and I-18 drilled, while wells I-20 and I-21 began construction. Existing design contracts for pipeline, well and pump facilities continue to lead toward task and eventual project completion.

# Optimum Basin Management Program

## Program Element 4: Develop and Implement a Comprehensive Groundwater Management Plan for Management Zone 1

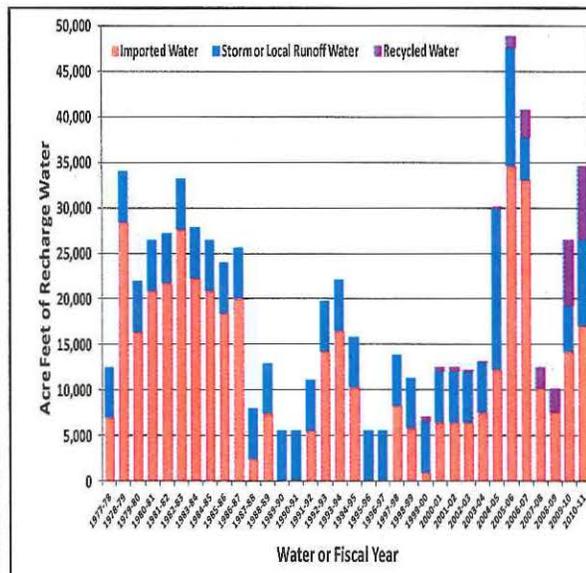
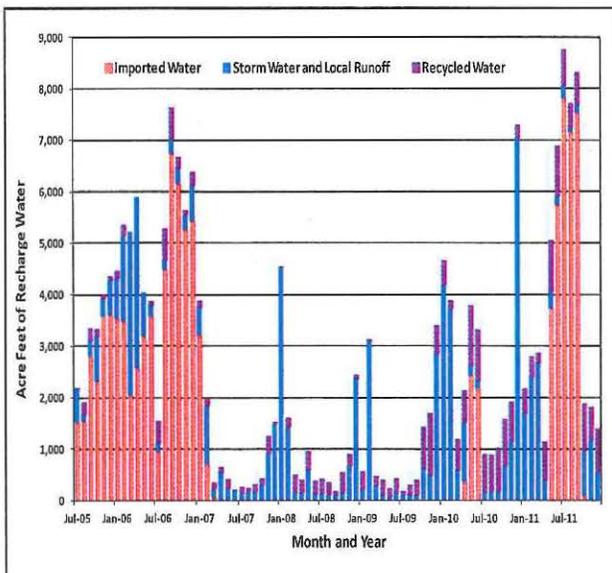
The OBMP called for the development and implementation of an MZ-1 Interim Management Plan (IMP) to mitigate historical, pumping-induced, land subsidence and ground fissuring in southwestern Chino Basin (southern MZ-1). Watermaster prepared the MZ-1 Plan, with Guidance Criteria, which was approved in November 2007 and its implementation ordered by the Court. With this year's expedited recharge of replenishment water, the cumulative Peace II Agreement MZ-1 supplemental water obligation of 32,500 acre-feet, has been satisfied with about 37,063 acre-feet of supplemental water, leaving an obligation excess (credit) of 4,563 acre-feet. The Guidance Criteria also designated a "Managed Area" and contained a list of Managed Wells, from which production is subject to maintaining an initial threshold water level (Guidance Level) above 245 feet below the top of the PA-7 well casing. With sustained replenishment water recharge during this period, groundwater levels at the PA-7 piezometer continued to rise and on January 1, 2012 the level was over 140 feet about the Guidance Level. Correspondingly, the Ayala Park Extensometer has recorded little, if any, permanent compaction.

The Land Subsidence Committee met on July 21, November 16, and December 15, 2011 and continues to implement elements of the MZ-1 Plan including InSAR monitoring using Envisat and other satellite data, construction of the Chino Creek Well Field Cable Extensometer, and necessary budget transfers to support the proposed tasks.

## Program Element 5: Develop and Implement Regional Supplemental Water Program

In the Chino Basin, supplemental water is defined as imported and recycled water. A review of the 2010 Urban Water Management Plans (UWMPs) suggest that local appropriators plan to become increasingly dependent on imported water to relieve stress resulting from historic basin groundwater production. During the reporting period about 23,452 acre-feet of imported replenishment water was recharged and another 889 acre-feet injected via Monte Vista Water District ASR wells. Despite the success of the replenishment water program, MWD has purposed to change the imported water program and may eventually decide to discontinue the replenishment water program and substantially change their fee schedules for all imported waters. Watermaster continues to investigate opportunities to increase supplemental water supplies along with IEUA, Three Valleys Municipal Water District, Western Municipal Water District, and the Water Facilities Authority.

**Recycled Water Recharge Monitoring Activities.** The recycled water recharge program is partially regulated under RWQCB Orders R8-2007-0039 and R8-2009-0057. Watermaster and IEUA collect weekly water quality samples at basins actively recharging recycled water. During this reporting period, 27 recycled product and 261 lysimeter water samples were collected from 7 of the 13 basins that may receive recycled water. Monitoring wells, down-gradient of recharge basin that receive recycled water, were sampled at least quarterly, but more frequently during basin start up or soil aquifer treatment (SAT) evaluation, for a total of 87 samples.



# Optimum Basin Management Program

## Program Element 6: Develop and Implement Cooperative Programs with the Regional Water Board and Other Agencies to Improve Basin Management

The Potentially Responsible Parties (PRPs), identified by the RWQCB as responsible for the Ontario International Airport (OIA) or Archibald South Plume, are also known as the ABGL (Aerojet, Boeing, GE, and Lockheed) group. Watermaster participates in meetings with ABGL, their consultants and counsel, the Regional Board, and CDA in order to identify remedies to continued plume mitigation. The ABGL group consultant prepared and submitted a Remedial Investigation Report, proposing that remediation by natural attenuation and containment would be adequate, for consideration by the RWQCB on October 13, 2011.

County of San Bernardino, Department of Airports and agency consultants continue to investigate plume migration and its impact on the Chino Creek Well Field (CCWF) and CDA operations. The Watermaster groundwater model was used to estimate the hydraulic control that would be achieved after the CCWF is completed, prepare maps, charts and concentration data regarding the fate of the Chino Airport plume.

Watermaster continues to monitor water samples, model transport and concentration, and other technical analyses related to several other pollutant plumes in the Chino Basin, with the ultimate objective of having their negative impact on basin water quality substantially reduced. This includes plumes believed to be associated with Alumax Aluminum Recycling, the California Institute for Men, Crown Coach, GE Test Cell and Flatiron, Kaiser Steel, Milliken Landfill, Upland Landfill and the Stringfellow National Priorities List sites.

## Program Element 7: Develop and Implement a Salt Management Program

The Chino Basin Salt Management Program overlaps with three other Program elements. The most proactive element is operation of the CDA desalters facilities and wells which, during Fiscal Year 2010-11, reported production of 29,319 acre-feet of high salt (up to 1,700 mg/L TDS) containing groundwater, that might otherwise impair downstream receiving waters. The brine resulting from membrane treatment is removed from the Basin via the Santa Ana Regional Interceptor (SARI). Pilot studies of brine minimization, to conserve SARI line capacity, continue and are expected to lead to a 2012 facility design contract. By 2015, CDA capacity is expected to increase to over 40,000 acre feet through completion of the Chino Creek Well Field and expansion of the existing desalters. A second active element of salt management is the groundwater recharge program. During recharge, preference is given to storm runoff, then imported water, then recycled water, in recognition of their respective qualities and costs. The concentration of salts and nitrate in the blended recharge water are managed through monitoring at basin lysimeters and at downstream wells. The third element is passively tracking the conversion of agriculture, which tends to concentrate salts through evapotranspiration of water, to urban land uses. The effectiveness of these programs is assessed through modeling of groundwater flows and verified by monitoring salt concentrations at nine HCMP multi-port wells, strategically placed between the desalter well fields, and several wells along the Santa Ana River.

## Program Element 8: Develop and Implement a Groundwater Storage Management Program

Recent events demonstrate the importance of groundwater storage to the Chino Basin. Watermaster has committed to investigate the technical and management implications of Local Storage Agreements, improve related policies and procedures, and then revisit all existing applications of Local Storage Agreements.

## Program Element 9: Develop and Implement a Storage and Recovery Program

The existing Watermaster/IEUA/MWDSC Dry-Year Yield (DYY) program continued during the reporting period. By April 30, 2011, all DYY program construction projects and a full "put" and "take" cycle had been completed, leaving the storage account with a zero balance. Watermaster, IEUA, and MWDSC are negotiating amendments to the current contract and, once amended, preparing to initiate a new "put" cycle.

AMBIENT SANTA ANA RIVER HCMP MONITORING APPEARS TO BE STATISTICALLY INSENSITIVE FOR ASSESSING THE IMPACT OF TDS IN CHINO BASIN GROUNDWATER ON THE SANTA ANA RIVER.

WATERMASTER HAS PROPOSED A DRAFT RWQCB BASIN PLAN AMENDMENT THAT WOULD REDISTRIBUTE THE COST OF THIS UNINFORMATIVE MONITORING TO OTHER EFFORTS.



# CHINO BASIN WATERMASTER

## IV. INFORMATION

1. Cash Disbursements for March 2012



**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month as of**  
**March 29, 2012**

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	03/01/2012	15838	A&R BRIDGESTONE FIRESTONE AUTO CARE	3-3086	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2012	3-3086		Field truck maintenance	6177 · Vehicle Repairs & Maintenance	248.68
TOTAL						248.68
Bill Pmt -Check	03/01/2012	15839	ACWA SERVICES CORPORATION	00198	1012 · Bank of America Gen'l Ckg	
Bill	02/29/2012	00198		Prepayment - March 2012	1409 · Prepaid Life, BAD&D & LTD	137.82
				February 2012	60191 · Life & Disab.Ins Benefits	131.90
TOTAL						269.72
Bill Pmt -Check	03/01/2012	15840	APPLIED COMPUTER TECHNOLOGIES	2046	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2012	2046		Database Services - February 2012	6052.2 · Applied Computer Technol	2,309.10
TOTAL						2,309.10
Bill Pmt -Check	03/01/2012	15841	ARROWHEAD MOUNTAIN SPRING WATER	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	02/29/2012	0023230253		Office Water Bottle - February 2012	6031.7 · Other Office Supplies	38.90
TOTAL						38.90
Bill Pmt -Check	03/01/2012	15842	BOWCOCK, ROBERT	2/23/12 Board Meeting	1012 · Bank of America Gen'l Ckg	
Bill	02/23/2012	2/23 Board Meeting		2/23/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	03/01/2012	15843	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2012	1394905143		Medical Insurance Premium - March 2012	60182.1 · Medical Insurance	5,548.88
TOTAL						5,548.88
Bill Pmt -Check	03/01/2012	15844	CALPERS 457 PLAN	Payroll and Taxes for 02/05/12-02/18/12	1012 · Bank of America Gen'l Ckg	
General Journal	02/18/2012	02/18/2012	CALPERS 457 PLAN	Employee 457 Deductions for 02/05/12-02/18/12	2000 · Accounts Payable	11,435.10
TOTAL						11,435.10
Bill Pmt -Check	03/01/2012	15845	COMPUTER NETWORK		1012 · Bank of America Gen'l Ckg	
Bill	02/16/2012	83544		Supplies for plotter - printheads and cartridges	6031.7 · Other Office Supplies	744.55
Bill	02/16/2012	83536		Keyboard for board room	6031.7 · Other Office Supplies	98.59
Bill	02/28/2012	83654		Backup drives	6055 · Computer Hardware	513.97
Bill	02/28/2012	83655		Adobe acrobat software	6054 · Computer Software	322.17
TOTAL						1,679.28
Bill Pmt -Check	03/01/2012	15846	CORELOGIC INFORMATION SOLUTIONS	80418279	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2012	80418279		80418279	7103.7 · Grdwtr Qual-Computer Svc	62.50
				80418279	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00

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TOTAL

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month as of**  
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	03/01/2012	15847	CURATALO, JAMES	2/23/12 Board Meeting	1012 · Bank of America Gen'l Ckg	
Bill	02/23/2012	2/23 Board mtg		2/23/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	03/01/2012	15848	DE BOOM, NATHAN	AG Pool Member Meeting Compensation	1012 · Bank of America Gen'l Ckg	
Bill	02/09/2012	2/09 Ag Pool Mtg		2/09/12 Ag Pool Meeting	8411 · Compensation	25.00
				AG Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	03/01/2012	15849	DIRECTV	019447404	1012 · Bank of America Gen'l Ckg	
Bill	02/29/2012	019447404		Office connection for 2/19/12 - 3/18/12	6031.7 · Other Office Supplies	86.99
TOTAL						86.99
Bill Pmt -Check	03/01/2012	15850	DURRINGTON, GLEN	AG POOL MEMBER COMPENSATION	1012 · Bank of America Gen'l Ckg	
Bill	02/09/2012	2/09 Ag Pool Mtg		2/09/12 Ag Pool Meeting	8411 · Compensation	25.00
				AG Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	03/01/2012	15851	ELIE, STEVEN	2/23/12 Board Meeting	1012 · Bank of America Gen'l Ckg	
Bill	02/23/2012	2/23 Board Mtg		2/23/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	03/01/2012	15852	FEENSTRA, BOB		1012 · Bank of America Gen'l Ckg	
Bill	02/09/2012	2/09 Ag Pool Mtg		2/09/12 Ag Pool Meeting	8411 · Compensation	25.00
				2/09/12 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	02/23/2012	2/23 Board Mtg		2/23/12 Board Meeting	8411 · Compensation	25.00
				2/23/12 Board Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						250.00
Bill Pmt -Check	03/01/2012	15853	GEOSCIENCE SUPPORT SERVICES, INC.	4555-11-02	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2012	4555-11-02		October1, 2011 to January 31, 2012	7107.6 · Grd Level-Contract Svcs	3,295.00
TOTAL						3,295.00
Bill Pmt -Check	03/01/2012	15854	GROOMAN'S PUMP & WELL DRILLING, INC.		1012 · Bank of America Gen'l Ckg	
Bill	02/10/2012	12971		12971	7102.8 · In-line Meter-Calib & Test	1,023.54
Bill	02/10/2012	12970		12970	7102.7 · In-line Meter	796.88
TOTAL						1,820.42
Bill Pmt -Check	03/01/2012	15855	HALL, PETE*		1012 · Bank of America Gen'l Ckg	
Bill	02/09/2012	2/09 Ag Pool Mtg		2/09/12 Ag Pool Meeting	8411 · Compensation	25.00

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month as of**  
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For Informational Purposes Only

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
				AG Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	02/16/2012	2/16 Advisory Comm		2/16/12 Advisory Committee Meeting	8411 · Compensation	25.00
				AG Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	02/16/2012	2/16 LSCCommittee		2/16/12 Land Subsidence Committee Meeting	8411 · Compensation	25.00
				AG Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	02/23/2012	2/23 Board Mtg		2/23/12 Board Meeting	8411 · Compensation	25.00
				AG Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						500.00
<b>Bill Pmt -Check</b>	<b>03/01/2012</b>	<b>15856</b>	<b>HOGAN LOVELLS</b>	<b>2644389</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	02/08/2012	2644389		Non-Ag Pool Legal Services - January 2012	8567 · Non-Ag Legal Service	6,853.69
TOTAL						6,853.69
<b>Bill Pmt -Check</b>	<b>03/01/2012</b>	<b>15857</b>	<b>HUITSING, JOHN</b>	<b>Ag Pool Member Compensation</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	02/09/2012	2/09 Ag Pool Mtg		2/09/12 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
<b>P1599</b>						
<b>Bill Pmt -Check</b>	<b>03/01/2012</b>	<b>15858</b>	<b>INLAND EMPIRE UTILITIES AGENCY</b>	<b>90009223</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	02/28/2012	90009223		90009223	8456 · IEUA Readiness To Serve	552.90
TOTAL						552.90
<b>Bill Pmt -Check</b>	<b>03/01/2012</b>	<b>15859</b>	<b>JAMES JOHNSTON</b>	<b>253</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	02/28/2012	253		Website Maintenance - February 2012	6052.3 · Website Consulting	810.00
TOTAL						810.00
<b>Bill Pmt -Check</b>	<b>03/01/2012</b>	<b>15860</b>	<b>KRUGER, W. C. "BILL"</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	02/16/2012	2/16 LSC Committee		2/16/12 Land Subsidence Committee Meeting	6311 · Board Member Compensation	125.00
Bill	02/23/2012	2/23 Board Mtg		2/23/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
<b>Bill Pmt -Check</b>	<b>03/01/2012</b>	<b>15861</b>	<b>KUHN, BOB</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	02/06/2012	2/06 Personnel Comm		2/06/12 Personnel Committee Meeting	6311 · Board Member Compensation	125.00
Bill	02/09/2012	2/09 Appro Pool Mtg		2/09/12 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	02/23/2012	2/23 Board Mtg		2/23/12 Board Meeting	6311 · Board Member Compensation	125.00
Bill	02/28/2012	2/28 Admin Mtg		2/28/12 Administrative Meeting	6311 · Board Member Compensation	125.00
TOTAL						500.00
<b>Bill Pmt -Check</b>	<b>03/01/2012</b>	<b>15862</b>	<b>LANTZ, PAULA</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	02/06/2012	2/06 Personnel Comm		2/06/12 Personnel Committee Meeting	6311 · Board Member Compensation	125.00
Bill	02/09/2012	2/09 App Pool Mtg		2/09/12 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00

**CHINO BASIN WATERMASTER**  
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	02/23/2012	2/23 Board Mtg		2/23/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	03/01/2012	15863	LEGAL SHIELD	111802	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2012	111802		Employee Deductions - February 2012	60194 · Other Employee Insurance	51.80
TOTAL						51.80
Bill Pmt -Check	03/01/2012	15864	MCCALL'S METER SALES & SERVICE	22018	1012 · Bank of America Gen'l Ckg	
Bill	02/10/2012	22018		22018	7102.5 · In-line Meter-Computer	2,057.40
				22018	7102.8 · In-line Meter-Calib & Test	1,350.00
TOTAL						3,407.40
Bill Pmt -Check	03/01/2012	15865	PARK PLACE COMPUTER SOLUTIONS, INC.	459	1012 · Bank of America Gen'l Ckg	
Bill	02/29/2012	459		IT Services - February 2012	6052.1 · Park Place Comp Solutn	2,400.00
TOTAL						2,400.00
Bill Pmt -Check	03/01/2012	15866	PIERSON, JEFFREY		1012 · Bank of America Gen'l Ckg	
Bill	02/09/2012	2/09 Ag Pool Mtg		2/09/12 Ag Pool Meeting	8411 · Compensation	25.00
				2/09/12 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	02/16/2012	2/16 Advisory Comm		2/16/12 Advisory Committee Meeting	8411 · Compensation	25.00
				2/16/12 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	02/23/2012	2/23 Board Mtg		2/23/12 Board Meeting	8411 · Compensation	25.00
				2/23/12 Board Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						375.00
Bill Pmt -Check	03/01/2012	15867	PREMIERE GLOBAL SERVICES	10569878	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2012	10569878		Conference call - 01/03/12	6022 · Telephone	97.50
				Assessment package workshop call - 01/05/12	6022 · Telephone	56.08
				NonAg Pool meeting conference call - 01/12/12	8512 · Meeting Expense	228.02
				CCWF conference call - 01/17/12	7103.6 · Grdwtr Qual-Supplies	74.78
				Monthly service charges	6022 · Telephone	25.48
TOTAL						481.86
Bill Pmt -Check	03/01/2012	15868	PRINTING RESOURCES	57753	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2012	57753		Nameplate for Brad Herrema	6031.7 · Other Office Supplies	28.44
TOTAL						28.44
Bill Pmt -Check	03/01/2012	15869	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
Bill	02/29/2012	139405143		Survivor Benefit FY 2011-2012 premium	60180 · Employers PERS Expense	468.00
TOTAL						468.00

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month as of**  
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For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	03/01/2012	15870	SOFTCHOICE	2936561	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2012	2936561		Volume License Agreement Renewal-Software	6054 · Computer Software	2,791.04
TOTAL						2,791.04
Bill Pmt -Check	03/01/2012	15871	STANDARD INSURANCE CO.	Policy # 00-640888-0009	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2012	00-640888-0009		Life and AD&D - Policy # 00-640888-0009	60191 · Life & Disab.Ins Benefits	539.66
TOTAL						539.66
Bill Pmt -Check	03/01/2012	15872	STAPLES BUSINESS ADVANTAGE	8021092245	1012 · Bank of America Gen'l Ckg	
Bill	02/18/2012	8021092245		Copy paper	6031.1 · Copy Paper	183.96
				Miscellaneous office supplies	6031.7 · Other Office Supplies	23.70
TOTAL						207.66
Bill Pmt -Check	03/01/2012	15873	STATE COMPENSATION INSURANCE FUND	1970970-11	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2012	1970970-11		Workers Comp Premium - February 2012	60183 · Worker's Comp Insurance	1,359.70
TOTAL						1,359.70
Bill Pmt -Check	03/01/2012	15874	UNITED HEALTHCARE	0026926184	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2012	0026926184		Dental Premium - March 2012	60182.2 · Dental & Vision Ins	447.47
TOTAL						447.47
Bill Pmt -Check	03/01/2012	15875	VANDEN HEUVEL, GEOFFREY	6311	1012 · Bank of America Gen'l Ckg	
Bill	02/09/2012	2/09 Ag Pool Mtg		2/09/12 Ag Pool Meeting	6311 · Board Member Compensation	125.00
Bill	02/23/2012	2/23 Board Mtg		2/23/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	03/01/2012	15876	VANDEN HEUVEL, ROB	AG POOL MEMBER COMPENSATION	1012 · Bank of America Gen'l Ckg	
Bill	02/09/2012	2/09 Ag Pool Mtg		2/09/12 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	03/01/2012	15877	VERIZON	012561121521714508	1012 · Bank of America Gen'l Ckg	
Bill	02/29/2012	012561121521714508		012561121521714508	7405 · PE4-Other Expense	168.47
TOTAL						168.47
Bill Pmt -Check	03/01/2012	15878	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2012	001017890001		Vision Insurance Premium - March 2012	60182.2 · Dental & Vision Ins	26.71
TOTAL						26.71
Bill Pmt -Check	03/01/2012	15879	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	02/18/2012	02/18/2012	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	457 Employee Deductions for 02/05/12-02/18/12	2000 · Accounts Payable	8,086.11

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month as of**  
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For Informational Purposes Only

	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
TOTAL							8,086.11
	General Journal	03/03/2012	03/03/2012	Payroll and Taxes for 02/19/12-03/03/12	Payroll and Taxes for 02/19/12-03/03/12	1012 · Bank of America Gen'l Ckg	
					Payroll Taxes for 02/19/12-03/03/12	1012 · Bank of America Gen'l Ckg	10,208.30
					Direct Deposits for 02/19/12-03/03/12	1012 · Bank of America Gen'l Ckg	26,892.76
							<u>37,101.06</u>
	Bill Pmt -Check	03/08/2012	15880	CHINO BASIN DESALTER AUTHORITY*	1800000097	1012 · Bank of America Gen'l Ckg	
	Bill	02/28/2012	1800000097		Horizontal Extensometer - Progress Pymnt	7107.7 · Grd Level-Extensometer Install	295,200.00
TOTAL							<u>295,200.00</u>
	Bill Pmt -Check	03/12/2012	15881	ACWA SERVICES CORPORATION	00198	1012 · Bank of America Gen'l Ckg	
	Bill	03/06/2012	00198		Prepayment - April 2012	1409 · Prepaid Life, BAD&D & LTD	199.71
					March 2012	60191 · Life & Disab.Ins Benefits	152.80
TOTAL							<u>352.51</u>
	Bill Pmt -Check	03/12/2012	15882	CHARLES Z. FEDAK & COMPANY		1012 · Bank of America Gen'l Ckg	
	Bill	02/29/2012			Audit Progress Pymnt - February 2012	6062 · Audit Services	420.00
TOTAL							<u>420.00</u>
	Bill Pmt -Check	03/12/2012	15883	DGO AUTO DETAILING		1012 · Bank of America Gen'l Ckg	
	Bill	02/29/2012			Wash 4 trucks-02/16/12 & 4 trucks-02/29/12	6177 · Vehicle Repairs & Maintenance	200.00
TOTAL							<u>200.00</u>
	Bill Pmt -Check	03/12/2012	15884	GEOSCIENCE SUPPORT SERVICES, INC.	4555-11-03	1012 · Bank of America Gen'l Ckg	
	Bill	02/29/2012	4555-11-03		February 1-29, 2012	7107.6 · Grd Level-Contract Svcs	285.00
TOTAL							<u>285.00</u>
	Bill Pmt -Check	03/12/2012	15885	GOLDEN METERS SERVICE	248	1012 · Bank of America Gen'l Ckg	
	Bill	03/06/2012	248		248	7102.8 · In-line Meter-Calib & Test	1,334.59
TOTAL							<u>1,334.59</u>
	Bill Pmt -Check	03/12/2012	15886	GREAT AMERICA LEASING CORP.	11976896	1012 · Bank of America Gen'l Ckg	
	Bill	02/28/2012	11976869		Copier lease invoice	6043.1 · Ricoh Lease Fee	2,788.53
					Usage for Black Copies	6043.2 · Ricoh Usage & Maintenance Fee	365.60
					Usage for Color Copies	6043.2 · Ricoh Usage & Maintenance Fee	302.53
TOTAL							<u>3,456.66</u>
	Bill Pmt -Check	03/12/2012	15887	HSBC BUSINESS SOLUTIONS	7003-7309-1000-2744	1012 · Bank of America Gen'l Ckg	
	Bill	02/28/2012	7003730910002744		Miscellaneous office supplies	6031.7 · Other Office Supplies	265.49
TOTAL							<u>265.49</u>

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month as of**  
**March 29, 2012**

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	03/12/2012	15888	MCCALL'S METER SALES & SERVICE	22105	1012 · Bank of America Gen'l Ckg	
Bill	02/29/2012	22105		22105	7102.5 · In-line Meter-Computer	3,863.89
				22105	7102.7 · In-line Meter	3,358.81
TOTAL						<u>7,222.70</u>
Bill Pmt -Check	03/12/2012	15889	MWH LABORATORIES	L0080845	1012 · Bank of America Gen'l Ckg	
Bill	03/07/2012	L0080845		L0080845	7103.5 · Grdwtr Qual-Lab Svcs	838.00
TOTAL						<u>838.00</u>
Bill Pmt -Check	03/12/2012	15890	PAYCHEX	2012030100	1012 · Bank of America Gen'l Ckg	
Bill	02/29/2012	2012030100		Payroll Services - February 2012	6012 · Payroll Services	252.22
TOTAL						<u>252.22</u>
Bill Pmt -Check	03/12/2012	15891	PURCHASE POWER	8000909000168851	1012 · Bank of America Gen'l Ckg	
Bill	02/29/2012	8000909000168851		Postage/mailings for the month	6042 · Postage - General	78.83
TOTAL						<u>78.83</u>
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Bill Pmt -Check	03/12/2012	15892	SAFEGUARD DENTAL & VISION	4245432	1012 · Bank of America Gen'l Ckg	
Bill	03/06/2012	4245432		Vision insurance premium - March 2012	60182.2 · Dental & Vision Ins	7.91
TOTAL						<u>7.91</u>
Bill Pmt -Check	03/12/2012	15893	UNION 76	300-732-989	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2012	300732989		Fuel for February 2012	6175 · Vehicle Fuel	115.60
TOTAL						<u>115.60</u>
Bill Pmt -Check	03/12/2012	15894	UNITED PARCEL SERVICE	2x81x0	1012 · Bank of America Gen'l Ckg	
Bill	02/29/2012	2x81x0		Term sheet to CDA, contract to SBCFCD	6042 · Postage - General	40.42
TOTAL						<u>40.42</u>
Bill Pmt -Check	03/12/2012	15895	WESTERN DENTAL SERVICES, INC.	002483	1012 · Bank of America Gen'l Ckg	
Bill	03/06/2012	002483		Dental insurance premium - April 2012	60182.2 · Dental & Vision Ins	28.88
TOTAL						<u>28.88</u>
Bill Pmt -Check	03/12/2012	15896	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	03/06/2012	08-k2 213849		Service for March 2012	6024 · Building Repair & Maintenance	106.53
TOTAL						<u>106.53</u>
General Journal	03/17/2012	03/17/2012	Payroll and Taxes for 03/04/12-03/17/12	Payroll and Taxes for 03/04/12-03/17/12	1012 · Bank of America Gen'l Ckg	
				Payroll Taxes for 03/04/12-03/17/12	1012 · Bank of America Gen'l Ckg	12,858.80
				Direct Deposits for 03/04/12-03/17/12	1012 · Bank of America Gen'l Ckg	30,433.19

**CHINO BASIN WATERMASTER**  
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For Informational Purposes Only

	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
TOTAL							43,291.99
	Bill Pmt -Check	03/19/2012	15897	A&R BRIDGESTONE FIRESTONE AUTO CARE	3-3504	1012 · Bank of America Gen'l Ckg	
	Bill	02/28/2012	3-3504		Field truck maintenance	6177 · Vehicle Repairs & Maintenance	239.59
TOTAL							239.59
	Bill Pmt -Check	03/19/2012	15898	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
	Bill	02/28/2012	XXXX-XXXX-XXXX-9341		Signs for outside of office	6031.7 · Other Office Supplies	180.57
					Lunch for 2/22 Board meeting	6312 · Meeting Expenses	393.96
					Paper towel rolls for restrooms	6031.7 · Other Office Supplies	169.26
TOTAL							743.79
	Bill Pmt -Check	03/19/2012	15899	CALPERS 457 PLAN	Payroll and Taxes for 02/19/12-03/03/12	1012 · Bank of America Gen'l Ckg	
	General Journal	03/03/2012	03/03/2012	CALPERS 457 PLAN	457 Employee Deductions for 02/19/12-03/03/12	2000 · Accounts Payable	6,719.94
TOTAL							6,719.94
	Bill Pmt -Check	03/19/2012	15900	CORELOGIC INFORMATION SOLUTIONS	80438675	1012 · Bank of America Gen'l Ckg	
	Bill	02/28/2012	80438675		80438675	7103.7 · Grdwtr Qual-Computer Svc	62.50
					80438675	7101.4 · Prod Monitor-Computer	62.50
TOTAL							125.00
	Bill Pmt -Check	03/19/2012	15901	GRAINGER	9770786474	1012 · Bank of America Gen'l Ckg	
	Bill	03/05/2012	9770786474		9770786474	7104.6 · Grdwtr Level-Supplies	19.24
TOTAL							19.24
	Bill Pmt -Check	03/19/2012	15902	GROOMAN'S PUMP & WELL DRILLING, INC.	12983	1012 · Bank of America Gen'l Ckg	
	Bill	03/07/2012	12983		12983	7102.7 · In-line Meter	498.02
TOTAL							498.02
	Bill Pmt -Check	03/19/2012	15903	IAAP	93902097	1012 · Bank of America Gen'l Ckg	
	Bill	03/12/2012	93995531		Annual dues for S. Molino - IAAP membership	6111 · Membership Dues	128.00
TOTAL							128.00
	Bill Pmt -Check	03/19/2012	15904	JESKE, KEN'	Reimbursement for phone charges	1012 · Bank of America Gen'l Ckg	
	Bill	03/19/2012			Reimbursement for phone data/call charges	6022 · Telephone	113.75
TOTAL							113.75
	Bill Pmt -Check	03/19/2012	15905	MCCALL'S METER SALES & SERVICE		1012 · Bank of America Gen'l Ckg	
	Bill	02/28/2012	22027		22027	7102.8 · In-line Meter-Calib & Test	375.00
	Bill	02/28/2012	22031		22031	7102.5 · In-line Meter-Computer	387.90
					22031	7102.7 · In-line Meter	3,745.59

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month as of**  
**March 29, 2012**

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	02/29/2012	22107		22107	7102.5 · In-line Meter-Computer	796.50
				22107	7102.7 · In-line Meter	250.00
				22107	7102.8 · In-line Meter-Calib & Test	450.00
Bill	03/06/2012	22125		22125	7102.5 · In-line Meter-Computer	373.25
				22125	7102.8 · In-line Meter-Calib & Test	450.00
<b>TOTAL</b>						<b>6,828.24</b>
<b>Bill Pmt -Check</b>	<b>03/19/2012</b>	<b>15906</b>	<b>PREMIERE GLOBAL SERVICES</b>	<b>10787886</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	02/28/2012	10787886		Agenda call on 1/31/12	8412 · Meeting Expenses	55.48
				Agenda call on 1/31/12	8312 · Meeting Expenses	55.48
				Agenda call on 1/31/12	8512 · Meeting Expense	55.49
				RMPU Steering Committee meeting/call-02/01/12	7204 · Comp Recharge-Supplies	228.38
				Confidential Approp. Pool meeting/call-02/07/12	8312 · Meeting Expenses	292.91
				Reserve policy meeting/call-02/08/12	6141.3 · Admin Meetings	148.83
				Non-Ag Pool mtg on 02/09/12	8512 · Meeting Expense	79.15
				RMPU Steering Committee meeting/call-02/14/12	7204 · Comp Recharge-Supplies	114.00
				Monthly service fee	6022 · Telephone	23.75
				Monthly fee	6022 · Telephone	14.95
<b>TOTAL</b>						<b>1,068.42</b>
<b>Bill Pmt -Check</b>	<b>03/19/2012</b>	<b>15907</b>	<b>PUBLIC EMPLOYEES' RETIREMENT SYSTEM</b>	<b>Payor #3493</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
General Journal	03/03/2012	03/03/2012	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 02/19/12-03/03/12	2000 · Accounts Payable	8,086.11
<b>TOTAL</b>						<b>8,086.11</b>
<b>Bill Pmt -Check</b>	<b>03/19/2012</b>	<b>15908</b>	<b>PUMP CHECK</b>	<b>4587</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	02/29/2012	4587		4587	7102.8 · In-line Meter-Calib & Test	950.00
<b>TOTAL</b>						<b>950.00</b>
<b>Bill Pmt -Check</b>	<b>03/19/2012</b>	<b>15909</b>	<b>R&amp;D PEST SERVICES</b>	<b>0152950</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	03/12/2012	0152950		Continuing treatment for office	6024 · Building Repair & Maintenance	85.00
<b>TOTAL</b>						<b>85.00</b>
<b>Bill Pmt -Check</b>	<b>03/19/2012</b>	<b>15910</b>	<b>STAPLES BUSINESS ADVANTAGE</b>	<b>8021092245</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	03/12/2012	8021233300		Miscellaneous office supplies	8031.7 · Other Office Supplies	383.01
<b>TOTAL</b>						<b>383.01</b>
<b>Bill Pmt -Check</b>	<b>03/19/2012</b>	<b>15911</b>	<b>VERIZON</b>	<b>012519116950792103</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	02/29/2012	012519116950792103		012519116950792103	6022 · Telephone	480.15
<b>TOTAL</b>						<b>480.15</b>
<b>Bill Pmt -Check</b>	<b>03/19/2012</b>	<b>15912</b>	<b>VERIZON BUSINESS</b>	<b>67198924</b>	<b>1012 · Bank of America Gen'l Ckg</b>	

TOTAL 65

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month as of**  
**March 29, 2012**

For Informational Purposes Only

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
Bill	03/12/2012	67198924		67198924	6053 · Internet Expense	1,562.96
TOTAL						1,562.96
Bill Pmt -Check	03/21/2012	15913	COMPUTER NETWORK		1012 · Bank of America Gen'l Ckg	
Bill	02/29/2012	83671		Computer repair	6057 · Computer Maintenance	136.59
Bill	03/16/2012	83824		Adobe dreamweaver software	6054 · Computer Software	429.92
TOTAL						566.51
Bill Pmt -Check	03/21/2012	15914	CUCAMONGA VALLEY WATER DISTRICT	Lease Due April 1, 2012	1012 · Bank of America Gen'l Ckg	
Bill	03/19/2012			Lease Due April 1, 2012	1422 · Prepaid Rent	5,984.00
TOTAL						5,984.00
Bill Pmt -Check	03/21/2012	15915	DGO AUTO DETAILING		1012 · Bank of America Gen'l Ckg	
Bill	03/19/2012			Wash 4 trucks on 3/14/12	6177 · Vehicle Repairs & Maintenance	100.00
TOTAL						100.00
Bill Pmt -Check	03/21/2012	15916	EGOSCUE LAW GROUP	10015	1012 · Bank of America Gen'l Ckg	
Bill	02/29/2012	10015		Ag Pool Legal Services - February 2012	8467 · Ag Legal & Technical Services	8,037.50
TOTAL						8,037.50
Bill Pmt -Check	03/21/2012	15917	LEGAL SHIELD	111802	1012 · Bank of America Gen'l Ckg	
Bill	03/16/2012	111802		Employee educations - March 2012	60194 · Other Employee Insurance	51.80
TOTAL						51.80
Bill Pmt -Check	03/21/2012	15918	PAUL HASTINGS LLP	1917065	1012 · Bank of America Gen'l Ckg	
Bill	02/29/2012	1917065		Ag Pool Legal Services - January 2012	8467 · Ag Legal & Technical Services	8,208.78
TOTAL						8,208.78
Bill Pmt -Check	03/21/2012	15919	PUMP CHECK	4597	1012 · Bank of America Gen'l Ckg	
Bill	03/16/2012	4597		4597	7102.7 · In-line Meter	75.00
				4597	7102.8 · In-line Meter-Calib & Test	380.00
TOTAL						455.00
Bill Pmt -Check	03/21/2012	15920	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2012				60182.4 · Retiree Medical	136.61
TOTAL						136.61
Bill Pmt -Check	03/21/2012	15921	VERIZON WIRELESS	1063272118	1012 · Bank of America Gen'l Ckg	
Bill	03/16/2012	1063272118		Monthly service	6022 · Telephone	473.08
TOTAL						473.08

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month as of**  
**March 29, 2012**

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	03/21/2012	15922	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	02/29/2012	446066		446066 - BHFS Legal - Appropriative Pool	8375 · BHFS Legal - Appropriative Pool	388.71
				446066 - BHFS Legal - Agricultural Pool	8475 · BHFS Legal - Agricultural Pool	388.71
				446066 - BHFS Legal - Non-Ag Pool	8575 · BHFS Legal - Non-Ag Pool	393.78
				446066 - BHFS Legal - Advisory Committee	6275 · BHFS Legal - Advisory Committee	263.25
				446066 - BHFS Legal - Board Meeting	6375 · BHFS Legal - Board Meeting	7,959.39
				446066 - BHFS Legal - Storage Agreements	6076 · BHFS Legal - Storage Agreements	725.40
				446066 - BHFS Legal - Miscellaneous	6078 · BHFS Legal - Miscellaneous	6,613.39
				446066 - Peace II - CEQA	6907.30 · Peace II - CEQA	3,019.50
				446066 - Desalter Negotiations	6907.33 · Desalter Negotiations	142.20
				446066 - Recharge Master Plan	6907.39 · Recharge Master Plan	4,026.15
Bill	02/29/2012	446067		446067 - Santa Ana River Water Rights	6907.34 · Santa Ana River Water Rights	137.25
Bill	02/29/2012	446068		446068 - S. Archibald Plume-Formerly OIA	6907.31 · S. Archibald Plume-Formerly OIA	3,422.25
Bill	02/29/2012	446069		446069 - Chino Airport Plume	6907.32 · Chino Airport Plume	1,316.25
Bill	02/29/2012	446070		446070 - Desalter Negotiations	6907.33 · Desalter Negotiations	4,475.25
Bill	02/29/2012	446071		446071 - Paragraph 31 Motion	6907.35 · Paragraph 31 Motion	17,952.30
<b>TOTAL</b>						<b>51,223.78</b>

TOTAL

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Bill Pmt -Check	03/21/2012	15923	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	02/28/2012	2012026		2012026 - OBMP Engineering Services	6906 · OBMP Engineering Services	706.34
Bill	02/28/2012	2012027		2012027 - OBMP Engineering Services	6906 · OBMP Engineering Services	3,377.00
Bill	02/28/2012	2012028		2012028 - OBMP Engineering Services	6906 · OBMP Engineering Services	3,085.00
Bill	02/28/2012	2012029		2012029 - Grdwtr Qual-Engineering	7103.3 · Grdwtr Qual-Engineering	17,460.65
Bill	02/28/2012	2012030		2012030 - Grdwtr Level-Engineering	7104.3 · Grdwtr Level-Engineering	21,911.39
Bill	02/28/2012	2012031		2012031 - Grd Level-Engineering	7107.2 · Grd Level-Engineering	1,670.00
				Neva Ridge - Grd Level-Contract Svcs	7107.6 · Grd Level-Contract Svcs	17,600.00
Bill	02/28/2012	2012032		2012032 - Grd Level-Engineering	7107.2 · Grd Level-Engineering	13,320.89
Bill	02/28/2012	2012033		2012033 - Hydraulic Control-Engineering	7108.3 · Hydraulic Control-Engineering	5,995.74
Bill	02/28/2012	2012034		2012034 - Hydraulic Control-Engineering	7108.3 · Hydraulic Control-Engineering	951.28
Bill	02/28/2012	2012035		2012035 - Hydraulic Control-Engineering	7108.3 · Hydraulic Control-Engineering	28,563.69
Bill	02/28/2012	2012036		2012036 - PE3&5-Engineering	7303 · PE3&5-Engineering	215.00
Bill	02/28/2012	2012037		2012037 - PE4-Engineering	7402 · PE4-Engineering	10,612.50
Bill	02/28/2012	2012038		2012038 - Comp Recharge-Implementation	7202.3 · Comp Recharge-Implementation	53,537.34
Bill	02/28/2012	2012039		2012039 - PE6&7-Engineering	7502 · PE6&7-Engineering	2,750.39
Bill	02/28/2012	2012040		2012040 - OBMP-Watermaster Model Update	6906.1 · OBMP - Watermaster Model Update	60,013.00
<b>TOTAL</b>						<b>241,770.21</b>

TOTAL

**Total Disbursements: 794,549.86**

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# CHINO BASIN WATERMASTER

## V. POOL MEMBER COMMENTS

1. Jurupa Community Services District  
Presentation

*(The attached presentation is provided at the request of the Jurupa Community Services District. It is a work product of the district)*



# Hydrologic Imbalance in Management Zone-3 of the Chino Basin

Presentation for:  
Chino Basin Watermaster

April 2012

Jurupa Community  
Services District

1  
*Thomas Harder & Co.*  
*Groundwater Consulting*

## Presentation Overview

- Management Zone 3 Overview
- Basin Management Context
- Current Hydrologic Imbalance in Eastern Chino Basin
- Historical Physical Recharge in the Chino Basin
- Groundwater Level Trends in JCSD and CDA Chino II Wells
- Recharge Master Plan

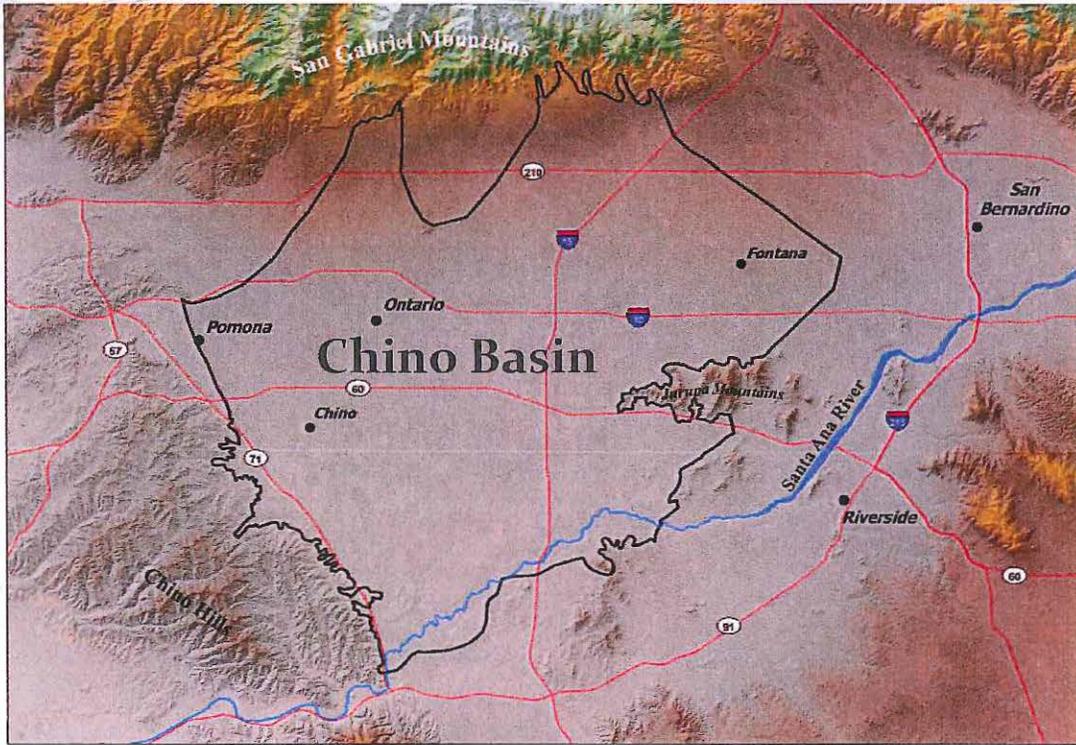
  
Jurupa  
Community Services District

2

*Thomas Harder & Co.*  
*Groundwater Consulting*

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# Chino Basin Overview

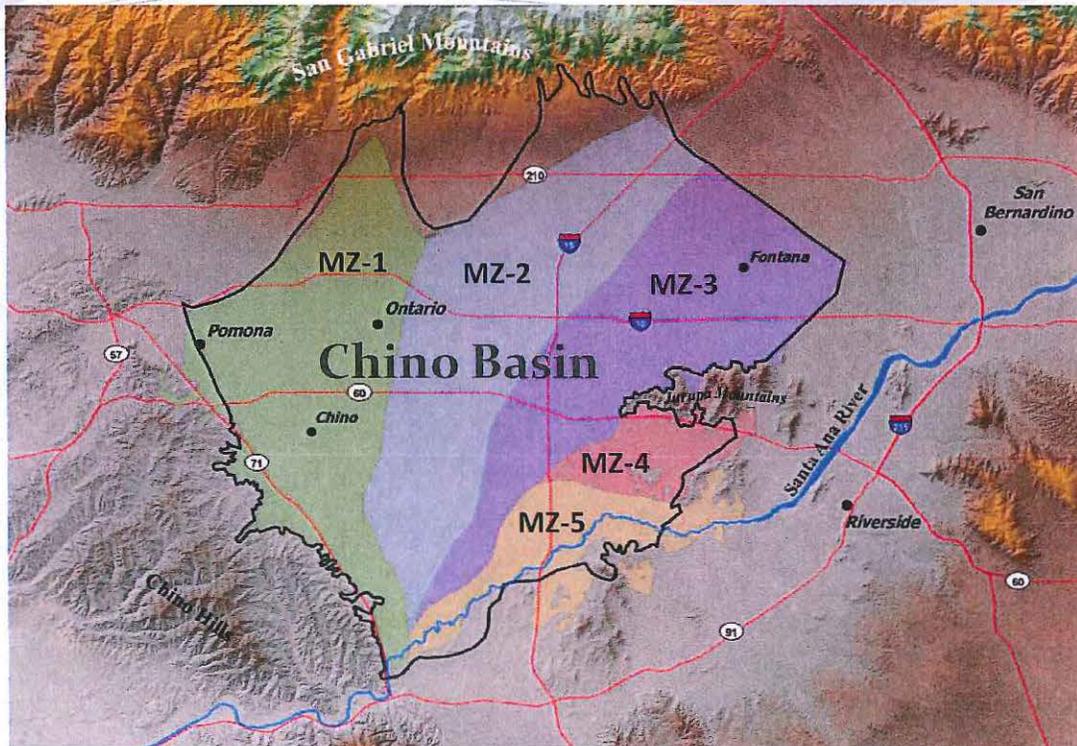


**Jurupa**  
Community Services District

3

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# Chino Basin Management Zones

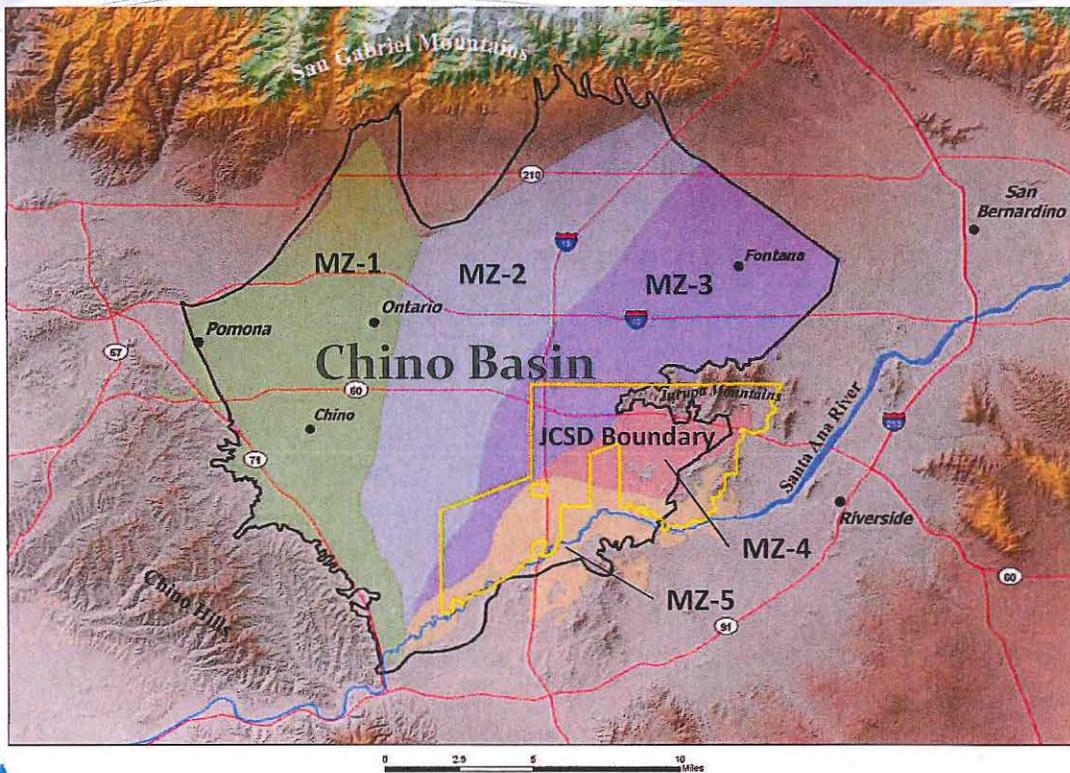


**Jurupa**  
Community Services District

4

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Groundwater Consulting

## Chino Basin Management Zones



## Appropriators in MZ-3

- Jurupa Community Services District
- Chino Basin Desalter Authority
- Fontana Water Company
- City of Fontana
- City of Ontario
- Marygold Mutual Water Company
- City of Norco
- Santa Ana River Water Company
- Cucamonga Valley Water District

## Basin Management Context Peace Agreement (2000)

### Expansion of the Chino I Desalter and Construction of the Chino II Desalter in Accordance with the Optimum Basin Management Plan

#### Goals:

- To Reduce Loss of Groundwater Outflow to the Santa Ana River
- Induce Groundwater Inflow from the Santa Ana River (Hydraulic Control)
- Increase Safe Yield
- Improve Groundwater Quality

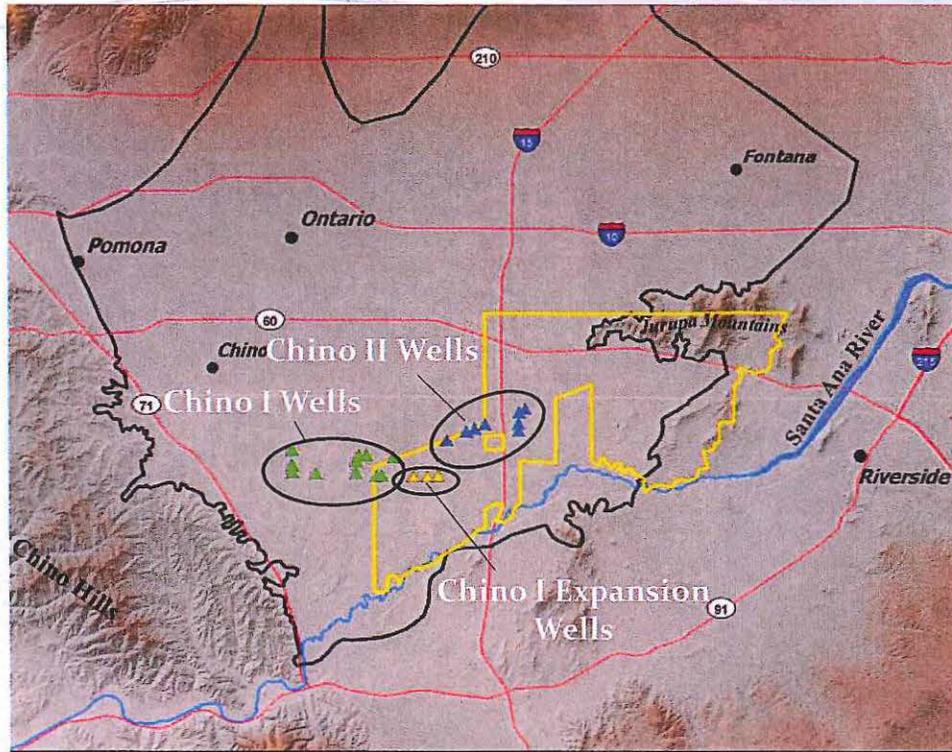
## Basin Management Context Peace Agreement (2000)

### Section 5.1 (e)

Watermaster shall exercise best efforts to:

- iii. Direct Recharge relative to Production in each area and sub-area of the Basin to achieve long term balance and to promote the goal of equal access to groundwater in all areas and sub-areas of the Chino Basin;...
- vii. Recharge the Chino Basin with water in any area where groundwater levels have declined to such an extent that there is an imminent threat of Material Physical Injury to any party to the Judgement;
- viii. Maintain long-term hydrologic balance between total Recharge and discharge in all areas and sub-areas;...

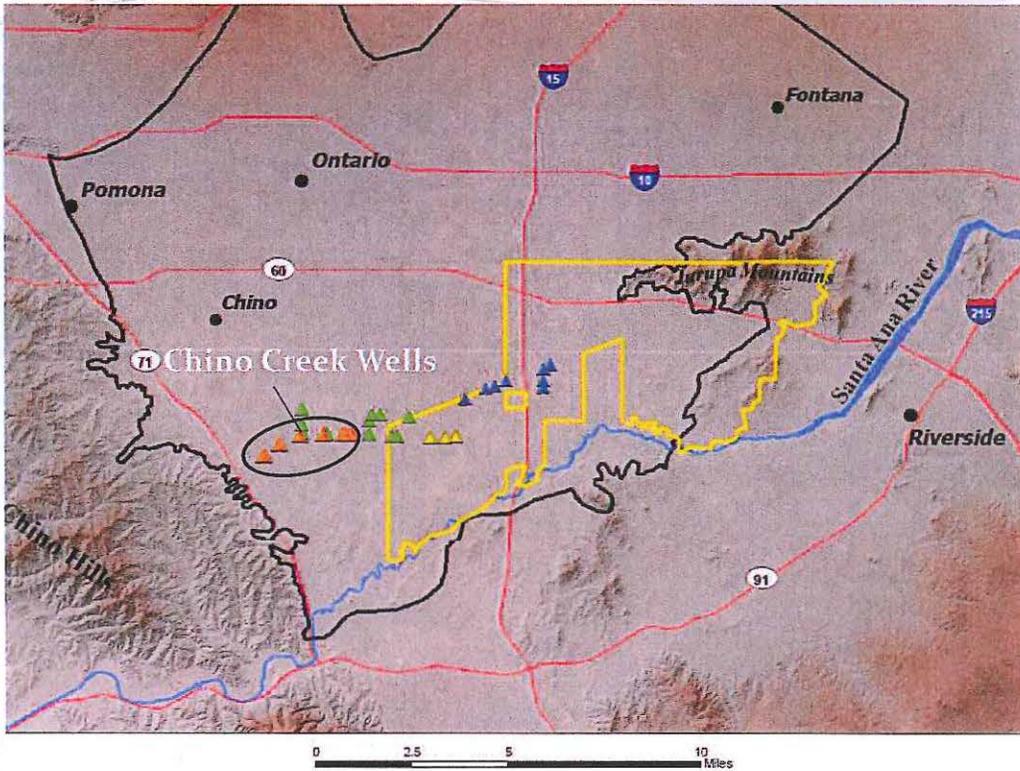
## Chino Desalter Authority Wells



## Basin Management Context Peace II (2007)

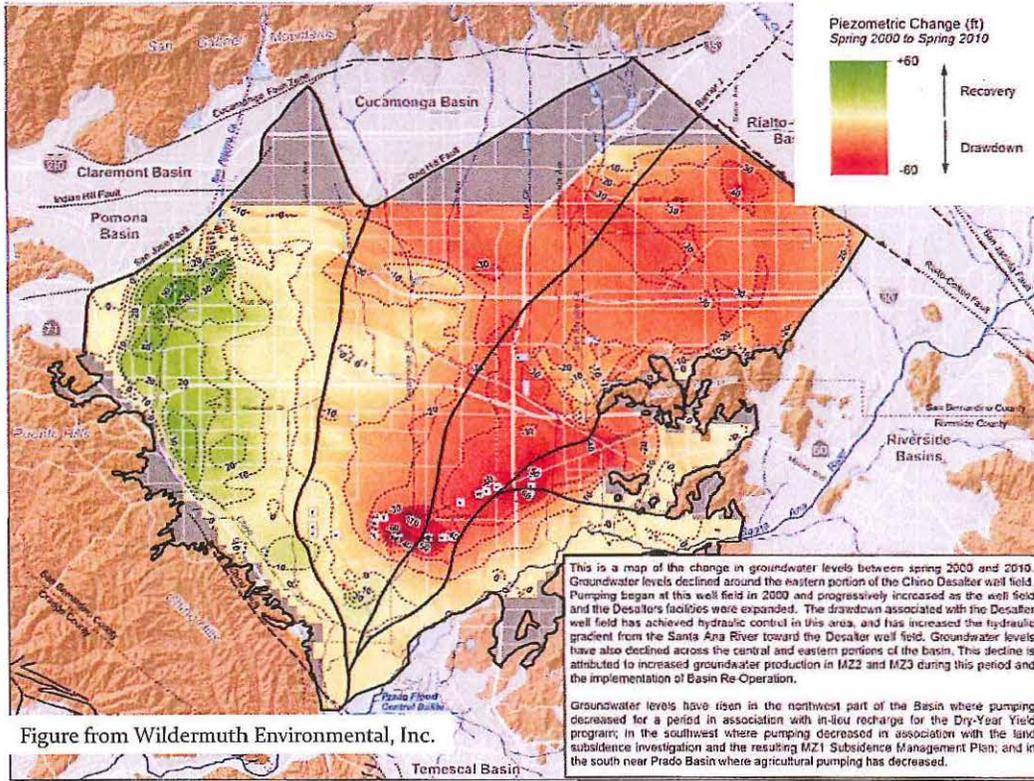
- Expansion of Desalter Capacity to 40,000 acre-ft/yr
- Achievement of Hydraulic Control - Chino Creek Well Field
- Re-Operation - 400,000 acre-ft of Controlled Overdraft
- Agreements with RWQCB - Maximum Benefit Objectives
- Ensure Sustainability - Recharge Master Plan

# Peace II – Chino Creek Wells



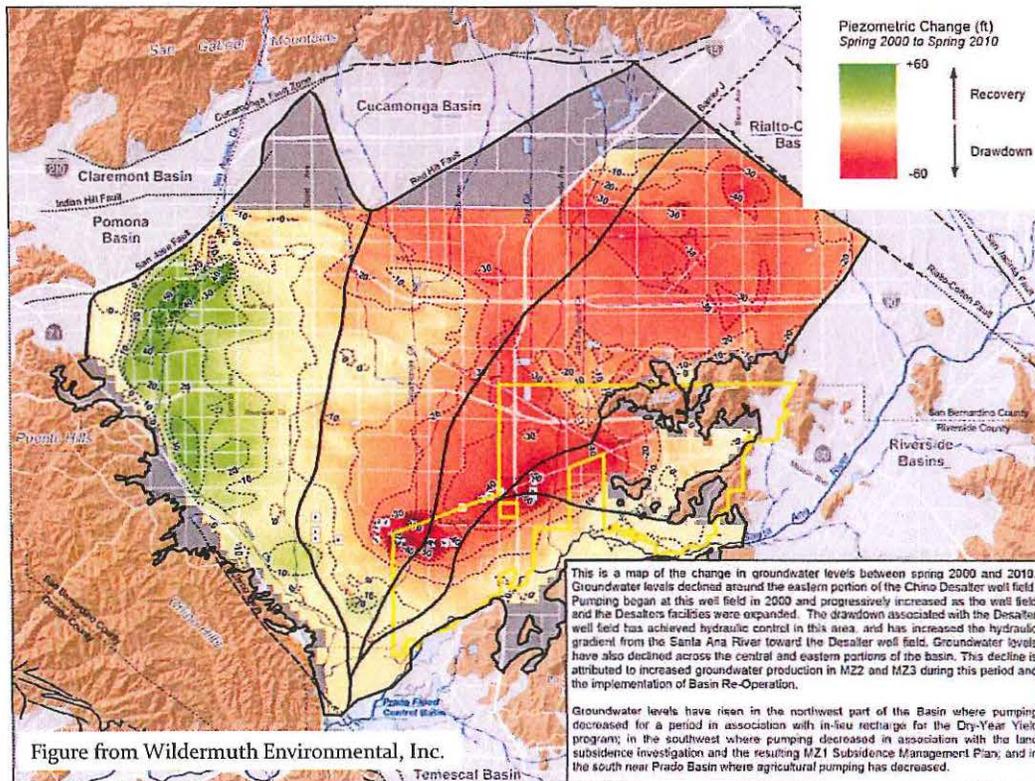
## Current Hydrologic Imbalance in the Eastern Chino Basin

# Change in Groundwater Levels Between 2000 and 2010



13

# Change in Groundwater Levels Between 2000 and 2010



14

# Historical Physical Recharge in the Chino Basin

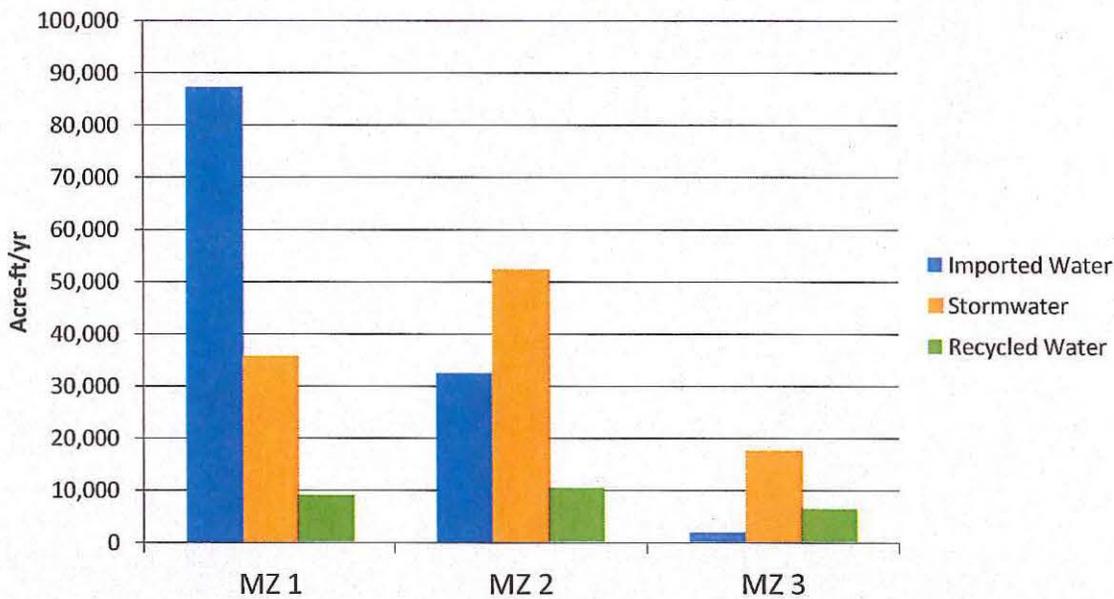
## Physical Recharge in the Chino Basin

Fiscal Year	MZ-1			MZ-2			MZ-3			Total
	Imported	Storm	Recycled	Imported	Storm	Recycled	Imported	Storm	Recycled	
2000/2001	6,529.7	2,500.0	0.0	0.0	2,100.0	500.3	0.0	900.0	0.0	12,530.0
2001/2002	6,500.1	2,500.0	0.0	0.0	2,100.0	504.6	0.0	900.0	0.0	12,504.7
2002/2003	6,499.4	2,500.0	0.0	0.0	2,100.0	184.5	0.0	900.0	0.0	12,183.9
2003/2004	7,582.3	2,500.0	0.0	0.0	2,100.0	48.5	0.0	900.0	0.0	13,130.8
2004/2005	7,887.2	6,735.0	0.0	4,371.4	9,364.0	158.3	0.0	1,549.0	0.0	30,064.9
2005/2006	18,922.9	3,413.0	0.0	15,451.6	7,723.0	774.0	192.8	1,804.0	529.0	48,810.3
2006/2007	22,477.2	1,396.0	0.0	9,699.5	2,321.0	2,350.0	783.1	1,028.0	643.0	40,697.8
2007/2008	0.0	2,777.0	1,054.0	0.0	5,909.0	1,129.0	0.0	1,519.0	157.0	12,545.0
2008/2009	0.0	2,458.0	1,957.0	0.0	3,433.0	581.0	0.0	1,652.0	146.0	10,227.0
2009/2010	4,981.0	3,865.0	2,762.0	19.0	7,182.0	1,499.0	1.0	3,092.0	2,949.0	26,350.0
2010/2011	5,859.0	5,861.0	3,244.0	2,909.0	7,866.0	2,751.0	882.0	3,223.0	2,015.0	34,610.0
<b>Total</b>	<b>87,238.8</b>	<b>36,505.0</b>	<b>9,017.0</b>	<b>32,450.5</b>	<b>52,198.0</b>	<b>10,480.2</b>	<b>1,858.9</b>	<b>17,467.0</b>	<b>6,439.0</b>	<b>253,654.4</b>
<b>Zone Total</b>	<b>132,760.8</b>			<b>95,128.7</b>			<b>25,764.9</b>			

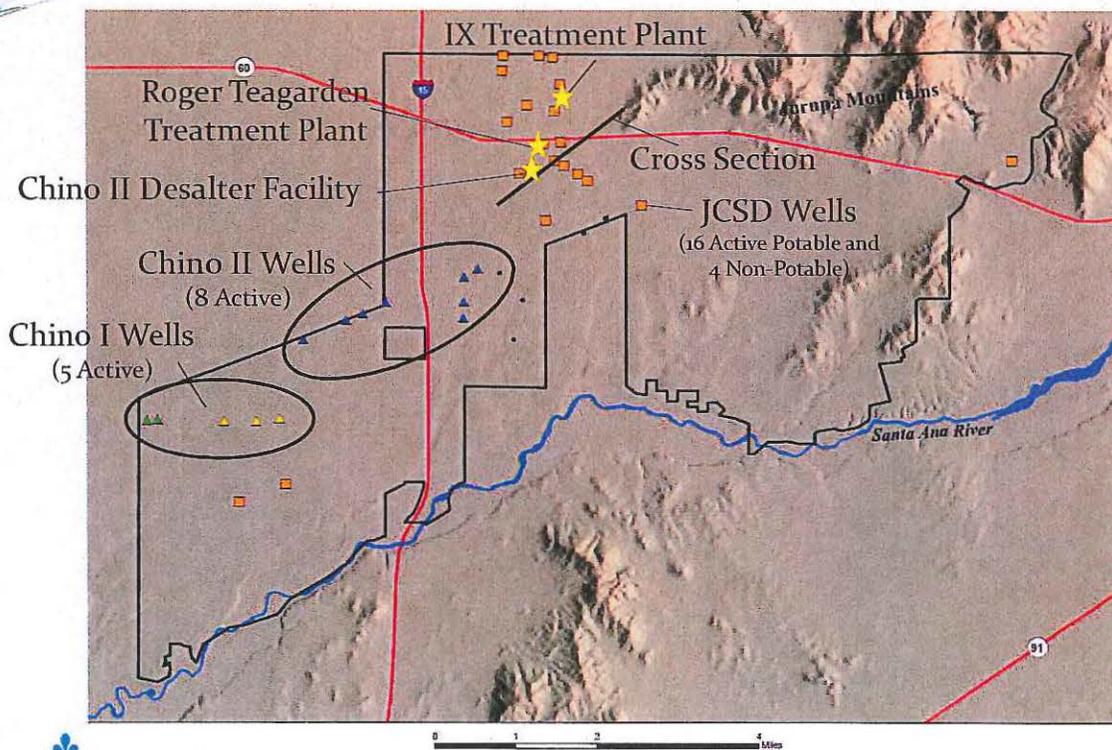
**Notes:**

<sup>1</sup> Recharge reported in acre-feet

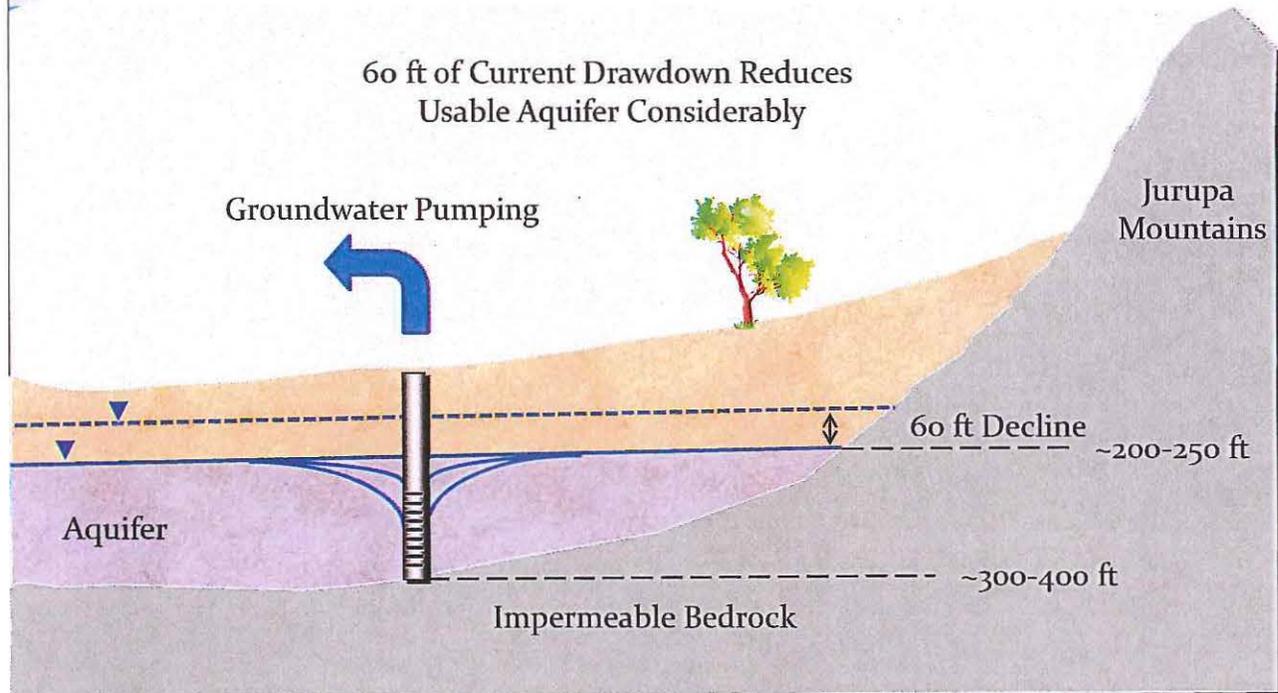
# Cumulative Physical Recharge in the Chino Basin FY 2000-2011



## Southern MZ-3 Production Facilities



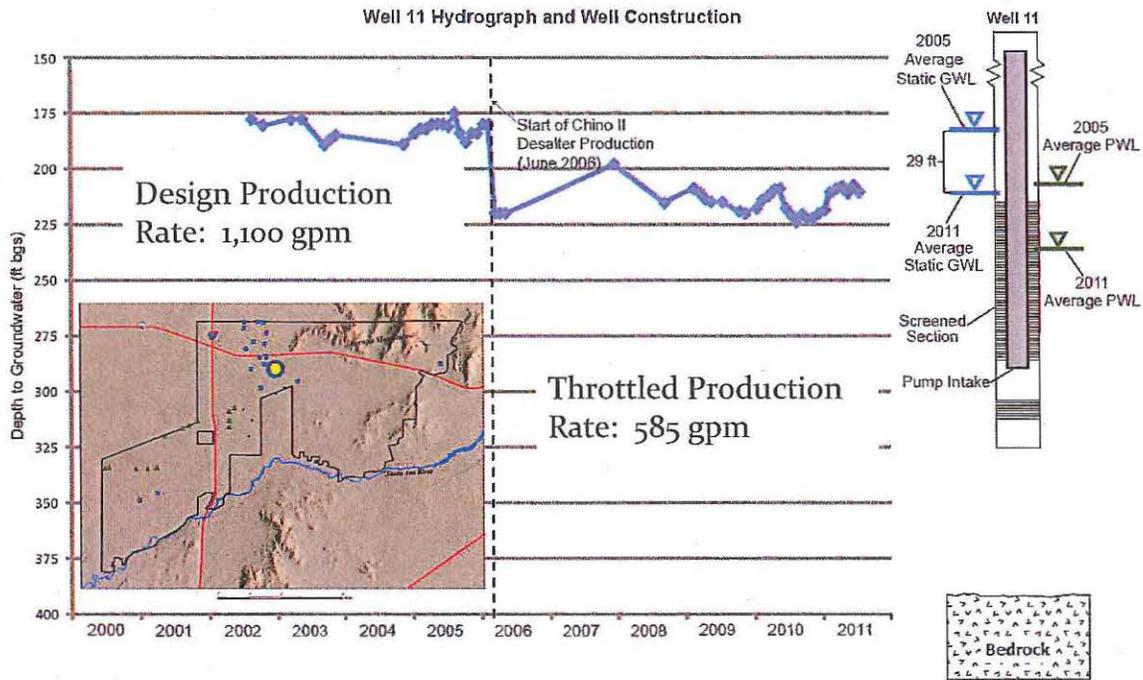
## The Geology of the Southern MZ-3 Area Limits the Ability to Accommodate Significant Groundwater Level Decline



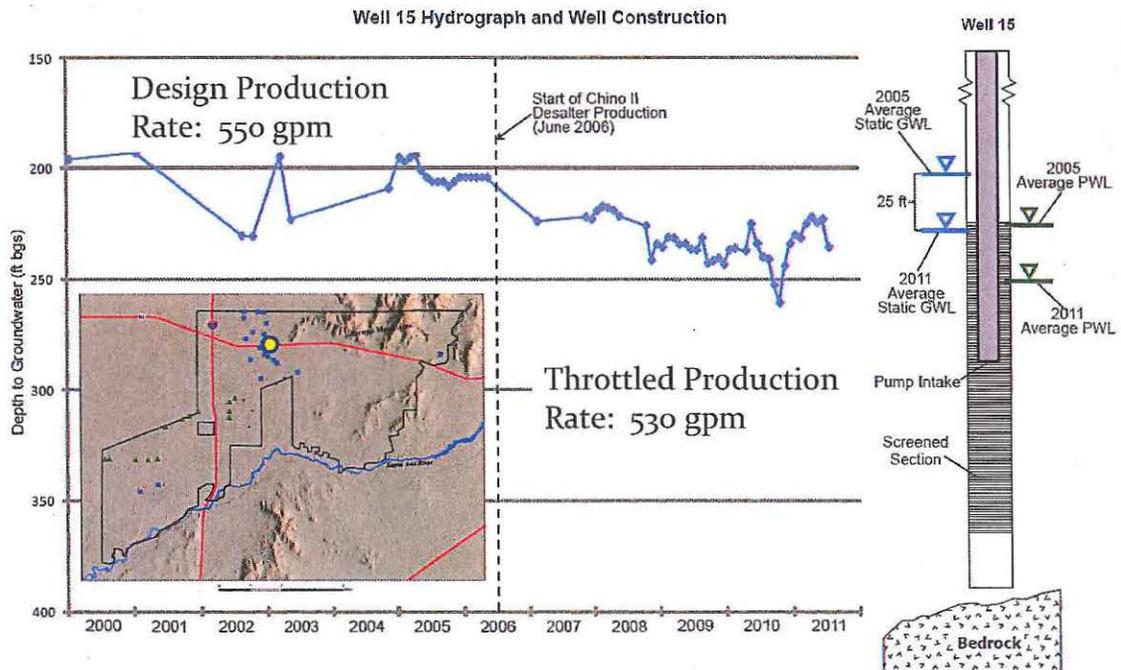
## Consequences of Lowered Groundwater Levels

- Reduced Pumping Capacity
- Throttling of Wells
- Lowered Pump Settings
- Entrained Air

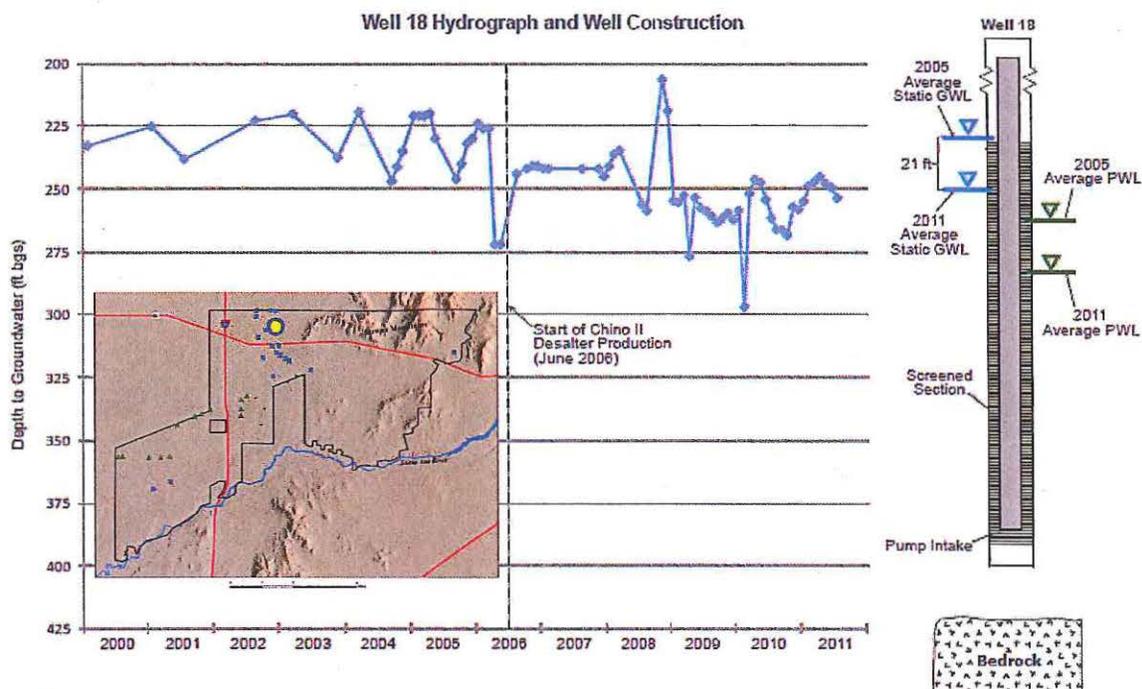
# Groundwater Level Trends in JCSD Wells



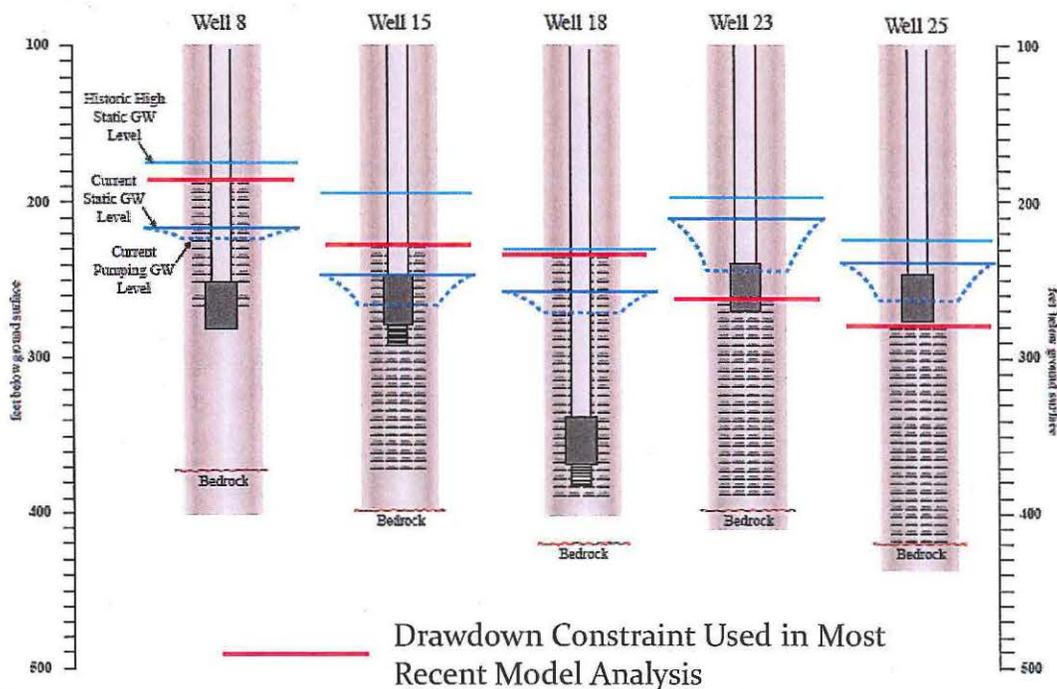
# Groundwater Level Trends in JCSD Wells



# Groundwater Level Trends in JCSD Wells

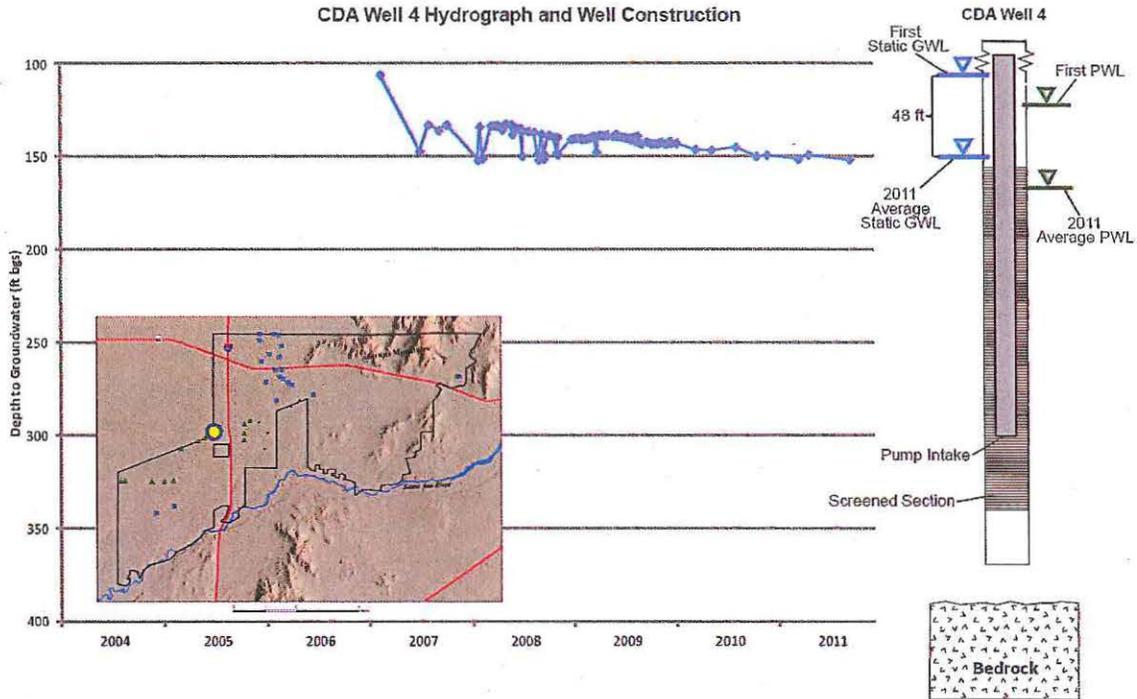


# Drawdown Constraints in JCSD Wells



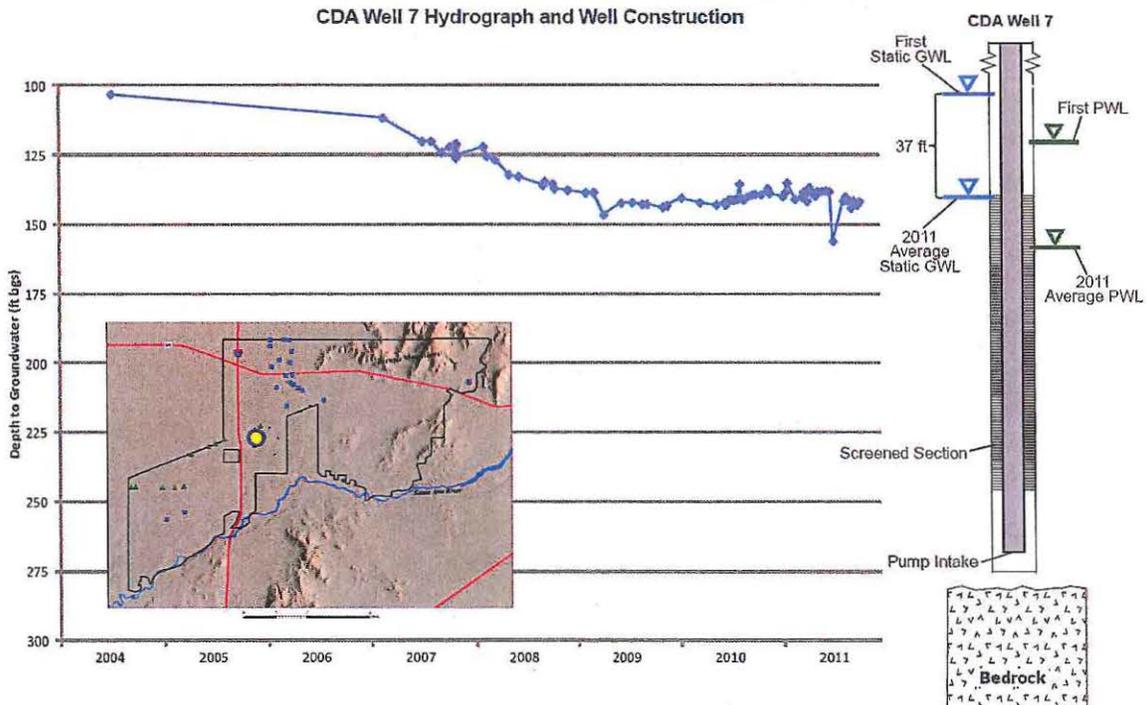
# Groundwater Level Trends in CDA Chino II Wells

CDA Well 4 Hydrograph and Well Construction



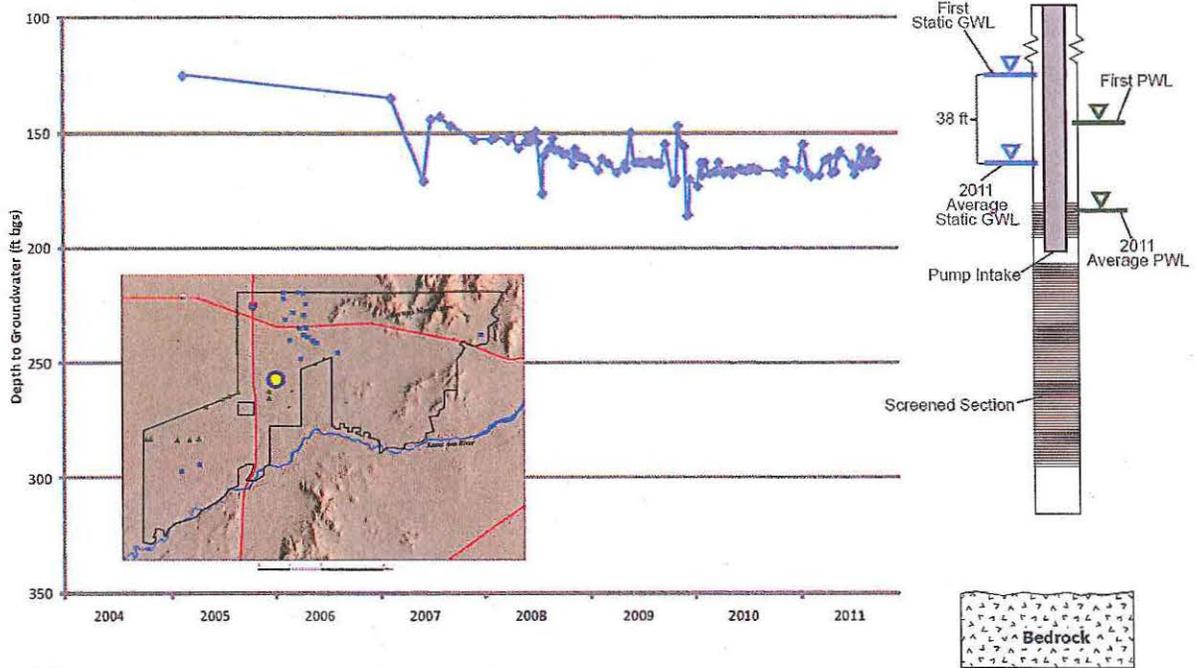
# Groundwater Level Trends in CDA Chino II Wells

CDA Well 7 Hydrograph and Well Construction

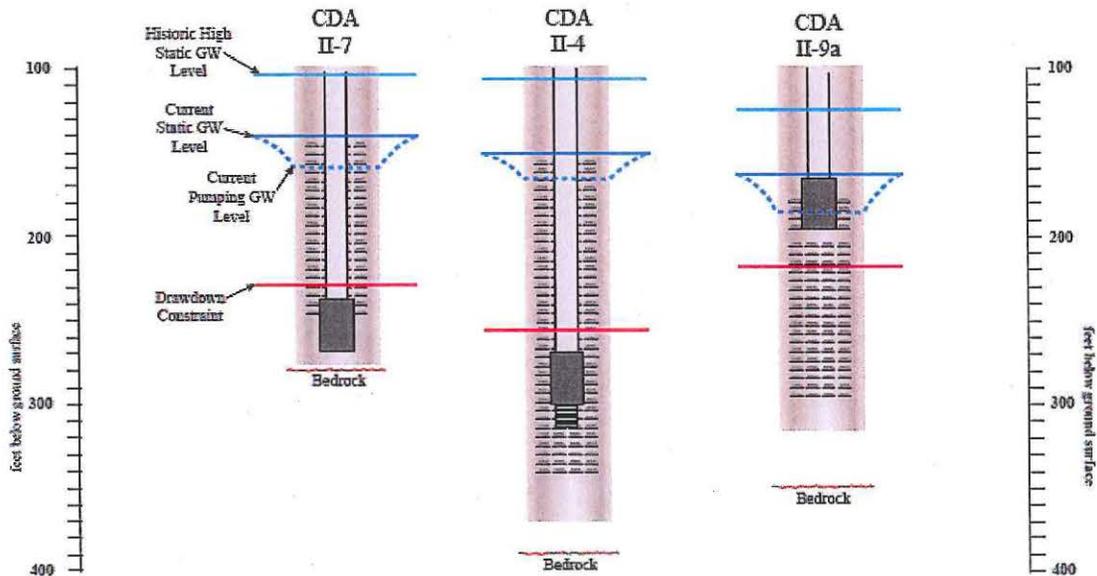


# Groundwater Level Trends in CDA Chino II Wells

CDA Well 9a Hydrograph and Well Construction



# Drawdown Constraints in CDA Wells



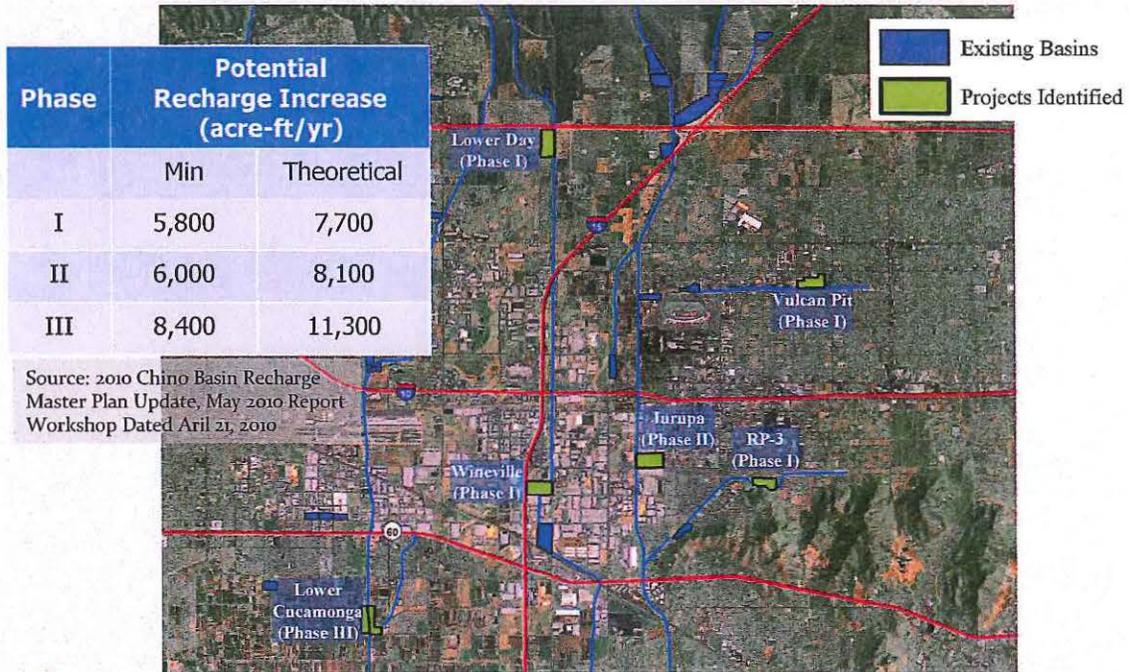
— Drawdown Constraint Used in Most Recent Model Analysis (Provided by CDA)

# Recharge Master Plan Planning Efforts

## Recharge Master Plan – Board Directive

In December 2011, the Watermaster Board Committed that within the year (by December 2012) the Recharge Master Plan Update will be Complete as will the Implementation Plan and Financing Plan

## 2010 Recharge Master Plan - Phases I, II & III Stormwater Capture/Recharge Improvements



## 2010 Recharge Master Plan - Phases I, II & III Stormwater Capture/Recharge Cost

Phase	Range of Recharge (acre-ft/yr)		Estimated Total Capital Cost	Annualized Cost with O&M	Range of Unit Cost (per acre-ft)	
	Min	Theoretical			Min	Max
I	5,800	7,700	\$17,146,000	\$1,571,000	\$204	\$271
I & II	6,000	8,100	\$26,547,000	\$2,550,000	\$315	\$425
I, II & III	8,400	11,300	\$64,324,000	\$5,445,000	\$482	\$648

Source: 2010 Chino Basin Recharge Master Plan Update, May 2010 Report Workshop Dated April 21, 2010

# Recharge Master Plan – Watermaster Update

Recharge Steering Committee – Met October-December 2011

Expanded Chino Basin Recharge Master Plan Committee – initial meeting on January 17, 2012

- Facilitated by interim Watermaster CEO – Mr. Ken Jeske
- Participation by significant majority of regional principals
- Discussions regarding a combination of projects that may meet the sustainability goals in a more cost efficient manner
- A sense of urgency regarding the June 2012 court requirements and the Watermaster Board commitments of December 2011

# Recharge Master Plan – Going Forward

- Sustainability of the Basin was a Significant Covenant and Key Component of Peace II
- There are Cost-Effective Solutions
- The “Project” Must Be Adequate to Stabilize Groundwater Levels Above the Drawdown Constraints in MZ-3 Wells (JCSD, CDA, and others)
- Focus on the Physical Solution (Wet Water Recharge)

# Recharge Master Plan – Going Forward

- Capture and Recharge of Stormflow has Multiple Benefits
  - New Yield (Capture Water Otherwise Lost to the Santa Ana River)
  - Relatively Inexpensive (Can be Accomplished Using Existing Facilities)
  - Stewards of the Resource (Appropriate Basin Management)

## Questions