



CHINO BASIN WATERMASTER



NOTICE OF MEETINGS

Thursday, May 10, 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, May 10, 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. – May 10, 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 April 12, 2012 *(Page 1)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of March 2012 *(Page 19)*
2. Watermaster VISA Check Detail for the month of March 2012 *(Page 33)*
3. Combining Schedule for the Period July 1, 2011 through March 31, 2012 *(Page 37)*
4. Treasurer's Report of Financial Affairs for the Period March 1, 2012 through March 31, 2012 *(Page 41)*
5. Budget vs. Actual Report for the Period July 1, 2011 through March 31, 2012 *(Page 45)*

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 Ontario. The transfer will be made first from the City of Ontario's Excess Carryover Account. Date of Application: March 26, 2012 *(Page 55)*
2. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from Cucamonga Valley Water District. The transfer will be made from Cucamonga Valley Water District's under-production in Fiscal Year 2011-12, then any additional from storage. Date of Application: March 26, 2012 *(Page 67)*
3. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 16.394 acre-feet of water from Ontario City Non-Ag. The transfer will be made from Ontario City Non-Ag's Local Storage Account. Date of Application: March 26, 2012 *(Page 79)*

II. BUSINESS ITEMS

A. WATERMASTER BUDGET

Consider Approval of the Watermaster Fiscal Year 2012/2013 Budget *(Page 91)*

B. CHINO BASIN WATERMASTER RECHARGE MASTER PLAN UPDATE FILING

Consider Staff's Recommendation to the Advisory Committee and Watermaster Board that They:
 1. Approve the Final Draft of Sections 1-4 of the 2012 Chino Basin Recharge Master Plan Update; 2. Authorize Filing the Recharge Master Plan Status Report With the Court; 3. Direct Staff to Continue Working the Stakeholders and Recharge Master Plan Update Steering Committee on Completing the Remaining Sections of the Update *(Page 153)*

C. RE-ALLOCATION OF WEST VENTURE DEVELOPMENT SAFE YIELD

To Continue Pool Discussion Towards Resolution of Disposition of West Venture's Safe *(Page 261)*

D. WATERMASTER BUDGET TRANSFERS AND BUDGET AMENDMENTS

Consider Staff's Recommendation to Approve Budget Transfer Form T-12-05-01 and Budget Amendment Form A-12-05-01 - *(Page 273)*

III. REPORTS/UPDATES

A. LEGAL REPORT

1. Day Creek and San Sevaine Recharge Permit Time Extensions
2. Paragraph 31 Appeal

B. ENGINEERING REPORT

1. HCMP Monitoring Report
2. Groundwater Model Calibration Update
3. Extensometer Progress

C. CEO REPORT

IV. INFORMATION

1. Cash Disbursements for April 2012 *(Page 279)*

V. POOL MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

VIII. FUTURE MEETINGS AT WATERMASTER

Thursday, May 10, 2012	9:00 a.m.	Appropriative Pool Meeting
Thursday, May 10, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Mtg.
Thursday, May 10, 2012	1:30 p.m.	Agricultural Pool Meeting
Thursday, May 17, 2012	9:00 a.m.	Advisory Committee Meeting
Thursday, May 17, 2012	10:00 a.m.	CB RMPU Steering Comm. and Storage Mtg.
Tuesday, May 22, 2012	9:00 a.m.	GRCC Meeting
Thursday, May 24, 2012	11:00 a.m.	Watermaster Board Meeting

Meeting Adjourn

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

11:00 a.m. – May 10, 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 April 12, 2012 *(Page 9)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of March 2012 *(Page 19)*
2. Watermaster VISA Check Detail for the month of March 2012 *(Page 33)*
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Meeting Adjourn

**CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING**

1:30 p.m. – May 10, 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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E. OLD BUSINESS

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2. Paragraph 31 Appeal

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1. HCMP Monitoring Report
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C. CEO REPORT

D. AGRICULTURAL POOL LEGAL REPORT

IV. INFORMATION

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Tuesday, May 22, 2012	9:00 a.m.	GRCC Meeting
Thursday, May 24, 2012	11:00 a.m.	Watermaster Board Meeting

Meeting Adjourn



CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Appropriative Pool Meeting held on April 12, 2012



DRAFT MINUTES
CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING
April 12, 2012

The Appropriative Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on April 12, 2012, at 9:00 a.m.

APPROPRIATIVE POOL MEMBERS PRESENT

Marty Zvirbulis, Chair	Cucamonga Valley Water District
Dennis Mejia	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
Josh Swift	Fontana Union Water Company
Tom Harder	Jurupa Community Services District
Ben Lewis	Golden State Water Company
Charles Moorrees	Santa Antonio Water Company

Watermaster Board Members Present

Paula Lantz	City of Pomona
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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
Mark Wildermuth	Wildermuth Environmental Inc.

Others Present

Seth Zielke	Fontana Water Company
Sheri Rojo	Fontana Water Company
David De Jesus	Three Valleys Municipal Water District
Mike Maestas	City of Chino Hills
Chuck Hays	City of Fontana
Eldon Horst	Jurupa Community Services District
Robert Tock	Jurupa Community Services District
Jo Lynne Russo-Pereyra	Cucamonga Valley Water District
Justin Scott-Coe	Monte Vista Water District
Sandra Rose	Monte Vista Water District
Craig Miller	Inland Empire Utilities Agency
Ryan Shaw	Inland Empire Utilities Agency
Curtis Paxton	Chino Desalter Authority
John Schatz	John J. Schatz, Attorney at Law

Chair Zvirbulis called the Appropriative Pool Meeting to order at 9:01 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 March 8, 2012
2. Minutes of the Special Confidential Appropriative Pool Conference Call Meeting held March 13, 2012
3. Minutes of the Special Confidential Appropriative Pool Conference Call Meeting held March 21, 2012
4. Minutes of the Special Confidential Appropriative Pool Conference Call Meeting held March 26, 2012

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
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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

Motion by Garibay, second by Hoerning, and by unanimous vote

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

II. BUSINESS ITEMS**A. WATERMASTER INVESTMENT POLICY**

Mr. Jeske stated through the processes of amending policies on reserves and during the committee meetings some of the members raised questions about amending the investment policy to allow additional investments that might provide a better rate of return. Mr. Jeske stated

several agencies are using an addition to LAIF, CalTRUST, and staff is bringing forward a proposed amendment to include CalTRUST as a potential for investments in addition to LAIF.

Mr. Kinsey stated this came up with the finance officers questioning why Watermaster does not take some of the same investment approaches that other agencies take. Mr. Kinsey noted there is a difference because of Watermaster's ability to hold money for longer period of time. Mr. Kinsey offered further comment on CalTRUST.

Mr. Jeske stated that is accurate because of other agencies being able to hold various types of reserves in-house, where Watermaster is not, which causes Watermaster to be more limited. Chair Zvirbulis stated our district looked at this fund and our understanding is that it's unlike LAIF; it is more like a mutual fund so the principal can be at risk, and he would encourage the parties to review this endeavor in its entirety.

Mr. Crosley stated the City of Chino thinks this is going in the proper direction. Mr. Crosley stated we were one of those voices during the discussion of the other policy documentation that suggested that the Watermaster look into expanding its investment policy options. Mr. Crosley stated the staff report seems to highlight the short-term programs, and perhaps with some experience with this investment program, Watermaster will become more comfortable with considering the medium-term programs as well; those currently offer more than twice the rate of return on interest.

Mr. Garibay inquired when it comes to investment policies there are risks; is CalTRUST a low, medium, or high risk option. Mr. Joswiak stated he would consider, since Watermaster is only looking at the short-term, this is the same risk as LAIF. Mr. Garibay stated then it would be a low risk option. Mr. Joswiak stated that is correct.

Mr. Crosley stated while the staff report seems to highlight the short-term and then Mr. Joswiak mentioned short-term, the revised policy language is not limited to only short-term. Mr. Joswiak stated it is not specific in the language as to short-term, medium-term, or long-term. Mr. Jeske stated one of the reasons for that with the new reserve policies and particularly the policy of returning excess reserves, staff believes they need to get a year or two of experience with that in order to determine if there is a potential for longer term holdings and investments. Mr. Jeske stated right now staff wants to make sure we can comply with the policies on the return of reserves.

Ms. Hoerning inquired if CalTRUST is just agency pooling or are there other investors in this, and is it insured. Mr. Jeske stated he does not know if there are other private investors in it. Mr. Joswiak stated it is his understanding that it is only public agencies, and in the staff letter there some water agencies provided that are members of CalTRUST.

Mr. Garibay stated he assumes CalTRUST operates on commission and he inquired how CalTRUST costs are compared to LAIF costs. Mr. Joswiak stated very comparable to LAIF and where we will gain is on the basis points which are the difference between LAIF and CalTRUST. Mr. Joswiak stated currently LAIF is in the low 3% and CalTRUST is up in the medium 4%.

Chair Zvirbulis stated if this item is approved it does not necessarily mean that immediately Watermaster has a need to go out and make changes, and invest large sums of money into this, it just provides an additional option on a go forward basis. Mr. Jeske stated that is correct.

Motion by Crosley, second by Kinsey, and by unanimous vote

Moved to approve the amended Watermaster Investment Policy to include Investment Trust of California CalTRUST, as presented

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

Mr. Jeske introduced this item and noted this is a requirement by ACWA Joint Powers Authority to be able to continue in their health benefits program. Ms. Hoerning inquired if this is just a substitution because the current health benefit program is going away, and there is no increase in dollars. Mr. Joswiak stated there is absolutely no change financially. Mr. Joswiak stated the only thing that is changing is their name.

Motion by Kinsey, second by Hoerning, and by unanimous vote

Moved to approve Resolution 12-04 approving membership in the ACWA Joint Powers Authority, to terminate the Health Benefits Authority Joint Powers Agreement and authorize and direct the Chino Basin Watermaster to execute all necessary documents, as presented

III. REPORTS/UPDATES**A. LEGAL REPORT****1. Restated Judgment**

Counsel Herrema stated at last month's Pool meetings the Appropriative Pool approved the submission of the Restated Judgment to the court for approval as the official Judgment; however, the Non-Agricultural and Agricultural Pools asked to put this item on hold in order to allow more time for review. Counsel Herrema stated since that time counsel has spoken with counsel for both the Non-Agricultural and Agricultural Pools and they have some conflicting opinions on how the Restated Judgment might be approved by the court as the official copy of the Judgment because the court directed at its last hearing that Watermaster move forward with that motion. Counsel Herrema stated this has been put on pause at this time.

2. Extension of Time for San Sevaine Project State Water Resources Control Board Permit 20753

Counsel Herrema stated Watermaster holds in trust for all of the Watermaster parties, three separate storm water recharge permits that are issued by the State Water Resources Control Board. Counsel Herrema stated there is a Day Creek permit, a San Sevaine permit, and the last is a catch all permit which covers all the recharge basins within the Chino Basin. Counsel Herrema stated the San Sevaine permit was set to expire at the end of 2010, and in the fall of 2010 Watermaster submitted a petition for extension of time to make that full beneficial use. Counsel Herrema stated at that time Watermaster asked for the extension through 2057 which is the deadline for full beneficial use under Watermaster's permit. Counsel Herrema stated Watermaster received recently a copy of a draft extension from the State Board staff; this is now being reviewed and it appears that request will be granted within the next month. Counsel Herrema stated this will mean that Watermaster's recharge permits will have deadlines for full beneficial use in 2057. Counsel Herrema stated the third permit which is the Day Creek permit is still in the process of having its extension approved for that same 2057 date.

3. Paragraph 31 Motion

Counsel Herrema stated at the March 22, 2012, Watermaster Board meeting the Board approved a settlement among Watermaster, the Appropriative Pool, and the Non-Agricultural Pool resolving the dispute regarding the Purchase and Sale Agreement. Counsel Herrema stated the essential mechanism for the settlement is an acknowledgement and acceptance of the court of appeals opinion that the option was not exercised, and that opinion has become final. Counsel Herrema stated the purchase and sale will take place at a substitute price that has been agreed upon. Counsel Herrema stated since that time counsel for Watermaster, with counsel for the Appropriative and Non-Agricultural Pools have been working toward a final documentation of that settlement. Counsel Herrema stated as of Monday this week, we have agreed to what we think will be the final language; this is being reviewed by the Pools counsel and their members.

B. CEO/STAFF REPORT**1. Recharge Master Plan Update/Storage Issues Review Process**

Mr. Jeske stated the next Recharge Master Plan Update/Storage meeting is scheduled for Thursday, April 19, 2012 following the Advisory Committee meeting. Mr. Jeske stated at that meeting it is expected to have Chapters 1 through 4 and portions of 6 drafted by Wildermuth Environmental and Inland Empire Utilities Agency (IEUA) for review. Mr. Jeske stated staff is expecting to begin the Watermaster process for the May meetings.

2. OBMP Semi Annual Status Report 2011-2

Mr. Jeske stated provided in the meeting packet is the semiannual status report for the OBMP; this report is now complete.

Mr. Crosley inquired about agenda packet page 155 which is page 5 of the report, in the first paragraph there is a discussion of the 32,500 acre-feet which is described as a cumulative obligation satisfied by 37,063 acre-feet of supplemental water, which he believes has been referred to as the preemptive replenishment water – is that correct. Mr. Crosley stated the question would be, if we have a credit now of 4,563 acre-feet, that would mean that with the 32,500 that we have actually accomplished zero in Management Zone 1 because it's a 6,500 acre-foot per year obligation and this is five years worth. Mr. Greene stated he believes Mr. Crosley is looking at a cumulative and thinking in an annual way; this is a cumulative 32,500 acre-feet that happens to sound very similar to what we replenished last year, and so Watermaster was required to meet the demands over several years to have put in 32,000 acre-feet, and we have actually put in a bit more than that so we are actually ahead of what was the original commitment. Mr. Crosley stated he was still confused on this matter and asked that he and Mr. Greene get together to discuss this outside this meeting.

Mr. Garibay inquired about program element item 9 on page 156 of the meeting package, there is a discussion on developing and implementing a storage and recovery program; however, given the updates received from Three Valleys Municipal Water District, he believes they are also part of that discussion with Metropolitan Water District. Mr. Garibay asked that staff make reference to them in the report so they are not left out since they did contribute. Mr. Jeske stated staff can add that additional language and then that will go forward to the Advisory Committee and Watermaster Board.

3. Fiscal Year 2012/2013 Watermaster Budget

Mr. Jeske stated staff would like to start the initial budget workshop around April 30, 2012 of this month. Mr. Jeske stated staff is looking at bringing a proposed budget through the Watermaster process at the May meetings, which would provide opportunity to offer comments and then bring the budget back for adoption in the June meetings. Mr. Jeske stated he would like to discuss two additional items with regard to the budget. Mr. Jeske stated the Watermaster Board had previously approved, in December 2011, approximately \$166,000 for work at the Turner Basin which was done by entering into a not-to-exceed agreement for that amount with IEUA. Mr. Jeske stated in order to accomplish this staff used the recharge capital budget for this work; those are dollars that come in for safe yield. Mr. Jeske stated the capital costs that were budgeted in that line item for this year are lower this year due to lower financing costs, so staff has used that difference between what staff expect our cost to be this year and what staff has already budgeted and assessed to fund this project. Mr. Jeske stated if all the work is not completed and all the invoicing in, that is the not-to-exceed amount on the contract, staff will be able to carry over that expense without any further needs for assessments through our new Reserve Policy. Mr. Jeske stated staff found that in 2007 Watermaster had approved the Hickory Basin project. Mr. Jeske stated due to a number of reviews with the Flood Control District and others, that work is just now completing and the final invoicing is getting ready to come in. Unfortunately, because of our prior policies there was no way of carrying those expenses

over. Mr. Jeske stated this work that has been fully authorized and contracted for so staff will be using that same capital reserve budget for that same type of similar work. Mr. Jeske stated there is enough savings this year, on the financing on that, to accomplish both of those projects; staff will then be able to pay the balance which is approximately \$31,000.

IV. INFORMATION

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

V. POOL MEMBER COMMENTS

A. JURUPA COMMUNITY SERVICES DISTRICT PRESENTATION

1. Hydrologic Imbalance in Management Zone-3 of the Chino Basin
Mr. Jeske stated this presentation was created and provided at the request of Jurupa Community Services District (JCSD). Mr. Tock thanked Mr. Jeske and Chair Zvirbulis for providing the time to give this presentation. Mr. Tock stated JCSD is very encouraged by the progress make by the Recharge Committee, which was started in January and restructured. Mr. Tock discussed the contents of the presentation and noted some of the slides have been prepared by Wildermuth Environmental. Mr. Tock stated JCSD realized several months ago that their staff wanted to bring a tentative discussion, based on the issue, to all the stakeholders and not just the committee participants, a presentation which started with their board of directors, through the CDA process, the technical advisory committee, and the board of directors of the CDA. Mr. Tock stated this presentation will try and educate and explain the issues from the southerly part of MZ3. Mr. Tock stated Mr. Tom harder will be giving the presentation today. Mr. Harder stated this same presentation has been given to several boards and there is a lot of background information that people already understand. Mr. Harder gave the Hydrologic Imbalance in Management Zone 3 of the Chino Basin presentation in detail. A lengthy discussion regarding the items presented ensued.

Added Comment:

Mr. Kinsey offered comment on Justin Scott-Coe completing his oral arguments for his PhD that he has been diligently working on.

VI. OTHER BUSINESS

No comment was made.

The regular open Appropriative Pool meeting was convened to hold its confidential session at 9:40 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.

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

The confidential session concluded at 10:07 a.m.

Chair Zvirbulis stated there is one reportable action from the confidential session. Chair Zvirbulis stated the action which was made by Mr. Kinsey and seconded by Mr. Young, authorizing Watermaster to make special assessment of \$75,000 to cover legal expenses associated with the Paragraph 31 matter.

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	1:30 p.m.	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

Chair Zvirbulis adjourned the Appropriative Pool meeting at 10:08 a.m.

Secretary: _____

Minutes Approved: _____

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CHINO BASIN WATERMASTER

I. BUSINESS ITEM ROUTINE

A. MINUTES

1. Non-Agricultural Pool Conference Call Meeting held on April 12, 2012



DRAFT MINUTES
CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL CONFERENCE CALL MEETING
April 12, 2012

The Non-Agricultural Pool Conference Call Meeting was held via conference call using the Chino Basin Watermaster conference call number on April 12, 2012, at 11:00 a.m.

NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL

Bob Bowcock, Chair	Vulcan Materials Company (Calmat Division)
Dave Penrice	Aqua Capital Management LP
Brian Geye	Auto Club Speedway
Lisa Hamilton	General Electric Company
Bob Lawn	Genon Electric
Tom O'Neill	Ontario City Non-Agricultural
Michael Sigsbee, alternate	Ontario City Non-Agricultural
David Starnes	Swan Lake Mobile Home Park

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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Non-Agricultural Pool Counsel Present on Call

Allen Hubsch	Hogan Lovells US LLP
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Others Present at Watermaster

Tom Harder	Jurupa Community Services District
Robert Tock	Jurupa Community Services District
Eldon Horst	Jurupa Community Services District

Chair Bowcock called the Annual Non-Agricultural Pool Conference Call meeting to order at 11:02

ROLL CALL

Sherri Molino called roll call.

AGENDA - ADDITIONS/REORDER

There were no additions or reorders made to the agenda

I. BUSINESS ITEMS - ROUTINE

A. MINUTES

1. Minutes of the Non-Agricultural Pool Meeting held March 8, 2012

Motion by Geye, second by O'Neill, and by unanimous vote

Moved to approve the March 8, 2012 Non-Agricultural Pool minutes

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

Motion by Geye, second by O'Neill, 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** – 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

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

Moved to approve the water transactions 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. WATERMASTER INVESTMENT POLICY

Consider Approval of the Amended Watermaster Investment Policy to Include Investment Trust of California (CalTRUST)

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

Moved to approve the amended Watermaster Investment 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

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

Motion by O'Neill, second by Geye, and by unanimous vote

Moved to approve Resolution 12-04, 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

C. WEST VENTURE DEVELOPMENT

A discussion regarding West Venture Development ensued.

No Vote Action: Continue to next month and to put this item through the Watermaster process

III. REPORTS/UPDATES

A. LEGAL REPORT

1. Restated Judgment
Counsel Herrema gave a report on this item.

2. Extension of Time for San Sevaine Project State Water Resources Control Board Permit 20753
Counsel Herrema gave a report on this item.

3. Paragraph 31 Motion
Counsel Herrema 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. OBMP Semi Annual Status Report 2011-2
Mr. Jeske gave a report on this item.

3. Fiscal Year 2012/2013 Watermaster Budget
Mr. Jeske gave a report on this item.

IV. INFORMATION

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

V. POOL MEMBER COMMENTS

A. JURUPA COMMUNITY SERVICES DISTRICT PRESENTATION

1. Hydrologic Imbalance in Management Zone-3 of the Chino Basin
Mr. Tock introduced this item. Mr. Harder gave the Hydrologic Imbalance in Management Zone 3 of the Chino Basin presentation after the meeting was dismissed for any party that wanted to stay on the conference call and hear it.

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.

No confidential session was called.

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	1:30 p.m.	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

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 April 12, 2012



DRAFT MINUTES
CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING

April 12, 2012

The Agricultural Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on April 12, 2012, at 1:30 p.m.

Agricultural Pool Members Present

Bob Feenstra, Chair	Dairy
Nathan deBoom	Dairy
John Huitsing	Dairy
Gene Koopman	Milk Producers Council
Jeff Pierson	Crops
Glen Durrington	Crops
Pete Hall	State of California, CIM

Watermaster Board Members Present

Paul Hofer	Crops
Geoffrey Vanden Heuvel	Dairy
Bob Kuhn	Three Valleys Municipal Water District

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
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Others Present

Tracy Egoscue	Egoscue Law Group
Dave Crosley	City of Chino
Mark Kinsey	Monte Vista Water District
Gil Aldaco	City of Chino
Paul Deutsch	Amec
Rick Reese	Amec
Bob Gluck	City of Ontario
Marsha Westropp	Orange County Water District
Curtis Paxton	Chino Desalter Authority
Robert Tock	Jurupa Community Services District
Tom Harder	Jurupa Community Services District

Chair Feenstra called the Agricultural Pool meeting to order at 1:31 p.m.

AGENDA - ADDITIONS/REORDER

No additions or reorders were made to the agenda.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Agricultural Pool Meeting held March 8, 2012

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
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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
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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

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

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

II. BUSINESS ITEMS**A. WATERMASTER INVESTMENT POLICY**

Mr. Jeske stated through the processes of amending policies on reserves and during the committee meetings some of the members raised questions about amending the investment policy to allow additional investments that might provide a better rate of return. Mr. Jeske stated several agencies are using an addition to LAIF, CalTRUST, and staff is bringing forward a proposed amendment to include CalTRUST as a potential for investments in addition to LAIF. Mr. Jeske stated both the Appropriative and the Non-Agricultural approved this item unanimously.

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

Moved to approve the amended Watermaster Investment Policy to include Investment Trust of California CalTRUST, as presented

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

Mr. Jeske introduced this item and noted this is a requirement by ACWA Joint Powers Authority to be able to continue in their health benefits program. Ms. Hoerning inquired if this is just a

substitution because the current health benefit program is going away and inquired if there was any increase financially. Mr. Joswiak stated there is absolutely no change financially. Mr. Joswiak stated the only thing that is changing is their name.

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

Moved to approve Resolution 12-04 approving membership in the ACWA Joint Powers Authority, to terminate the Health Benefits Authority Joint Powers Agreement and authorize and direct the Chino Basin Watermaster to execute all necessary documents, as presented

C. OLD BUSINESS

No comment was made on this item.

III. REPORTS/UPDATES

A. LEGAL REPORT

1. Restated Judgment

Counsel Herrema stated at last month's Pool meetings the Appropriative Pool approved the submission of the Restated Judgment to the court for approval as the official Judgment; however, the Non-Agricultural and Agricultural Pools asked to put this item on hold in order to allow more time for review. Counsel Herrema stated since that time counsel has spoken with counselors for both the Non-Agricultural and Agricultural Pools and they have some conflicting opinions on how the Restated Judgment might be approved by the court as the official copy of the Judgment because the court directed it at its last hearing that Watermaster move forward with that motion. Counsel Herrema stated this has been put on pause at this time.

2. Extension of Time for San Sevaine Project State Water Resources Control Board Permit 20753

Counsel Herrema stated Watermaster holds in trust for all of the Watermaster parties, three separate storm water recharge permits that are issued by the State Water Resources Control Board. Counsel Herrema stated there is a Day Creek permit, a San Sevaine permit, and the last is a catch all permit which covers all the recharge basins within the Chino Basin. Counsel Herrema stated the San Sevaine permit was set to expire at the end of 2010, and in the fall of 2010 Watermaster submitted a petition for extension of time to make that full beneficial use. Counsel Herrema stated at that time Watermaster asked for the extension through 2057, which is the deadline for full beneficial use under Watermaster's permit. Counsel Herrema stated Watermaster recently received a copy of a draft extension letter from the State Board staff; this is now being reviewed and it appears that request will be granted within the next month. Counsel Herrema stated this will mean that Watermaster's recharge permits will have deadlines for full beneficial use in 2057. Counsel Herrema stated the third permit which is the Day Creek permit, is still in the process of having its extension approved for that same 2057 date.

3. Paragraph 31 Motion

Counsel Herrema stated at the March 22, 2012 Watermaster Board meeting they agreed to the settlement regarding the Purchase and Sale Agreement to allow the court of appeals opinion and to go ahead with a different price. Counsel Herrema has been working with the Non-Agricultural Pool counsel. Counsel Herrema stated this is very close to being done and the City of Ontario should approve the agreement shortly. Chair Feenstra stated last month there were discussions for the Paragraph 31 appeal and its costs with regard to reserves. Mr. Jeske answered questions about reserves for the Paragraph 31 appeal, and stated the answer was no. Mr. Pierson inquired to Counsel Herrema what the next steps are going to be. The Board has not signed and Watermaster counsel was given authorization to finalize the language, and we are still waiting on the approval of the language. Mr. Geoff Vanden Heuvel stated, given the report that was just provided, he would like to expand on what was

said. Mr. Geoff Vanden Heuvel stated with that preliminary decision – go back and read Peace II deal points to deal with this stored water and for Watermaster to purchase water on behalf of Appropriators – there was another option and the backup deal which was executed in the Peace II Agreement as the backup plan, that has now become the real plan – we do have expenses because of attorney fees and staff costs. Mr. Koopman inquired if the sale between the parties bypasses Watermaster. Counsel Herrema stated no. Mr. Koopman inquired how many parties cashed their checks. Counsel Herrema spoke on cashed checks. The first option on stored water was to collectively buy that water and we had a marketing plan for that water with the water auction which was in the Peace Agreement. Mr. Geoff Vanden Heuvel stated since that failed, it is not going to take place – the water will transfer to the Appropriators. Chair Feenstra congratulated counsel and staff and stated we are all pleased with all the effort that has gone into this matter and for all the hard work.

B. CEO/STAFF REPORT

1. Recharge Master Plan Update/Storage Issues Review Process

Mr. Jeske stated the next Recharge Master Plan Update/Storage meeting is scheduled for Thursday, April 19, 2012 following the Advisory Committee meeting. Mr. Jeske stated at that meeting it is expected to have chapters 1 through 4 and portions of 6 drafted by Wildermuth Environmental and Inland Empire Utilities Agency (IEUA) for review/comment. Mr. Jeske stated staff is expecting to begin the Watermaster process for the May meetings.

2. OBMP Semi Annual Status Report 2011-2

Mr. Jeske stated provided in the meeting packet is the semiannual status report for the OBMP; this report is now complete.

3. Fiscal Year 2012/2013 Watermaster Budget

Mr. Jeske stated staff would like to start the initial budget workshop around April 30, 2012 of this month. Mr. Jeske stated staff is looking at bringing a proposed budget through the Watermaster process at the May meetings, which would provide opportunity to offer comments and then bring the budget back for adoption in the June meetings. Mr. Jeske stated he would like to discuss two additional items with regard to the budget. Mr. Jeske stated the Watermaster Board had previously approved, in December 2011, approximately \$166,000 for work at the Turner Basin which was done by entering into a not to exceed agreement for that amount with IEUA. Mr. Jeske stated in order to accomplish this staff used the recharge capital budget for this work; those are dollars that came in for safe yield. Mr. Jeske stated the capital costs that were budgeted in that line item for this year are lower this year due to lower financing costs, so staff has used that difference between what staff expects our cost to be this year and what staff has already budgeted and assessed to fund this project. Mr. Jeske stated if all the work is not completed and all the invoicing in that is the not-to-exceed amount on the contract, staff will be able to carry over that expense without any further need for assessments through our new Reserve Policy. Mr. Jeske stated staff found that in 2007 Watermaster had approved the Hickory Basin project. Mr. Jeske stated due to a number of reviews with the Flood Control District and others, that work is just now completing and the final invoicing is getting ready to come in. Unfortunately, because of our prior policies there was no way of carrying those expenses over. Mr. Jeske stated this work has been fully authorized and contracted for so staff will be using that same capital reserve budget for that same type of similar work. Mr. Jeske stated there is enough savings this year, on the financing on that, to accomplish both of those projects; staff will then be able to pay the balance which is approximately \$31,000. A discussion regarding this matter ensued.

IV. INFORMATION

1. Cash Disbursements for March 2012

No comment was made on this item.

V. POOL MEMBER COMMENTS**A. JURUPA COMMUNITY SERVICES DISTRICT PRESENTATION****1. Hydrologic Imbalance in Management Zone-3 of the Chino Basin**

Mr. Jeske stated this presentation was created and provided at the request of Jurupa Community Services District (JCSD). Mr. Tock thanked Mr. Jeske for providing the time to give this presentation. Mr. Tock stated JCSD is very encouraged by the progress made by the Recharge Committee, which was started in January and restructured. Mr. Tock discussed the contents of the presentation and noted some of the slides have been prepared by Wildermuth Environmental. Mr. Tock stated JCSD realized several months ago that their staff wanted to bring a tentative discussion based on the issue to all the stakeholders and not just the committee participants, a presentation which started with their board of directors, through the CDA process, the technical advisory committee, and the board of directors of the CDA. Mr. Tock stated this presentation will try and educate and explain the issues from the southerly part of MZ3. Mr. Tock stated Mr. Tom Harder will be giving the presentation today. Mr. Harder stated this same presentation has been given to several boards and there is a lot of background information that people already understand. Mr. Harder gave the Hydrologic Imbalance in Management Zone 3 of the Chino Basin presentation in detail. A lengthy discussion regarding the items presented ensued.

Chair Feenstra commented on the amount of bedrock which is a concern and inquired about adequate water. Mr. Harder stated we are looking at doing that. Mr. Tock stated at the strategic planning conferences this was discussed. Mr. Tock stated the core of this issue is in this #19 chart; this is a common issue and in the same area of concern. Mr. Tock stated we know it will drop 60 feet and the question is, is that sustainable. Mr. Durrington inquired about recycled water. Mr. Tock stated we are not there yet. Mr. Tock stated JCSD has two master plans. Mr. Durrington stated you need to get that recycled water. Chair Feenstra inquired if there is additional water would those be good holding facilities for extra water or to get more water into the area. Mr. Harder stated we have a number of projects from non recharging basins to the recharging basins. Mr. Harder stated IEUA, as part of the Recharge Master Plan is to create a menu of potential projects to implement. Mr. Tock referenced slide 14 and he offered comment on placement. Mr. Tock spoke on this map in detail. Mr. Pierson inquired about what other sources of water there are. Mr. Tock answered Mr. Pierson's questions and referenced slide 16. Mr. Tock stated recycled water is ramping up now. Mr. Tock offered final comments on this matter.

VI. OTHER BUSINESS

Chair Feenstra spoke on Jennifer Novak who is no longer with the State of California. It was noted Ms. Novak provided the recording secretary the new representatives for the meetings. Mr. Pete Hall stated he gave the recording secretary the contact information for the two new Agricultural Pool designees. Mr. Jeske stated this will need to be added to the agenda and then voted on.

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

Moved to approved adding this item to the agenda for voting purposes, and to add Carol Boyd and Helen Arens to the Agricultural Pool roster; it was noted the two new representatives will share the position, as presented

The regular open Agricultural Pool meeting was convened to hold its confidential session at 1:49 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 2:29 p.m.

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	1:30 p.m.	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

Chair Feenstra adjourned the Agricultural Pool meeting at 2:30 p.m.

Secretary: _____

Minutes Approved: _____



CHINO BASIN WATERMASTER

I. CONSENT CALENDAR (App & Ag Pool)

B. FINANCIAL REPORTS

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

I. BUSINESS ITEM ROUTINE (Non-Ag Pool)

B. FINANCIAL REPORTS

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





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: May 10, 2012
TO: Pool Members
SUBJECT: Cash Disbursement Report – Financial Report B1

SUMMARY

Issue – Record of cash disbursements for the month of March 2012.

Recommendation – Staff recommends the Cash Disbursements for March 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 March 2012 were \$835,401.41. The most significant expenditures during the month were to Chino Basin Desalter Authority in the amount of \$295,200.00 (check number 15880 dated March 8, 2012), Wildermuth Environmental, Inc. in the amount of \$241,770.21 (check number 15923 dated March 21, 2012) and Brownstein Hyatt Farber Schreck in the amount of \$51,223.78 (check number 15922 dated March 21, 2012).

Actions:

May 10, 2012 Appropriative Pool –
May 10, 2012 Non-Agricultural Pool –
May 10, 2012 Agricultural Pool –
May 17, 2012 Advisory Committee –
May 24, 2012 Watermaster Board –

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
March, 2012

Financial Report - B1

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
P21 Bill Pmt -Check	03/01/2012	15842	BOWCOCK, ROBERT	2/23/12 Board Meeting	1012 · Bank of America Gen'l Ckg	
P21 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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
March, 2012

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
P22						
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

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
March, 2012

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
				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
Bill Pmt -Check	03/01/2012	15856	HOGAN LOVELLS	2644389	1012 · Bank of America Gen'l Ckg	
Bill	02/08/2012	2644389		Non-Ag Pool Legal Services - January 2012	8567 · Non-Ag Legal Service	6,853.69
TOTAL						6,853.69
Bill Pmt -Check	03/01/2012	15857	HUITSING, JOHN	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
P23 Bill Pmt -Check	03/01/2012	15858	INLAND EMPIRE UTILITIES AGENCY	90009223	1012 · Bank of America Gen'l Ckg	
P23 Bill	02/28/2012	90009223		90009223	8456 · IEUA Readiness To Serve	552.90
TOTAL						552.90
Bill Pmt -Check	03/01/2012	15859	JAMES JOHNSTON	253	1012 · Bank of America Gen'l Ckg	
Bill	02/28/2012	253		Website Maintenance - February 2012	6052.3 · Website Consulting	810.00
TOTAL						810.00
Bill Pmt -Check	03/01/2012	15860	KRUGER, W. C. "BILL"		1012 · Bank of America Gen'l Ckg	
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
Bill Pmt -Check	03/01/2012	15861	KUHN, BOB		1012 · Bank of America Gen'l Ckg	
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
Bill Pmt -Check	03/01/2012	15862	LANTZ, PAULA		1012 · Bank of America Gen'l Ckg	
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
Cash Disbursements For The Month of
March, 2012

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

P24

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
March, 2012

Financial Report - B1

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

P 25

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
March, 2012

Financial Report - B1

	<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>
226	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>

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
March, 2012

Financial Report - B1

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>
P27 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>
Check	03/15/2012	03/15/2012	Service Charge	Service Charge	1012 · Bank of America Gen'l Ckg	
				Service Charge	6031.7 · Other Office Supplies	357.55
TOTAL						<u>357.55</u>

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
March, 2012

Financial Report - B.1

Type	Date	Num	Name	Memo	Account	Paid Amount
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
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

P.28

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
March, 2012

Type	Date	Num	Name	Memo	Account	Paid Amount
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
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
TOTAL						6,828.24
Bill Pmt -Check	03/19/2012	15906	PREMIERE GLOBAL SERVICES	10787886	1012 · Bank of America Gen'l Ckg	
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
TOTAL						1,068.42
Bill Pmt -Check	03/19/2012	15907	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	03/03/2012	03/03/2012	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 02/19/12-03/03/12	2800 · Accounts Payable	8,086.11
TOTAL						8,086.11
Bill Pmt -Check	03/19/2012	15908	PUMP CHECK	4587	1012 · Bank of America Gen'l Ckg	
Bill	02/29/2012	4587		4587	7102.8 · In-line Meter-Calib & Test	950.00
TOTAL						950.00
Bill Pmt -Check	03/19/2012	15909	R&D PEST SERVICES	0152950	1012 · Bank of America Gen'l Ckg	
Bill	03/12/2012	0152950		Continuing treatment for office	6024 · Building Repair & Maintenance	85.00
TOTAL						85.00
Bill Pmt -Check	03/19/2012	15910	STAPLES BUSINESS ADVANTAGE	8021092245	1012 · Bank of America Gen'l Ckg	
Bill	03/12/2012	8021233300		Miscellaneous office supplies	6031.7 · Other Office Supplies	383.01
TOTAL						383.01
Bill Pmt -Check	03/19/2012	15911	VERIZON	012519116950792103	1012 · Bank of America Gen'l Ckg	

P 29

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
March, 2012

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	02/29/2012	012519116950792103		012519116950792103	6022 · Telephone	480.15
TOTAL						480.15
Bill Pmt -Check	03/19/2012	15912	VERIZON BUSINESS	67198924	1012 · Bank of America Gen'l Ckg	
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	83871		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 deducations - 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

030

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
March, 2012

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
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
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
TOTAL						51,223.78
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
TOTAL						241,770.21

P31

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
March, 2012

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
General Journal	03/31/2012	03/31/2012	Wage Works Direct Debits - March 2012	Wage Works Direct Debits - March 2012	1012 - Bank of America Gen'l Ckg	
				Wage Works Direct Debits - March 2012	1012 - Bank of America Gen'l Ckg	495.40
				Wage Works Direct Debits - March 2012	1012 - Bank of America Gen'l Ckg	495.40
				Wage Works Direct Debits - March 2012	1012 - Bank of America Gen'l Ckg	76.25
TOTAL						<u>1,067.05</u>
General Journal	03/31/2012	03/31/2012	Payroll and Taxes for 03/18/12-03/31/12	Payroll and Taxes for 03/18/12-03/31/12	1012 - Bank of America Gen'l Ckg	
				Payroll Taxes for 03/18/12-03/31/12	1012 - Bank of America Gen'l Ckg	10,913.34
				Direct Deposits for 03/18/12-03/31/12	1012 - Bank of America Gen'l Ckg	28,513.61
TOTAL						<u>39,426.95</u>
					Total Disbursements:	<u><u>835,401.41</u></u>



CHINO BASIN WATERMASTER

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STAFF REPORT

DATE: May 10, 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 March 2012.

Recommendation – Staff recommends the VISA Check Detail Report for March 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 March 2012 was \$743.79. The monthly charges for March 2012 were for routine and customary expenditures and properly documented with receipts.

Actions:

May 10, 2012 Appropriative Pool –
May 10, 2012 Non-Agricultural Pool –
May 10, 2012 Agricultural Pool –
May 17, 2012 Advisory Committee –
May 24, 2012 Watermaster Board –

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CHINO BASIN WATERMASTER
 VISA Check Detail Report
 March 2012

Type	Num	Date	Name	Memo	Account	Paid Amount
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					Total Disbursements:	743.79

P35

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STAFF REPORT

DATE: May 10, 2012
TO: Pool Members
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2011 through March 31, 2012 - Financial Report B3

SUMMARY

Issue – Record of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2011 through March 31, 2012.

Recommendation – Staff recommends the Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2011 through March 31, 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 March 31, 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:

- May 10, 2012 Appropriative Pool –
- May 10, 2012 Non-Agricultural Pool –
- May 10, 2012 Agricultural Pool –
- May 17, 2012 Advisory Committee –
- May 24, 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 MARCH 31, 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			
Administrative Revenues:									
Administrative Assessments		5,844,372		252,359				6,096,730	\$6,172,177
Interest Revenue		11,430	1,358	414			1	13,203	150,010
Mutual Agency Project Revenue	705,777							705,777	654,580
Grant Income								-	0
Miscellaneous Income								-	0
Total Revenues	705,777	5,855,802	1,358	252,772	-	-	1	6,815,710	6,976,767
Administrative & Project Expenditures:									
Watermaster Administration	504,179							504,179	577,107
Watermaster Board-Advisory Committee	141,344							141,344	155,297
Ag Pool Misc. Expense - Ag Fund			99					99	-
Pool Administration		116,352	126,163	103,575				346,089	618,797
Optimum Basin Mgmt Administration		1,043,833						1,043,833	1,279,496
OBMP Project Costs		3,057,776						3,057,776	4,139,706
Debt Service		371,271						371,271	450,964
Education Funds Use							375	375	375
Mutual Agency Project Costs								-	10,000
Total Administrative/OBMP Expenses	645,523	4,472,880	116,352	126,163	103,575	-	375	5,464,967	7,231,742
Net Administrative/OBMP Expenses	60,253	(4,472,880)							
Allocate Net Admin Expenses To Pools	(60,253)	(41,564)	(16,614)	(2,075)					
Allocate Net OBMP Expenses To Pools		4,101,609	2,829,396	1,130,961	141,252				
Allocate Debt Service to App Pool		371,271							
Agricultural Expense Transfer*		1,240,510	(1,240,510)						
Total Expenses		4,515,964	99	242,752	-	-	375	5,464,967	7,231,742
Net Administrative Income		1,339,838	1,259	10,020	-	-	(374)	1,350,743	(254,975)
Other Income/(Expense)									
Replenishment Water Assessments					714,284			714,284	0
Non-Ag Stored Water Purchases		2,377,250						2,377,250	0
Interest Revenue					277			277	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
Net Other Income/(Expense)		(2,542,181)	-	(81,757)	689,417	-	-	(1,934,521)	0
Net Transfers To/(From) Reserves	(583,778)	(1,202,343)	1,259	(71,737)	689,417	-	(374)	(583,778)	(215,000)
Working Capital, July 1, 2011		6,922,600	475,807	282,721	35,379	158,251	630	7,875,387	
Working Capital, End Of Period		5,720,257	477,065	210,984	724,795	158,251	256	7,291,609	7,291,609
10/11 Assessable Production		78,410.414	31,342.082	3,914.499				113,666.995	
10/11 Production Percentages		68.983%	27.574%	3.444%				100.000%	

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

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CHINO BASIN WATERMASTER

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

DATE: May 10, 2012
TO: Pool Members
SUBJECT: Treasurer's Report of Financial Affairs for the Period March 1, 2012 through March 31, 2012 - Financial Report B4

SUMMARY

Issue – Record of increases or decreases in the cash position, assets and liabilities of Watermaster for the Period of March 1, 2012 through March 31, 2012.

Recommendation – Staff recommends the Treasurer's Report of Financial Affairs for the Period March 1, 2012 through March 31, 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 March 1, 2012 through March 31, 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:

May 10, 2012 Appropriative Pool –
May 10, 2012 Non-Agricultural Pool –
May 10, 2012 Agricultural Pool –
May 17, 2012 Advisory Committee –
May 24, 2012 Watermaster Board –

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**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
MARCH 1 THROUGH MARCH 31, 2012**

Financial Report - B4

DEPOSITORIES:

Cash on Hand - Petty Cash			\$ 500
Bank of America			
Governmental Checking-Demand Deposits	\$	1,064,752	
Zero Balance Account - Payroll	\$	-	1,064,752
Local Agency Investment Fund - Sacramento			6,968,824
TOTAL CASH IN BANKS AND ON HAND		3/31/2012	\$ 8,034,076
TOTAL CASH IN BANKS AND ON HAND		2/29/2012	6,694,530
PERIOD INCREASE (DECREASE)			\$ 1,339,545

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets: Accounts Receivable			\$ 2,295
Assessments Receivable			1,928,615
Prepaid Expenses, Deposits & Other Current Assets			246,249
(Decrease)/Increase in Liabilities: Accounts Payable			(247,637)
Accrued Payroll, Payroll Taxes & Other Current Liabilities			151,610
Transfer to/(from) Reserves			(741,587)
PERIOD INCREASE (DECREASE)			\$ 1,339,545

SUMMARY OF FINANCIAL TRANSACTIONS:

	Petty Cash	Govt'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 2/29/2012	\$ 500	\$ 2,725,706	\$ -	\$ 3,968,824	\$ 6,695,030
Deposits	-	2,174,947	-	3,000,000	5,174,947
Transfers	-	(3,080,393)	80,393	-	(3,000,000)
Withdrawals/Checks	-	(755,008)	(80,393)	-	(835,401)
Balances as of 3/31/2012	\$ 500	\$ 1,065,252	\$ -	\$ 6,968,824	\$ 8,034,576
PERIOD INCREASE OR (DECREASE)	\$ -	\$ (1,660,455)	\$ -	\$ 3,000,000	\$ 1,339,545

P43

**CHINO BASIN WATERMASTER
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD
MARCH 1 THROUGH MARCH 31, 2012**

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
3/8/2012	Deposit	L.A.I.F	\$ 3,000,000				

TOTAL INVESTMENT TRANSACTIONS	\$ 3,000,000	-
--------------------------------------	---------------------	----------

* The earnings rate for L.A.I.F. is a daily variable rate; 0.38% was the effective yield rate at the Quarter ended March 31, 2012.

**INVESTMENT STATUS
March 31, 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	\$ 6,968,824			
TOTAL INVESTMENTS	\$ 6,968,824			

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

P44



CHINO BASIN WATERMASTER

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STAFF REPORT

DATE: May 10, 2012
TO: Pool Members
SUBJECT: Budget vs. Actual Report for the Period July 1, 2011 through March 31, 2012 - Financial Report - B5

SUMMARY

Issue – Record of revenues and expenses of Watermaster for the Period of July 1, 2011 through March 31, 2012.

Recommendation – Staff recommends the Budget vs. Actual Report for the Period July 1, 2011 through March 31, 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 March 31, 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.

An additional Budget Transfer and Budget Amendment Form is planned for approval in the following month to adjust several of the budget categories for variances between actual and budget.

Year-To-Date (YTD) for the nine months ending March 31, 2012, all but seven categories were at or below the projected budget. The categories above budget were the Watermaster Legal Services (6070's) of \$12,231; Watermaster Board Expenses (6300's) of \$22,765; Non-Ag Pool Administration Expenses (8500's) of \$7,055; Optimum Basin Management Plan Expenses (6900's) of \$28,263; In-Line Meter Installation Expenses (7102's) of \$18,769; Comprehensive Recharge Program Expenses (7200's) of \$28,547; and Cooperative Efforts/Salt Management (7500's) of \$19,643.

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 March 31, 2012, the total (YTD) Watermaster salary expenses are \$36,953 or 3.2% above the YTD budgeted amount of \$1,157,793. The following details are provided:

	Jul '11 - Mar '12	Budget	\$ Over Budget	% of Budget	Annual Budget
WM Salary Expense					
6011 - WM Staff Salaries	346,743.30	331,196.88	15,546.42	104.69%	441,032.00
6011.2 - WM Staff - Admin. Paid Leave	63,326.74	60,000.00	3,326.74	105.55%	120,000.00
6011.3 - WM Staff - Temporary Upgrade	7,223.90	0.00	7,223.90	100.0%	0.00
6201 - Advisory Committee - WM Staff Salaries	16,718.29	15,930.76	787.53	104.94%	21,241.00
6301 - Watermaster Board - WM Staff Salaries	22,870.28	22,437.00	433.28	101.93%	29,916.00
8301 - Appropriative Pool - WM Staff Salaries	21,695.25	21,337.51	357.74	101.68%	28,450.00
8401 - Agricultural Pool - WM Staff Salaries	19,319.73	18,701.24	618.49	103.31%	24,935.00
8501 - Non-Agricultural Pool - WM Staff Salaries	11,322.28	10,674.76	647.52	106.07%	14,233.00
6901 - OBMP - WM Staff Salaries	192,294.36	162,743.99	29,550.37	118.16%	216,992.00
7101.1 - Production Monitor - WM Staff Salaries	77,668.29	87,112.49	-9,444.20	89.16%	104,150.00
7102.1 - In-line Meter - WM Staff Salaries	7,493.43	7,772.26	-278.83	96.41%	10,363.00
7103.1 - Grdwater Quality - WM Staff Salaries	50,211.35	66,146.24	-15,934.89	75.91%	80,195.00
7104.1 - Grdwater Level - WM Staff Salaries	37,498.61	67,397.26	-29,898.65	55.64%	89,863.00
7105.1 - Sur Wtr Qual - WM Staff Salaries	567.23	2,244.01	-1,676.78	25.28%	2,992.00
7107.1 - Grd Level Monitoring - WM Staff Salaries	1,021.00	1,174.50	-153.50	86.93%	1,566.00
7108.1 - Hydraulic Control - WM Staff Salaries	5,897.04	5,454.76	442.28	108.11%	7,273.00
7201 - Comp Recharge - WM Staff Salaries	97,391.47	93,815.24	3,576.23	103.81%	125,087.00
7301 - PE3&5 - WM Staff Salaries	31,651.95	28,157.26	3,494.69	112.41%	37,543.00
7401 - PE4 - WM Staff Salaries	7,568.50	9,176.26	-1,607.76	82.48%	12,235.00
7501.1 - PE 6&7 - WM Staff Salaries (Plume)	21,391.11	0.00	21,391.11	100.0%	0.00
7501 - PE6&7 - WM Staff Salaries	3,596.90	2,244.01	1,352.89	160.29%	2,992.00
7601 - PE8&9 - WM Staff Salaries	33,736.18	34,067.25	-331.07	99.03%	45,423.00
7701 - Inactive Well - WM Staff Salaries	0.00	309.75	-309.75	0.0%	413.00
Subtotal WM Staff Costs	1,077,207.19	1,048,093.43	29,113.76	102.78%	1,416,894.00
60185 - Vacation	53,820.19	41,537.60	12,282.59	129.57%	51,922.00
60186 - Sick Leave	24,353.63	30,982.50	-6,628.87	78.6%	41,310.00
60187 - Holidays	39,364.14	37,179.00	2,185.14	105.88%	41,310.00
Subtotal WM Paid Leaves	117,537.96	109,699.10	7,838.86	107.15%	134,542.00
Total WM Salary Costs	1,194,745.15	1,157,792.53	36,952.62	103.19%	1,551,436.00

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 March 31, 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 March 31, 2012, the BHFS expenses are \$56,000 or 11.9% above the (YTD) budgeted amount of \$470,392. The following details are provided:

	Jul '11 - Mar '12	Budget	\$ Over Budget	% of Budget	Annual Budget
6070 - Watermaster Legal Services					
6071 - BHFS Legal - Court Coordination	0.00	29,325.01	-29,325.01	0.0%	39,100.00
6072 - BHFS Legal - Restated Judgment	21,866.46	62,400.00	-40,533.54	35.04%	62,400.00
6073 - BHFS Legal - Personnel Matters	47,576.29	7,406.24	40,170.05	642.38%	9,875.00
6074 - BHFS Legal - Interagency Issues	3,510.45	25,725.01	-22,214.56	13.65%	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	58,828.43	42,660.00	16,168.43	137.9%	56,880.00
Total 6070 - Watermaster Legal Services	179,747.70	167,516.26	12,231.44	107.3%	202,555.00
6275 - BHFS Legal - Advisory Committee	21,920.84	23,107.50	-1,186.66	94.87%	30,810.00
6375 - BHFS Legal - Board Meeting	57,278.22	37,222.50	20,055.72	153.88%	45,630.00
8375 - BHFS Legal - Appropriative Pool	15,352.95	15,997.50	-644.55	95.97%	21,330.00
8475 - BHFS Legal - Agricultural Pool	14,759.53	23,107.50	-8,347.97	63.87%	30,810.00
8575 - BHFS Legal - Non-Ag Pool	14,226.53	7,110.00	7,116.53	200.09%	9,480.00
Total BHFS Legal Services	123,538.07	106,545.00	16,993.07	115.95%	138,060.00
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	18,468.76	-11,826.76	35.96%	24,625.00
6907.32 - Chino Airport Plume	10,358.70	19,256.26	-8,897.56	53.79%	25,675.00
6907.33 - Desalter Negotiations	83,428.91	67,425.00	16,003.91	123.74%	67,425.00
6907.34 - Santa Ana River Water Rights	7,040.32	18,843.75	-11,803.43	37.36%	25,125.00
6907.35 - Paragraph 31 Motion	83,478.71	39,200.00	44,278.71	212.96%	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	10,312.51	-10,312.51	0.0%	13,750.00
6907.39 - Recharge Master Plan	21,168.14	22,824.00	-1,655.86	92.75%	25,360.00
6907.3 - WM Legal Counsel - Other	0.00	0.00	0.00	0.0%	0.00
Total 6907.3 - WM Legal Counsel	223,105.41	196,330.28	26,775.13	113.64%	221,160.00
Total Brownstein, Hyatt, Farber, Schreck Costs	526,391.18	470,391.54	55,999.64	111.91%	561,775.00

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 \$29,550 and the 6906.1 (OBMP Watermaster Model Update) of \$7,554. These overages totaling \$37,104 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. A budget transfer request is scheduled to adjust this category in the next month.

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 \$71,272 while the majority of line item activities were below the budget \$44,497. Above the budget line items were the Peace II CEQA of \$3,020; the Desalter Negotiations of \$16,004; the Paragraph 31 Motion of \$44,279; 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 \$11,827; the Chino Airport Plume of \$8,898; the Santa Ana River Water Rights Application of \$11,803; the Regional Water Quality Control Board of \$10,313; and the Recharge Master Plan of \$1,656. For the nine months ended March 31, 2012, the overall cumulative (YTD) budget was \$196,330 and the actual (BHFS) legal expenses totaled \$223,105 which resulted in an Over budget variance of \$26,775 or 13.6%.

The chart listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of March 31, 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 \$902,116 compared to a (YTD) budget of \$873,853 for an Over budget of \$28,263 or 3.2% as of March 31, 2012.

	Jul '11 - Mar '12	Budget	\$ Over Budget	% of Budget	Annual Budget
6900 - Optimum Basin Mgmt Plan					
6901 - WM Staff Salaries	192,294.36	162,743.99	29,550.37	118.16%	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	301,563.98	294,010.00	7,553.98	102.57%	354,010.00
6906 - OBMP Engineering Services - Other	169,050.75	190,364.00	-21,313.25	88.8%	224,304.00
Total 6906 - OBMP Engineering Services	470,614.73	484,374.00	-13,759.27	97.16%	578,314.00
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	18,468.76	-11,826.76	35.96%	24,625.00
6907.32 - Chino Airport Plume	10,358.70	19,256.26	-8,897.56	53.79%	25,675.00
6907.33 - Desalter Negotiations	83,428.91	67,425.00	16,003.91	123.74%	67,425.00
6907.34 - Santa Ana River Water Rights	7,040.32	18,843.75	-11,803.43	37.36%	25,125.00
6907.35 - Paragraph 31 Motion	83,478.71	39,200.00	44,278.71	212.96%	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	10,312.51	-10,312.51	0.0%	13,750.00
6907.39 - Recharge Master Plan	21,168.14	22,824.00	-1,655.86	92.75%	25,360.00
6907.3 - WM Legal Counsel - Other	0.00	0.00	0.00	0.0%	0.00
Total 6907.3 - WM Legal Counsel	223,105.41	196,330.28	26,775.13	113.64%	221,160.00
Total 6907 - OBMP Legal Fees	223,105.41	196,330.28	26,775.13	113.64%	221,160.00
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	18,750.01	-18,750.01	0.0%	25,000.00
Total 6909 - OBMP Other Expenses	4,446.28	18,750.01	-14,303.73	23.71%	25,000.00
Total 6900 - Optimum Basin Mgmt Plan	902,115.78	873,853.28	28,262.50	103.23%	1,053,121.00

The OBMP Implementation Projects (accounts 7100's - 7700's) were (Under) budget as of March 31, 2012 except for several categories. Those categories over budget (YTD) were In-Line Meter Installation (7102's), over budget by the amount of \$18,769; Comprehensive Recharge Program (7200's) over budget by the amount of \$28,547; and Cooperative Efforts/Salt Management (7500's) over budget by the amount of \$19,643. 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. A Budget Transfer Form is planned for approval in the following month to adjust the budget categories for variances between actual and budget.

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 was 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. A majority of the excess funds from this category have been approved by the Board. The amount of \$162,236 has been appropriated for use for the upcoming 3-year Turner Basin Improvements, which are estimated in the range of \$270K+. An amount of \$30,900 has been appropriated for the Hickory Basin improvement. The remaining balance of \$79,693 has not been appropriated.

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 March 31, 2012, the total (YTD) Engineering expenses are (\$215,105) or (9.5%) below the (YTD) budget amount of \$2,254,133. The following details are provided:

	Jul '11 - Mar '12	Budget	\$ Over Budget	% of Budget	Annual Budget
6906.1 · OBMP - Watermaster Model Update	301,563.98	294,010.00	7,553.98	102.57%	354,010.00
6906 · OBMP Engineering Services - Other	169,050.75	190,364.00	-21,313.25	88.8%	224,304.00
7103.3 · Grdwtr Qual-Engineering	96,887.00	83,350.00	13,537.00	116.24%	86,470.00
7103.5 · Grdwtr Qual-Lab Svcs	32,168.00	29,662.26	2,505.74	108.45%	36,883.00
7104.3 · Grdwtr Level-Engineering	196,129.56	146,284.00	49,845.56	134.08%	172,518.00
7104.8 · Grdwtr Level-Contracted Serv	0.00	7,500.01	-7,500.01	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	190,311.01	124,826.26	65,484.75	152.46%	166,435.00
7107.3 · Grd Level-SAR Imagery	0.00	90,000.00	-90,000.00	0.0%	120,000.00
7107.6 · Grd Level-Contract Svcs	171,403.01	168,551.24	2,851.77	101.69%	224,735.00
7107.7 · Grd Level-Extensometer Install	295,200.00	465,002.00	-169,802.00	63.48%	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	201,256.13	220,234.00	-18,977.87	91.38%	246,956.00
7108.4 · Hydraulic Control-Lab Svcs	109,710.00	128,136.74	-18,426.74	85.62%	170,849.00
7108.9 · Hydraulic Control-Contract Svcs	0.00	1,499.99	-1,499.99	0.0%	2,000.00
7109.3 · Recharge & Well - Engineering	0.00	4,464.00	-4,464.00	0.0%	6,696.00
7202.2 · Engineering Svc	0.00	7,740.00	-7,740.00	0.0%	10,320.00
7202.3 · Comp Recharge-Implementation	131,985.77	107,490.00	24,495.77	122.79%	122,490.00
7303 · PE3&5-Engineering - Other	36,221.00	36,221.00	0.00	100.0%	36,221.00
7402 · PE4-Engineering	36,332.76	37,622.00	-1,289.24	96.57%	50,123.00
7403 · PE4-Contract Svcs	0.00	7,500.01	-7,500.01	0.0%	10,000.00
7502 · PE6&7-Engineering	30,588.82	36,120.01	-5,531.19	84.69%	48,160.00
7503 · PE6&7-Contract Svcs (Plume)	40,220.00	37,790.00	2,430.00	106.43%	37,790.00
Total Wildermuth Environmental, Inc. Costs	2,039,027.79	2,254,132.77	-215,104.98	90.46%	2,641,648.00

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 1st 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 \$243,580) has now been included in the FY 2011/2012. An amount of \$91,580 is being used to offset the additional extensometer costs, \$120,000 is being used to offset other salary costs, and \$32,000 is being used to fund the CEO Recruitment costs (\$91,580 + \$120,000 + \$32,000 = \$243,580). The balance of un-appropriated revenue of \$51,196.62 (\$294,776.62 - \$243,580.00 = \$51,196.62) will be used for reducing approximately ½ of the projected legal cost variance within the Brownstein Hyatt Farber Schreck category. The request for appropriation of these funds will be completed next month with a Budget Amendment Form.

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

Actions:

- May 10, 2012 Appropriative Pool –
- May 10, 2012 Non-Agricultural Pool –
- May 10, 2012 Agricultural Pool –
- May 17, 2012 Advisory Committee –
- May 24, 2012 Watermaster Board –

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CHINO BASIN WATERMASTER
Budget vs. Actual
Current Month, Year-To-Date and Fiscal Year-End

	1/12th of the Total Budget				9/12th (75%) of the Total Budget				100% of the Total Budget			
	For The Month of March 2012				Year-To-Date as of March 31, 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
Income												
4010 · Local Agency Subsidies	0.00	32,000.00	-32,000.00	0.0%	705,776.62	654,580.00	51,196.62	107.82%	705,776.62	654,580.00	51,196.62	107.82%
4110 · Admin Asmnts-Approp Pool	0.00	0.00	0.00	0.0%	5,844,371.90	5,844,797.00	-425.10	99.99%	5,919,797.00	5,919,797.00	0.00	100.0%
4120 · Admin Asmnts-Non-Agri Pool	0.00	0.00	0.00	0.0%	252,358.50	252,380.00	-21.50	99.99%	252,380.00	252,380.00	0.00	100.0%
4700 · Non Operating Revenues	4,331.01	37,502.50	-33,171.49	11.55%	13,203.10	112,507.50	-99,304.40	11.74%	40,000.00	150,010.00	-110,010.00	26.67%
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%
Total Income	4,331.01	69,502.50	-65,171.49	6.23%	6,815,710.12	6,864,264.50	-48,554.38	99.29%	6,917,953.62	6,976,767.00	-58,813.38	99.16%
Gross Profit	4,331.01	69,502.50	-65,171.49	6.23%	6,815,710.12	6,864,264.50	-48,554.38	99.29%	6,917,953.62	6,976,767.00	-58,813.38	99.16%
Expense												
6010 · Salary Costs	29,932.86	50,962.99	-21,030.13	58.74%	387,403.02	433,550.29	-46,147.27	89.36%	592,976.00	592,976.00	0.00	100.0%
6020 · Office Building Expense	8,551.88	8,331.00	220.88	102.65%	73,919.76	77,439.00	-3,519.24	95.46%	103,369.00	103,369.00	0.00	100.0%
6030 · Office Supplies & Equip.	2,406.45	2,125.00	281.45	113.25%	15,421.13	19,125.00	-3,703.87	80.63%	25,500.00	25,500.00	0.00	100.0%
6040 · Postage & Printing Costs	3,605.95	5,065.00	-1,459.05	71.19%	36,484.55	50,885.00	-14,400.45	71.7%	66,180.00	66,180.00	0.00	100.0%
6050 · Information Services	9,529.36	12,085.00	-2,555.64	78.85%	94,744.87	111,765.00	-17,020.13	84.77%	148,020.00	148,020.00	0.00	100.0%
6060 · Contract Services	0.00	32,000.00	-32,000.00	0.0%	13,188.75	66,000.00	-52,811.25	19.98%	66,000.00	66,000.00	0.00	100.0%
6070 · Watermaster Legal Services	14,639.60	11,679.58	2,960.02	125.34%	179,747.70	167,516.26	12,231.44	107.3%	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	378.00	1,500.00	-1,122.00	25.2%	27,159.15	28,770.00	-1,610.85	94.4%	30,000.00	30,000.00	0.00	100.0%
6140 · WM Admin Expenses	0.00	250.00	-250.00	0.0%	845.40	2,250.00	-1,404.60	37.57%	3,000.00	3,000.00	0.00	100.0%
6150 · Field Supplies	0.00	0.00	0.00	0.0%	297.58	750.00	-452.42	39.68%	1,600.00	1,600.00	0.00	100.0%
6170 · Travel & Transportation	1,688.97	2,212.50	-523.53	76.34%	14,107.98	16,477.50	-2,369.52	85.62%	21,970.00	21,970.00	0.00	100.0%
6190 · Conferences & Seminars	100.00	0.00	100.00	100.0%	4,279.44	13,125.00	-8,845.56	32.61%	17,500.00	17,500.00	0.00	100.0%
6200 · Advisory Comm - WM Board	2,805.28	4,504.25	-1,698.97	62.28%	38,744.59	40,538.25	-1,793.66	95.58%	54,051.00	54,051.00	0.00	100.0%
6300 · Watermaster Board Expenses	10,752.03	7,237.17	3,514.86	148.57%	102,599.26	79,834.49	22,764.77	128.52%	101,246.00	101,246.00	0.00	100.0%
8300 · Appr PI-WM & Pool Admin	84,205.68	49,190.00	35,015.68	171.19%	116,351.80	116,700.54	-348.74	99.7%	159,270.54	159,270.54	0.00	100.0%
8400 · Agri Pool-WM & Pool Admin	5,098.65	5,319.09	-220.44	95.86%	40,462.63	47,871.73	-7,409.10	84.52%	63,829.00	63,829.00	0.00	100.0%
8467 · Ag Legal & Technical Services	7,740.00	17,583.33	-9,843.33	44.02%	71,700.08	158,250.01	-86,549.93	45.31%	211,000.00	211,000.00	0.00	100.0%
8470 · Ag Meeting Attend -Special	1,400.00	1,000.00	400.00	140.0%	14,000.00	9,000.00	5,000.00	155.56%	12,000.00	12,000.00	0.00	100.0%
8471 · Ag Pool Expense	0.00	16,250.00	-16,250.00	0.0%	0.00	48,750.00	-48,750.00	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	23,275.39	22,726.08	549.31	102.42%	103,574.52	96,519.08	7,055.44	107.31%	107,697.32	107,697.32	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	-60,768.98	-60,049.92	-719.06	101.2%	-361,160.89	-540,449.24	179,288.35	66.83%	-720,599.00	-720,599.00	0.00	100.0%
6900 · Optimum Basin Mgmt Plan	124,428.59	80,272.99	44,155.60	155.01%	902,115.78	873,853.28	28,262.50	103.23%	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	25,051.17	18,031.25	7,019.92	138.93%	141,717.50	162,281.25	-20,563.75	87.33%	216,375.00	216,375.00	0.00	100.0%
7101 · Production Monitoring	9,427.59	8,741.67	685.92	107.85%	78,230.79	87,674.99	-9,444.20	89.23%	104,900.00	104,900.00	0.00	100.0%
7102 · In-line Meter Installation	17,266.20	5,530.25	11,735.95	312.21%	68,541.26	49,772.25	18,769.01	137.71%	66,363.00	66,363.00	0.00	100.0%
7103 · Grdwtr Quality Monitoring	3,222.31	9,332.75	-6,110.44	34.53%	182,854.68	183,939.75	-1,085.07	99.41%	209,923.00	209,923.00	0.00	100.0%

P53

	1/12th of the Total Budget				9/12th (75%) of the Total Budget				100% of the Total Budget			
	For The Month of March 2012				Year-To-Date as of March 31, 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	22,646.63	21,316.91	1,329.72	106.24%	234,097.58	240,250.02	-6,152.44	97.44%	297,806.00	297,806.00	0.00	100.0%
7105 · Sur Wtr Qual Monitoring	0.00	291.00	-291.00	0.0%	567.23	2,694.00	-2,126.77	21.06%	3,592.00	3,592.00	0.00	100.0%
7107 · Ground Level Monitoring	35,993.86	87,213.00	-51,219.14	41.27%	657,935.02	868,875.50	-210,940.48	75.72%	1,003,500.00	1,003,500.00	0.00	100.0%
7108 · Hydraulic Control Monitoring	66,543.06	63,859.17	2,683.89	104.2%	316,863.17	355,325.49	-38,462.32	89.18%	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	4,464.00	-4,464.00	0.0%	6,696.00	6,696.00	0.00	100.0%
7200 · PE2- Comp Recharge Pgm	42,206.21	20,450.59	21,755.62	206.38%	1,031,813.45	1,003,266.23	28,547.22	102.85%	1,233,275.00	1,233,275.00	0.00	100.0%
7300 · PE3&5-Water Supply/Desalte	8,213.06	3,795.25	4,417.81	216.4%	69,950.11	70,378.25	-428.14	99.39%	81,764.00	81,764.00	0.00	100.0%
7400 · PE4- Mgmt Plan	7,281.65	11,052.91	-3,771.26	65.88%	45,418.87	55,873.27	-10,454.40	81.29%	74,457.00	74,457.00	0.00	100.0%
7500 · PE6&7-CoopEfforts/SaltMgmt	4,386.51	4,262.66	123.85	102.91%	95,796.83	76,154.02	19,642.81	125.79%	88,942.00	88,942.00	0.00	100.0%
7600 · PE8&9-StorageMgmt/Conj Use	5,326.35	3,785.25	1,541.10	140.71%	33,764.16	34,329.75	-565.59	98.35%	45,773.00	45,773.00	0.00	100.0%
7690 · Recharge Improvement Debt Pymt	193,136.00	30,900.00	162,236.00	625.04%	371,271.00	450,964.00	-79,693.00	82.33%	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	35,717.81	42,018.67	-6,300.86	85.01%	241,775.06	378,167.99	-136,392.93	63.93%	504,224.00	504,224.00	0.00	100.0%
Total Expense	746,188.12	603,057.39	143,130.73	123.73%	5,464,966.99	5,963,402.70	-498,435.71	91.64%	7,231,741.86	7,231,741.86	0.00	100.0%
Net Ordinary Income	-741,857.11	-533,554.89	-208,302.22	139.04%	1,350,743.13	900,861.80	449,881.33	149.94%	-313,788.24	-254,974.86	-58,813.38	123.07%
Other Income												
4225 · Interest Income	270.33	0.00	270.33	100.0%	277.34	0.00	277.34	100.0%	277.34	0.00	277.34	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%
Total Other Income	270.33	0.00	270.33	100.0%	13,361,744.51	0.00	13,361,744.51	100.0%	13,361,744.55	0.00	13,361,744.55	100.0%
Other Expense												
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	-741,586.78	-533,554.89	-208,031.89	138.99%	-583,778.28	900,861.80	-1,484,640.08	-64.8%	-2,248,309.61	-254,974.86	-1,993,334.75	881.78%
Total Other Expense	-741,586.78	-533,554.89	-208,031.89	138.99%	14,712,487.64	900,861.80	13,811,625.84	1,633.16%	13,047,956.31	-254,974.86	13,302,931.17	-5,117.35%
Net Other Income	741,857.11	533,554.89	208,302.22	139.04%	-1,350,743.13	-900,861.80	-449,881.33	149.94%	313,788.24	254,974.86	58,813.38	123.07%
Net 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%

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 TRANSACTIONS

1. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the City of Ontario. The transfer will be made first from the City of Ontario's Excess Carryover Account. 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 Cucamonga Valley Water District. The transfer will be made from Cucamonga Valley Water District's under-production in Fiscal Year 2011-12, then any additional from storage. Date of Application: March 26, 2012
3. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 16.394 acre-feet of water from Ontario City Non-Ag. The transfer will be made from Ontario City Non-Ag's Local Storage Account. Date of Application: March 26, 2012

I. BUSINESS ITEM ROUTINE (Non-Ag Pool)

C. WATER TRANSACTIONS

1. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the City of Ontario. The transfer will be made first from the City of Ontario's Excess Carryover Account. 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 Cucamonga Valley Water District. The transfer will be made from Cucamonga Valley Water District's under-production in Fiscal Year 2011-12, then any additional from storage. Date of Application: March 26, 2012
3. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 16.394 acre-feet of water from Ontario City Non-Ag. The transfer will be made from Ontario City Non-Ag'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:

May 3, 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: **May 3, 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 Ontario. The transfer will be made from the City of Ontario’s Excess Carryover Account.

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

Appropriative Pool:	May 10, 2012
Non-Agricultural Pool:	May 10, 2012
Agricultural Pool:	May 10, 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: May 3, 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: May 3, 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 Ontario. The transfer will be made from the City of Ontario'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 Ontario. The transfer will be made from the City of Ontario's Excess Carryover Account.

Notice of the water transaction identified above was mailed on May 3, 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 Ontario's offer to sell 169.944 acre-feet of water to Watermaster. The transfer will be made from the City of Ontario'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

RECEIVED

March 26, 2012

APR 26 2012

CHINO BASIN WATERMASTER

CITY OF ONTARIO'S ACCEPTANCE OF WATERMASTER'S WATER TRANSFER TERMS

Chino Basin Watermaster will purchase 169,944 acre-feet of water from the City of Ontario. 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 Ontario's Excess Carryover account.

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

Signature:

Scott Burton

Printed Name:

SCOTT BURTON

Title:

UTILITIES GENERAL MANAGER

Date Signed:

4-16-12

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**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):
City of Ontario	Chino Basin Watermaster
Name of Party:	Name of Party
<u>1425 S Bon View</u>	<u>9641 San Bernardino Rd</u>
Street Address	Street Address
<u>Ontario</u> <u>CA</u> <u>91761-4406</u>	<u>Rancho Cucamonga</u> <u>CA</u> <u>91730</u>
City State Zip Code	City State Zip Code
<u>(909) 395-2681</u>	<u>(909) 484-3888</u>
Telephone	Telephone
<u>(909) 395-2601</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

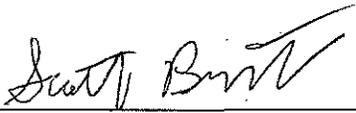
N/A

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

Scott Burton

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: _____

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CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

May 3, 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: **May 3, 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 Cucamonga Valley Water District. The transfer will be made from Cucamonga Valley Water District'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: May 10, 2012

Non-Agricultural Pool: May 10, 2012

Agricultural Pool: May 10, 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: May 3, 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: May 3, 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 Cucamonga Valley Water District. The transfer will be made from the Cucamonga Valley Water District'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 Cucamonga Valley Water District. The transfer will be made from Cucamonga Valley Water District's under-production in Fiscal Year 2011-12, then any additional from storage

Notice of the water transaction identified above was mailed on May 3, 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 Cucamonga Valley Water District's offer to sell 169.944 acre-feet of water to Watermaster. The transfer will be made from the Cucamonga Valley Water District'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

CUCAMONGA VALLEY WATER DISTRICT'S ACCEPTANCE OF WATERMASTER'S WATER TRANSFER TERMS

Chino Basin Watermaster will purchase 169.944 acre-feet of water from Cucamonga Valley 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 first from Cucamonga Valley Water District's under-production in Fiscal Year 2011-12, then any additional from storage.

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

Signature: 

Printed Name: MARTIN E. ZVIRBULIS

Title: GM/CEO

Date Signed: 4/2/12

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**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

<p>TRANSFER FROM (SELLER / TRANSFEROR):</p> <p><u>Cucamonga Valley Water District</u> Name of Party</p> <p><u>P.O. Box 638</u> Street Address</p> <p><u>Rancho Cucamonga</u> <u>CA</u> <u>91729</u> City State Zip Code</p> <p><u>(909) 483-7435</u> Telephone</p> <p><u>(909) 476-8032</u> Facsimile</p>	<p>TRANSFER TO (BUYER / TRANSFEREE):</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

Marty Zvirbulis

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: _____

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CHINO BASIN WATERMASTER

NOTICE

OF

APPLICATION(S)

RECEIVED FOR

WATER TRANSACTIONS – ACTIVITIES

Date of Notice:

May 3, 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: **May 3, 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 Ontario City Non-Ag. The transfer will be made from Ontario City Non-Ag’s Local Storage Account.

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

Appropriative Pool:	May 10, 2012
Non-Agricultural Pool:	May 10, 2012
Agricultural Pool:	May 10, 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: May 3, 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: May 3, 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 Ontario City Non-Ag. The transfer will be made from Ontario City Non-Ag'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 Ontario City Non-Ag. The transfer will be made from Ontario City Non-Ag's Local Storage Account.

• Notice of the water transaction identified above was mailed on May 3, 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 Ontario City Non-Ag's offer to sell 16.394 acre-feet of water to Watermaster. The transfer will be made from Ontario City Non-Ag'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

RECEIVED

APR 26 2012

ONTARIO CITY NON-AG'S ACCEPTANCE OF WATERMASTER'S WATER TRANSFER TERMS

CHINO BASIN WATERMASTER

Chino Basin Watermaster will purchase 16.394 acre-feet of water from Ontario City Non-Ag. 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 Ontario City Non-Ag's Local Storage account.

If these terms are acceptable to Ontario City Non-Ag, please sign below and return to Watermaster at your earliest convenience.

Signature:

Scott Burton

Printed Name:

SCOTT BURTON

Title:

UTILITIES GENERAL MANAGER

Date Signed:

4-16-12

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**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

TRANSFER FROM (SELLER / TRANSFEROR):			TRANSFER TO (BUYER / TRANSFEREE):		
<u>Ontario City Non-Ag</u>			<u>Chino Basin Watermaster</u>		
Name of Party			Name of Party		
<u>1425 S Bon View</u>			<u>9641 San Bernardino Rd</u>		
Street Address			Street Address		
<u>Ontario</u>	<u>CA</u>	<u>91761-4406</u>	<u>Rancho Cucamonga</u>	<u>CA</u>	<u>91730</u>
City	State	Zip Code	City	State	Zip Code
<u>(909) 395-2681</u>			<u>(909) 484-3888</u>		
Telephone			Telephone		
<u>(909) 395-2601</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

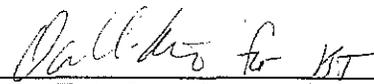
Yes No



Seller / Transferor Representative Signature

~~Tom O'Neill~~ SCOTT BURTON

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: _____

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CHINO BASIN WATERMASTER

II. BUSINESS ITEM

A. WATERMASTER FISCAL YEAR 2012/2013 BUDGET





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: May 10, 2012
TO: Pool Members
SUBJECT: Proposed Fiscal Year 2012/2013 Budget

SUMMARY

Issue – Annual Budget for Watermaster Administration and OBMP tasks during FY 2012/2013.

Recommendations – Staff recommends the Pools consider approval/adoption of the Proposed FY 2012/2013 Budget.

Fiscal Impact – The FY 2012/2013 Proposed Budget expenses are \$6,670,201. The FY 2012/2013 Budget, as proposed, anticipates a decrease in all three expense categories of administrative costs, OBMP expenditures and OBMP project costs over the prior year “amended” budget of \$6,901,767.

DISCUSSION

Each year, Watermaster staff conducts meetings internally and with consultants to discuss upcoming projects and anticipated work flow. As the budget is developed, the related budgeted expenses are continually refined. The current version of the budget reflects the discussions with consultants and stakeholders.

On April 26, 2012, Watermaster conducted the annual Budget Workshop and discussed the preliminary draft budget in both detail and in summary. The proposed draft budget contained a proposed level of expenses at \$6,670,201 with proposed assessments of \$8.83 per acre-foot for Administration and \$42.20 per acre-foot for OBMP and Implementation Projects, for a combined total of \$51.03 per acre-foot. Staff discussed the changes from last year’s approved budget and this year’s proposed budget. The Total Assessable Production (for budget purposes) was estimated to be 117,125.000 acre-feet which was based upon the actual production numbers for the first three quarters, and projected to estimate the full year’s production. The “projected” Total Assessable Production of 117,125.000 acre-feet is higher than the “actual” previous year’s Total Assessable Production of 113,666.995 acre-feet by 3,458.005 acre-feet or 3.0%. It was discussed that higher production results in the current year will decrease the overall assessments per acre-foot, while lower production numbers will increase the overall assessments per acre-foot.

A discussion regarding the changes in two revenue sources from last year to this year was also discussed. When any additional sources of Income within the budget are reduced, the overall assessment amount will increase because there is a smaller amount to offset the overall assessment amount. In turn, when any additional sources of Income are increased, the overall assessment amount will decrease because there is a larger amount to offset the overall assessment amount. For the current proposed budget, the category of Interest Income is being reflected within the budget at a "realistic" level. In prior years, the level of projected Interest Income from investments at LAIF was budgeted much higher than actual results. As a result, a reduction of \$110,000 from the previous year's budget was calculated. The Interest Income projected for FY 2012/2013 was reduced to \$39,600. The amount of \$39,600 is reflected within the proposed budget and reflects a conservative approach considering the current level of interest rates.

Another reduction in Income was the elimination of the \$111,000 receipt from Hansen Aggregate. A settlement agreement was reached between Watermaster and Hansen Aggregate in 2009 providing for three annual payments of \$111,000 to be paid for damage to the Lower Day Basin. The 3rd and final settlement payment was due and received in July 2011 from Hansen Aggregate. Going forward, no future payments are being budgeted by Watermaster within this category and the proposed budget reflects that change.

With these two revenue reductions, the change between last year and this year's budget calculates an overall reduction in Income of \$221,000 (\$110,000 and \$111,000). As stated above, a reduction in Income increases the overall assessment amount because there is a smaller amount of revenue to offset the overall assessment amount. The effect of the reduction of \$221,000 in Income on the Total Assessment amount was an increase amount equal to \$1.89 per acre-foot.

Comparing the current Proposed Assessment as of May 10, 2012 of \$51.03 to the Actual Assessment paid last year of \$49.14, a variance of \$1.89 or 3.8% is shown. Please note that the \$1.89 variance between Assessment calculations is exactly equal to the amount of the lost additional Income of \$221,000. ($\$221,000 \div 117,125.000 \text{ acre-feet} = \1.89 acre-feet).

Assessment Amounts	G&A Expenses	OBMP & Implementation Projects	Total Assessment
Proposed Assessment as of May 10, 2012	\$8.83	\$42.20	\$51.03
Actual Assessment FY2011-2012	\$8.60	\$40.54	\$49.14
Proposed Assessment vs. Actual Assessment	\$0.23 2.7%	\$1.66 4.1%	\$1.89 3.8%

The Proposed FY 2012/2013 Budget also reflects the approved changes in the Operating Reserve percentages. In last year's FY 2011/2012 budget, a 30% Operating Reserve was calculated for the Administration expenses and, a 30% Operating Reserve was calculated for the OBMP/Project expenses. Last year's Total Operating Reserve calculated to an amount of \$1,904,166. For FY 2012/2013, the Operating Reserve percentages were reduced from 30% for Administration expenses down to 10%, and the OBMP/Project expense percentages were reduced from 30% down to 15%. For FY 2012/2013, the Total Operating Reserve calculated to an amount of \$871,425, an overall reduction from year to year of \$1,032,741 or 54.2%. Depending upon decisions made between now and the assessment process in November 2012, this amount of \$1,032,741 could be refunded to the parties as part of the assessment invoice along with any other additional excess cash reserves.

Operating Reserves:	<u>FY12/13</u>	<u>FY 11/12</u>
Administration:	10%	30%
OBMP/Projects:	15%	30%
Administration:	\$107,894	\$ 302,880
OBMP/Projects:	<u>\$763,531</u>	<u>\$1,601,286</u>
Total Reserves:	<u>\$871,425</u>	<u>\$1,904,166</u>

Wildermuth Environmental, Inc. provided a budget comparison worksheet along with a detailed narrative report that described each category within their budget. This information was distributed to the attendees of the Workshop on April 26, 2012 and is also attached (See Attachment A) as part of this budget report.

Brownstein Hyatt Farber Schreck provided a budget comparison worksheet along with a detailed narrative report that described each category within their budget. This information was distributed to the attendees of the Workshop on April 26, 2012 and is also attached (See Attachment B) as part of this budget report.

After some brief discussions and comments from participants at the Budget Workshop, it was the consensus of the participants in attendance that the Proposed Budget dated April 26, 2012 with Total Expenses of \$6,670,201 and an estimated Assessment amount of \$51.03 was consistent with the previous year's budget and assessment and would be acceptable if brought forward to the Pools for consideration and approval in May, 2012.

For the Administrative expenses:

- Overall, the Administrative expense section of the budget totaling \$1,078,942 is 12.7% or \$157,659 below the previous year's "Amended" budget of \$1,236,601.
- The draft budget includes 9.5 FTE approved staff positions, no change from the prior year.
- The budget includes a temporary employee for one-half year to continue work of the scanning project. This employee will be from a temporary employment agency and is not an employee of Watermaster. This amount is the same as the previous year's budget.
- The budget does not include a CPI/COLA salary adjustment for Watermaster staff.
- No changes in employee's fringe benefits (medical, dental or vision coverage).
- The Brownstein Hyatt Farber Schreck (BHFS) legal expenses within the Administrative section were budgeted at \$377,005.
- Overall reductions in the majority of expense categories within the Administrative section.

For OBMP General costs:

- Overall, the OBMP expense section of the budget totaling \$1,219,186 is 4.7% or \$60,310 below the previous year's "Amended" budget of \$1,279,496.
- Meetings with staff, Wildermuth and legal were held to determine a realistic estimate of working hours, project costs, and if any costs might be reduced or work delayed until next fiscal year.

- The total Wildermuth/Engineering budget for FY 2012/2013 is \$444,369 which is a reduction of \$133,945 or 23.2% from the previous year's "Amended" budget of \$578,314. Note that this amount is only for the OBMP section and not the entire Wildermuth budget. Wildermuth provided a breakdown of costs by the categories of "Required by the Judgment" which totaled \$362,403 and "Discretionary" which totaled \$81,966. The total amount of \$444,369 is included within the FY 2012/2013 budget.
- The Watermaster Groundwater Model/Safe Yield Update project was budgeted at \$99,828, a reduction from the year of \$254,182.
- The "State of the Basin" data analysis and preparation of exhibits and reports is budgeted for \$109,524. This budget item was not budgeted for in last year's budget.
- Watermaster's budget for the Brownstein Hyatt Farber Schreck legal expenses within the OBMP section was \$302,950. Several new budget line items were created to capture the anticipated new legal costs.

OBMP Implementation Project costs:

- Overall, the OBMP Implementation Project expense section of the budget totaling \$4,372,073 is 5.0% or \$228,597 below the previous year's "Amended" budget of \$4,600,670.
- The total Wildermuth budget for FY 2012/2013 is \$1,537,991 which is a reduction of \$525,343 or 25.5% from the previous year's "Amended" budget of \$2,063,334. Note that this amount is only for the OBMP Implementation Project section and not the entire Wildermuth budget. Wildermuth provided a breakdown of costs by the categories of "Required by the Judgment" which totaled \$1,423,486 and "Discretionary" which totaled \$114,505. The total amount of \$1,537,991 is included within the FY 2012/2013 budget.
- Reductions in most of OBMP Implementation Project expenses compared to the FY 2011/2012 Amended Budget.
- The budget provides \$40,000 for increased efforts in replacement of in-line meters, calibration and maintenance.
- Includes cost of \$90,000 for use of the TerraSAR-X satellite for the west side of the basin since the EnviSat satellite is no longer functioning. The additional incremental cost between the TerraSAR-X satellite and the EnviSat satellite is \$13,000.
- Includes reduction of \$216,000 in monitoring costs for the Hydraulic Control Monitoring Program and includes the additional costs of \$200,000 for the Prado Basin Habitat within the Hydraulic Control Monitoring Program.
- The direct costs from IEUA for the Recharge Basin O&M are provided at \$833,953.
- Provides a budgeted amount of \$300,000 for the Recharge Proof of Concept.
- The projected Recharge Improvement Debt Payment due to IEUA in the amount of \$501,055 is budgeted, with no adjustment(s) for previous year's credits.

In summary, the FY 2011/2012 Budget, as proposed, anticipates a decrease in total budgeted costs of \$644,240 or 9.3% below the previous year's approved budget. The final assessments will be refined when the assessment package is prepared this fall. The latest indications and estimates show the Total Assessable Production could be at levels similar to the 2009-2010 actual production.

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Actions:

- May 10, 2012 Appropriative Pool –
- May 10, 2012 Non-Agricultural Pool –
- May 10, 2012 Agricultural Pool –
- May 17, 2012 Advisory Committee –
- May 24, 2012 Watermaster Board –

Attachment A:

Table 2: Engineering Budget for Watermaster FY 2012/13:
Comparison with "Amended" FY 2011/12

Description				FY12/13	FY11/12	Net Change
	Project	Required	Discretionary	Budget	Budget	
6900 Optimum Basin Mgmt Program				\$444,369	\$578,314	(\$133,945)
6906 OBMP Engineering						
Attend Watermaster Meetings	\$69,509	\$34,755	\$34,754		\$70,389	(\$880)
Material Physical Injury Requests, Others	\$23,632	\$23,632			\$0	\$23,632
Eval. Transfers/Assess. Supplemental Water Recharge	\$0				\$8,000	(\$8,000)
Misc. Data and CEO Requests	\$94,424	\$47,212	\$47,212		\$78,755	\$15,669
Water Rights Compliance Monitoring	\$24,064	\$24,064			\$32,760	(\$8,696)
Project Management	\$23,388	\$23,388			\$34,400	(\$11,012)
Watermaster Model Update and Required Demonstrations	\$99,828	\$99,828			\$354,010	(\$254,182)
SOB Exhibits	\$109,524	\$109,524			\$0	\$109,524
7100 Program Element 1: Comprehensive Monitoring Program				\$1,268,285	\$1,798,318	(\$530,033)
7103 Groundwater Quality Monitoring Program	\$105,624	\$105,624			\$123,353	(\$17,729)
7104 Groundwater Level Monitoring Program	\$216,321	\$216,321			\$196,443	\$19,878
7107 Ground Level Monitoring Program	\$521,121	\$478,900	\$42,221		\$1,052,021	(\$530,900)
7108 Hydraulic Control Monitoring Program	\$403,679	\$403,679			\$419,805	(\$16,126)
7109 Recharge and Well Monitoring Program	\$21,540	\$21,540			\$6,696	\$14,844
7200 Program Element 2: Comprehensive Recharge Program				\$100,016	\$132,810	(\$32,794)
7202.2 GRCC Meetings	\$0				\$10,320	(\$10,320)
7202.3 Implementation	\$100,016	\$100,016			\$122,490	(\$22,474)
7300 Program Elements 3 & 5: Water Supply Plan - Desalter				\$30,344	\$36,221	(\$5,877)
7303 Engineering Services	\$30,344	\$30,344			\$36,221	(\$5,877)
7400 Program Element 4: Mgmt Zone Strategies				\$67,062	\$60,123	\$6,939
7402 Engineering Services	\$67,062	\$67,062			\$60,123	\$6,939
7500 Program Elements 6 & 7: Coop Efforts/Salt Mgmt				\$60,956	\$35,862	\$25,094
7502 Engineering Services	\$60,956		\$60,956		\$35,862	\$25,094
7600 Program Elements 8 & 9: Storage Mgmt/Conj Use				\$11,328	\$0	\$11,328
7602 Engineering Services	\$11,328		\$11,328		\$0	\$11,328
Totals	\$1,982,360	\$1,785,889	\$196,471	\$1,982,360	\$2,641,648	(\$659,288)

Engineering Budget Summary

6906 – OBMP General Engineering: Attend Watermaster Meetings

	Required	Discretionary	Total
Consultant	\$32,868	32,868	\$65,736
ODCs	\$1,887	\$1,886	\$3,773
Outside Professionals			
Total	\$34,755	\$34,754	\$69,509

Rationale

Watermaster CEO and/or the Watermaster Board may direct the consultant to prepare for and attend the following meetings.

- Watermaster Advisory Committee and Board meetings.
- Agricultural Pool meeting.
- Appropriative and Overlying Non-Agricultural Pools meeting.
- Other general meetings as requested by Watermaster's CEO or Board.

For each of the meetings, the Consultant will prepare engineering updates with supporting maps, charts, tables, handouts, and PowerPoint presentations, as appropriate.

Scope of Work

See rationale.

Deliverables

Consultant will deliver to Watermaster on the meeting date, the following:

- Attendance at the meetings.
- Maps, charts, tables, handouts, and PowerPoint presentations prepared by the consultant.



6906 - OBMP General Engineering:

Material Physical Injury Requests, Others

	Required	Discretionary	Total
Consultant	\$23,632	\$	\$23,632
ODCs			
Outside Professionals			
Total	\$23,632	\$	\$23,632

Rationale

Prepare a material physical injury analysis as appropriate for each transfer application, storage application, recharge application or as otherwise directed by Watermaster and pursuant to the Peace Agreement and the Rules and Regulations.

Scope of Work

This task is to provide outside engineering services to assist Watermaster staff in the evaluation of transfer, storage and recharge applications. Occasionally Watermaster staff requires outside engineering services in the evaluation of these transfers. There are no specific issues that were identified in the development of the fiscal year 2012/13 budget.

Deliverables

The deliverables for this work will be defined by the specific Watermaster staff request.



Engineering Budget Summary - Fiscal Year 2012/13

6906 - OBMP General Engineering:

Miscellaneous CEO and Data Requests

	Required	Discretionary	Total
Consultant	\$46,712	\$46,712	\$93,424
ODCs	\$500	\$500	\$1,000
Outside Professionals			
Total	\$47,212	\$47,212	\$94,424

Rationale

Watermaster CEO and/or Watermaster staff may direct the consultant to respond to perform specific technical analyses that were not anticipated in the budget or to respond to data requests from Watermaster parties and non-Watermaster entities.

Scope of Work

Consultant shall perform the following tasks:

- Ad hoc analyses requested by the Watermaster CEO.
- Fulfill requests from the Watermaster CEO, including the preparation of PowerPoint presentations, maps, charts, technical reports. Work with Watermaster staff on the preparation of the Annual Report.
- Fulfill requests for hydrologic data, model files, PowerPoint presentations, maps, charts, technical reports, etc. requested by Watermaster parties or non-Watermaster entities only if approved by Watermaster CEO and/or staff.

Deliverables

Consultant shall deliver to Watermaster the data-request deliverables and other PowerPoint presentations, maps, charts, and technical reports, as requested.



6906 – OBMP General Engineering:

Water Rights Compliance Monitoring

	Required	Discretionary	Total
Consultant	\$24,064		\$24,064
ODCs			
Outside Professionals			
Total	\$24,064		\$24,064

Rationale

This work is required in Watermaster's permit issued by the State Water Resources Control Board.

Scope of Work

This task includes engineering services to prepare a specialized hydrologic assessment of the relative impacts of the diversions of storm water to recharge by Watermaster pursuant to the Watermaster's permit issued by the State Water Resources Control Board. Specifically the work involves estimating the discharge to the Santa Ana River from its tributaries that flow across the Chino Basin and where storm water is diverted for recharge. The discharge from these tributaries to the Santa Ana River is estimated with and without the Watermaster diversions to recharge, and the relative changes in discharge are computed. This work is not discretionary.

Deliverables

Consultant shall deliver to Watermaster the following:

- A report summarizing the difference in discharges in tributaries to the Santa Ana River with and without Watermaster diversions for recharge, which Watermaster reviews and forwards to the State Water Resources Control Board.



Engineering Budget Summary – Fiscal Year 2012/13

Page 5 of 27

6906 – OBMP General Engineering:

Project Management

	Required	Discretionary	Total
Consultant	\$23,388		\$23,388
ODCs			
Outside Professionals			
Total	\$23,388		\$23,388

Rationale

This task is for routine project management and preparation of quarterly estimated-cost-at-completion reports.

Scope of Work

The consultant shall perform routine project management services including:

- Update the Integrated Schedule Budget Management (ISBM) system.
- Analyze staffing requirements and made assignments for various tasks.
- Review the schedules of deliverables.
- Prepare the Estimated Cost at Completion (ECAC) estimates.

Deliverables

Consultant will deliver to Watermaster the following:

- Summary of costs to date, ECAC, and estimates of progress on a task-by-task basis.



Engineering Budget Summary - Fiscal Year 2012/13

6906 - OBMP General Engineering:

State of the Basin

	Required	Discretionary	Total
Consultant	107,524		\$107,524
ODCs	\$2,000		\$2,000
Outside Professionals			
Total	\$109,524		\$109,524



Rationale

Pursuant to the November 15, 2001 Court Order, Watermaster prepares a State of the Basin report every two years. The State of the Basin reports are used to document how the state of the basin has changed since the implementation of the Peace Agreement in September 2000. The scope of the report includes a characterization of the time histories of: groundwater levels and quality, storage, production, recharge (replenishment and other recharge), ground level, state of hydraulic control, desalter planning and engineering, and production meter installation.

Scope of Work

The consultant shall perform the following tasks:

- Compile and analyze production data for FY 2010/2011 and 2011/2012, and prepare exhibits showing production activities by pool, and historical trends in production.
- Compile and analyze recharge data for FY 2010/2011 and 2011/2012, and prepare exhibits showing groundwater recharge trends
- Compile and analyze surface water and precipitation data, and prepare exhibits that show general hydraulic conditions in the Basin
- Analyze basin-wide water quality and prepare maps that show five-year maximum concentrations for constituents of concern in the Basin, and historical trends in TDS and nitrate by management zone.
- Prepare rasters depicting the current extent of the VOC plumes, and prepare a series of associated maps.
- Analyze basin-wide water level data and create groundwater elevation contours for spring 2012 for the HCMP area, and basin-wide, and prepare associated maps.
- Perform raster geometry calculations and comparisons between spring 2000 and spring 2012 groundwater elevation data to create a basin-wide change grid for 2000 to 2012 for Layer 1 of the aquifer system, and prepare a map.
- Compile and analyze ground-level monitoring data for 2010 through 2012 and prepare exhibits showing trends in vertical ground motion data for the monitoring done in MZ1 and MZ2 , and time histories of groundwater pumping, aquifer recharge, groundwater levels, and ground motion in these areas.

Deliverables

The consultant will deliver five printed draft and final copies of the State of the Basin Report, and a digital copy for Watermaster general use and for posting on the Watermaster's web site for general distribution.



7103.3 - Groundwater Quality Monitoring Program:

Engineering Services

	Required	Discretionary	Total
Consultant	\$66,456		\$66,456
ODCs	\$600		\$600
Outside Professionals	\$38,568		\$38,568 ¹
Total	\$105,624		\$105,624

Rationale

The OBMP, the Peace Agreements, and the Implementation Plan all call for key well monitoring program for groundwater quality as part of Program Element 1². The data generated in Program Element 1 are used for the Biennial State of the Basin Report, the Hydraulic Control Monitoring Program Report, the Chino Basin Model, and the Triennial Ambient Water Quality Recomputation. The latter program provides water quality data to the Basin Monitoring Task Force, administered by the Santa Ana Watershed Project Authority (SAWPA) and is required by the Basin Plan³.

Scope of Work

Consultant shall perform the following tasks:

- Assist Watermaster staff in conducting annual sampling at approximately 50 private wells between July and October 2012. Sub-tasks include:
 - Assist Watermaster staff, on an as-needed basis.
 - Process, QA/QC, and upload all field and laboratory data to Watermaster's database.
 - Annual re-evaluation of the key well program.

¹ MWH Laboratories costs are presented herein - invoices are paid directly by Watermaster.

² Develop and Implement Comprehensive Monitoring Program

³ Basin Plan Amendment: "No later than June 23, 2005, Orange County Water District, Irvine Ranch Water District, Inland Empire Utilities Agency, Chino Basin Watermaster, City of Riverside, City of Corona, Elsinore Valley Municipal Water District, Eastern Municipal Water District, City of Colton, City of San Bernardino Municipal Water Department, City of Redlands, Jurupa Community Services District, Western Riverside County Regional Wastewater Authority, Lee Lake Water District, Yucaipa Valley Water District, City of Beaumont, the San Timoteo Watershed Management Authority and the City of Rialto shall submit to the Regional Board for approval, a proposed watershed-wide TDS and nitrogen monitoring program that will provide data necessary to review and update the TDS/nitrogen management plan. Data to be collected and analyzed shall address, at a minimum: (1) determination of current ambient quality in groundwater management zones; (2) determination of compliance with TDS and nitrate-nitrogen objectives for the management zones; (3) evaluation of assimilative capacity findings for groundwater management zones; and (4) assessment of the effects of recharge of surface water POTW discharges on the quality of affected groundwater management zones. The determination of current ambient quality shall be accomplished using methodology consistent with that employed by the Nitrogen/TDS Task Force (20-year running averages) to develop the TDS and nitrogen water quality objectives included in this Basin Plan. [Ref. 1] The determination of current ambient groundwater quality throughout the watershed must be reported by July 1, 2005, and, at a minimum, every three years thereafter."



Engineering Budget Summary - Fiscal Year 2012/13

Page 11 of 27

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- Obtain Groundwater Quality Data Routinely from about 900 wells from All Appropriators and Cooperators in and Adjacent to Chino Basin. Subtasks include:
 - Place phone calls and attend meetings with water quality staff at appropriators and other cooperators.
 - Process, QA/QC, and upload hardcopy, spreadsheet and laboratory electronic data deliverables to Watermaster's database.

Deliverables

Consultant shall deliver to Watermaster no later than the date or dates indicated, the following:

- All available groundwater quality data as of March 31, 2013 from the key well sampling program and collected from Chino Basin appropriators and cooperators, will be uploaded into HydroDaVE by June 30, 2013.



7104.3 – Groundwater Level Monitoring Program:

Engineering Services

	Required	Discretionary	Total
Consultant	\$181,652		\$181,652
ODCs	\$24,669		\$24,669
Outside Professionals	\$10,000		\$10,000
Total	\$216,321		\$216,321

Rationale

The OBMP, the Peace Agreements, and the Implementation Plan all call for key well monitoring program for groundwater levels as part of Program Element 1³. The data generated in Program Element 1 are used for the Biennial State of the Basin Report, the Hydraulic Control Monitoring Program Report, the Chino Basin Model, subsidence monitoring, safe yield analyses, evaluating impacts of the desalter pumping on nearby private wells, and the Triennial Ambient Water Quality Recomputation. The latter program is for the Basin Monitoring Task Force, administered by the Santa Ana Watershed Project Authority (SAWPA) and as required by Watermaster's and IEUA's maximum benefit commitment in the Basin Plan⁴.

Scope of Work

Consultant shall perform the following tasks:

- Collect and Compile Groundwater Level Measurements from about 900 Wells⁴. Of the 900 wells, about 75 wells are measured monthly by consultant field staff, about 125 wells are equipped with transducers that are visited and downloaded quarterly by consultant and Watermaster field staff. About 450 wells are measured by cooperators, which are collected by consultant staff; and about 250 wells are measured by municipal well owners, which are collected by Watermaster staff and submitted to consultant. All data are checked for reasonableness with regard to historical data at the well, converted from depth-to-water to groundwater-level elevation, and compiled into a centralized database. Sub-tasks include:
 - Schedule the field work for consultant field staff.
 - Perform the field work. The field work follows the SOPs and the QAPP defined in the 2004 HCMP Work Plan.
 - Check and upload manual and cooperator water-level measurements to database.
 - Check and upload transducer data downloaded quarterly by consultant staff into HydroDaVE.
 - Check and upload transducer data downloaded quarterly by Watermaster staff, and municipal water-level measurements collected by Watermaster staff into HydroDaVE.
 - Annual re-evaluation of the key well program due to abandoned and destroyed wells.

Deliverables

Consultant shall deliver to Watermaster no later than the date or dates indicated, the following:

⁴ Currently, consultant downloads transducer data from wells associated with the Recycled Water Groundwater Recharge Program. This work should be done by IEUA staff under the "Bright Line Agreement."



- All available groundwater-level data as of March 31, 2013 collected manually in the field, downloaded from transducers, and collected from appropriators in the Chino Basin, is uploaded into Watermaster’s database by June 30, 2013.

7107 – Ground Level Monitoring Program:

Engineering Services

	Required	Discretionary	Total
Consultant	\$138,665	\$2,421	\$141,086
ODCs	\$17,999	\$	\$17,999
Outside Professionals	\$322,236	\$39,800	\$362,036
Total	\$478,900	\$42,221	\$521,121

Rationale

Program Element 4 of the OBMP states that land subsidence and ground fissuring in MZ1 are not acceptable and, to the extent that the cause is pumping in MZ1, should be managed to tolerable levels. Watermaster conducts a ground-level monitoring program to support this objective per the requirements of the Peace Agreement, the subsequently developed Court-approved MZ1 Subsidence Management Plan (MZ1 Plan), and the monitoring and mitigation requirements of the Peace II CEQA SEIR.

Scope of Work

Consultant shall perform the following tasks:

- Maintain and replace (if necessary) the existing monitoring equipment at extensometers and wells in MZ1 – *Required by MZ1 Plan*
- Download, check, and store monitoring data from extensometers, wells, and recharge activities in MZ1 – *Required by MZ1 Plan*
- Conduct pumping test in MZ1 Managed Area – *Required by MZ1 Plan*
- Conduct injection test in MZ1 Managed Area – *Required by MZ1 Plan*
- Conduct ground-level surveys:
 - MZ1 Managed Area – *Required by MZ1 Plan*
 - CCWF Area – *Recommended by the Land Subsidence Committee as a means to comply with Watermaster’s obligations contained in the monitoring and mitigation requirements in the Final Peace II SEIR. Discretionary as to approach. Discretionary for this fiscal year.⁵*
 - CCWF Extensometer site – *Discretionary for this fiscal year.*
- Conduct InSAR monitoring across Chino Basin – *Required by MZ1 Plan*

Deliverables

Consultant shall deliver to Watermaster no later than the date or dates indicated, the following:

- All ground-level monitoring data, available as of January 1, 2013, uploaded into Watermaster’s MZ1 database by June 30, 2013.

⁵ The leveling surveys are required to monitor for regional land subsidence due to the operation of the CCWF.



Engineering Budget Summary - Fiscal Year 2012/13

Page 14 of 27

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- **Charts and maps of ground-level monitoring data by June 30, 2013. These charts and maps will be included in the MZ1 Annual Report.**



7108 – Hydraulic Control Monitoring Program:

Engineering Services

	Required	Discretionary	Total
Consultant	\$126,819		\$126,819
ODCs	\$4,699		\$4,699
Outside Professionals	\$72,161		\$72,161 ⁶
Total	\$203,679		\$203,679

Rationale

The data generated in this task are required by the Basin Plan (the surface water stations and frequencies are specified in Table 5-8a, so there is no discretion as to the number and frequency of samples). The Hydraulic Control Monitoring Program (HCMP) is a maximum benefit requirement in the Basin Plan and more specifically described in Regional Board Order No, R8-2005-0064. The Basin Plan states: "If the Regional Board determines that the maximum benefit program is not being implemented effectively in accordance with the schedule shown in Table 5-8a, then maximum benefit is not demonstrated, and the 'antidegradation' TDS and nitrate-nitrogen objectives for the Chino 1, 2, and 3 and Cucamonga Management Zones apply. In this situation, the Regional Board will require mitigation for TDS and nitrate-nitrogen discharges to these management zones that took place in excess of limits based on the 'antidegradation' objectives" and applied retroactively to January 2004.

The data are also used for the Biennial State of the Basin report and for the Chino Basin Groundwater Model.

Watermaster is working with the Regional Board on a Basin Plan Amendment that would reduce or eliminate the surface water monitoring portion of the HCMP.

Scope of Work

The purpose of this task is to obtain surface water discharge and water quality data from the Santa Ana River and its tributaries and groundwater quality and level information in and adjacent to Chino Basin. Consultant shall perform the following tasks:

- **Measure Discharge at Specified Surface Water Stations in the Santa Ana River and Tributaries⁷**
Consultant will make direct discharge measurements at 6 surface water stations every other week. Discharge data from the remaining 11 stations is collected from cooperating agencies, including the USGS, IEUA, City of Riverside, City of Corona, and the Western Riverside County Regional Wastewater Authority. Subtasks include:
 - Schedule the field work.
 - Perform the field work. The field work follows the SOPs and the QAPP defined in the 2004 HCMP Work Plan.
 - Place phone calls and emails to cooperating agencies to collect discharge data.
 - Process, QA/QC, and upload the discharge data to Watermaster's database.

⁶ MWH Laboratories costs are presented herein – invoices are paid directly by Watermaster.

⁷ Surface water sampling will likely occur for the period of July through October and be discontinued thereafter due to a Basin Plan amendment that was approved in February 2012. Final termination of the surface water monitoring component of the HCMP will occur once the February 2012 Basin Plan amendment is approved by the SWRCB and OAL.



- **Collect Grab Surface Water Quality Samples at Specified Surface Water Stations in the Santa Ana River and Tributaries⁸.** Consultant shall collect samples at 14 stations every other week. Samples shall also be collected from 3 POTWs. Data from IEUA's POTW discharges are obtained from IEUA. Subtasks include:
 - Schedule the field work and coordinate with the analytical laboratory.
 - Perform the field work. The field work follows the SOPs and the QAPP defined in the 2004 HCMP Work Plan.
 - Coordinate with IEUA staff to collect discharge water quality data.
 - Process, QA/QC, and upload field, laboratory and cooperator data to HydroDaVE.
- **Collect Grab Surface Water Quality Samples at Two Specified Surface Water Stations in the Santa Ana River⁹.** Consultant shall collect samples at two surface water stations quarterly:
 - Schedule the field work and coordinate with the analytical laboratory.
 - Perform the field work. The field work follows the SOPs and the QAPP defined in the 2004 HCMP Work Plan.
 - Process, QA/QC, and upload field and laboratory data to HydroDaVE.
- **Monitor HCMP, NAWQA, and SARWC Wells.** The consultant shall sample two NAWQA and two SARWC wells quarterly. The 21 HCMP wells shall be sampled annually. Subtasks include:
 - Schedule the field work and coordinating with the analytical laboratory.
 - Perform the field work. The field work follows the SOPs and the QAPP defined in the 2004 HCMP Work Plan.
 - Process, QA/QC, and upload field and laboratory data to Watermaster's database.
- **HCMP Well Siting and Grant Application.** The consultant will complete an HCMP well siting analysis based on the 2012 Groundwater Model results and the locations of existing wells that can be used to monitor groundwater levels and to evaluate the state of hydraulic control. The consultant will work with Watermaster and IEUA staff to identify grant programs and to assist them in the preparation of grant applications.
- **Interpretation of data and Data Analyses/Comparison with Metrics.** All data required for reporting in the 2012 Maximum Benefit Annual Report shall be analyzed by the consultant and used to support the demonstration of compliance with the Maximum Benefit Commitments contained in the Basin Plan.
- **Reports.** Consultant shall prepare two quarterly surface water monitoring program reports, a draft 2012 Maximum Benefit Annual Report. This report will be submitted to Watermaster and IEUA for review. Comments will be incorporated and the consultant shall prepare a final 2012 Maximum Benefit Annual Report for submittal to the Regional Water Quality Control Board. Consultant may respond to comments from the Regional Board, Orange County Water District and other stakeholders, as necessary
- **Meetings.** Consultant shall attend HCMP meetings with Watermaster staff and/or Regional Board staff as required. At least one meeting to present the Final 2012 Maximum Benefit Annual Report to the Regional Board Orange County Water District and will be scheduled.

Deliverables

Consultant shall deliver to Watermaster no later than the date or dates indicated, the following:

⁸ See footnote number 8

⁹ See footnote number 8



Engineering Budget Summary – Fiscal Year 2012/13

Page 17 of 27

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- 2nd Quarter 2012 Surface Water Monitoring Program Quarterly Report by July 15, 2012.
 - 3rd Quarter 2012 Surface Water Monitoring Program Quarterly Report by October 15, 2012.
 - Draft Annual 2012 Maximum Benefit Annual Report by March 22, 2013.
 - Final Annual 2012 Maximum Benefit Annual Report by April 15, 2013.



7108.7 - Prado Basin Habitat Monitoring Well Siting, Design, Construction and Monitoring

	Required	Discretionary	Total
Consultant ODCs Outside Professionals ¹⁰	\$200,000		\$200,000
Total	\$200,000		\$200,000

Rationale

The monitoring and mitigation requirements of the Peace II CEQA SEIR (Biological Resources/Land Use & Planning—Section 4.4-3) call for IEUA, Watermaster and Orange County Water District to form the Prado Basin Habitat Sustainability Committee. The purpose of this committee is to ensure that the Peace II Agreement actions will not significantly adversely impact the Prado Basin riparian habitat. The responsibilities of this committee are to develop and implement a monitoring program and prepare annual reports that include recommendations for ongoing monitoring and any adaptive management actions required to mitigate any measured loss or prospective loss of riparian habitat that is attributable to the Peace II Agreement.

Scope of Work

IEUA, OCWD and Watermaster will retain a consultant to do the following: provide professional services to develop technical guidance on monitoring requirements to site and construct monitoring wells that can be used to determine if groundwater level changes caused by the implementation of Peace II will impact the critical habitat in the Prado Basin. The consultant will: prepare for and attend meetings with Watermaster, IEUA and OCWD; prepare location maps for habitat related monitoring wells; prepare well designs and technical specifications for monitoring wells; provide construction monitoring services; install measuring equipment; prepare documentation, and download data quarterly.

IEUA, OCWD and Watermaster will contract with a drilling firm to construct the habitat-related monitoring wells.

Deliverables

The consultant will provide the following: draft and final habitat-related monitoring well location maps; draft and final well design and technical specifications for monitoring wells; conduct site visit with prospective drilling contractors; assist IEUA and OCWD with site acquisition; provide well construction monitoring services during construction; provide and install groundwater-level and temperature monitoring equipment; provide well completion report documentation; and data acquisition and reporting.

The drilling contractor will provide completed monitoring wells pursuant to specifications.

¹⁰ For this task, Outside Professional costs include the cost of well construction and monitoring equipment. IEUA, OCWD and Watermaster are proposing to contribute \$200,000 each for a total of \$600,000.



7109.3 – Recharge and Well Monitoring Program – Engineering Services:

Recycled Water Groundwater Recharge Program – Review Reports

	Required	Discretionary	Total
Consultant	\$21,540		\$21,540
ODCs			
Outside Professionals			
Total	\$21,540		\$21,540

Rationale

The Inland Empire Utilities Agency (IEUA) and Watermaster are required to submit certain reports as part of the Recycled Water Groundwater Recharge Program. The recycled water groundwater recharge program is being implemented by IEUA and Watermaster and its annual reporting is pursuant to requirements of the following orders:

- California Regional Water Quality Control Board, Santa Ana Region. Order No. R8-2007-0039. Water Recycling Requirements for Inland Empire Utilities Agency and Chino Basin Watermaster. Chino Basin Recycled Water Groundwater Recharge Program: Phase I and Phase II Projects, San Bernardino County, June 29, 2007.
- California Regional Water Quality Control Board, Santa Ana Region. Monitoring and Reporting Program No. R8-2007-0039 for Inland Empire Utilities Agency and Chino Basin Watermaster. Chino Basin Recycled Water Groundwater Recharge Program: Phase I and Phase II Projects, San Bernardino County, June 29, 2007.
- California Regional Water Quality Control Board, Santa Ana Region. Order No. R8-2009-0057 Amending Order No. R8-2007-0039 for Inland Empire Utilities Agency and Chino Basin Watermaster. Chino Basin Recycled Water Groundwater Recharge Program: Phase I and Phase II Projects, San Bernardino County, October 23, 2009.
- California Regional Water Quality Control Board, Santa Ana Region. Revised Monitoring and Reporting Program No. R8-2007-0039 for Inland Empire Utilities Agency and Chino Basin Watermaster. Chino Basin Recycled Water

Watermaster prepares reports pertaining to the Hydraulic Control Monitoring Program with IEUA review and IEUA prepares reports pertaining to the Recycled Water Groundwater Recharge Program with Watermaster review¹¹.

Scope of Work

At the request of Watermaster staff, consultant reviews quarterly and annual reports for the Chino Basin Recycled Water Groundwater Recharge Program, as well as other reports (e.g., start-up protocol reports). These reports are prepared by the IEUA, who along with Watermaster is a co-permittee.

Deliverables

Consultant will provide comments on the aforementioned reports within seven days of receipt of the reports.

¹¹ This is a component of the "Bright-Line Agreement" between Watermaster and IEUA.



7202.3 - PE2 - Comprehensive Recharge Program

Implementation

	Required	Discretionary	Total
Consultant	\$98,816		\$98,816
ODCs	\$1,200		\$1,200
Outside Professionals			
Total	\$100,016		\$100,016

Rationale

In its October 2010 Court order, the Court accepted the 2010 RMPU as satisfying Condition Subsequent Number 8 and ordered that certain recommendations of the 2010 RMPU be implemented. Specifically, the Court ordered:

"(3) Watermaster is hereby ordered to convene the committee described in item 3 of section 7.1 of the updated RMP to develop the monitoring, reporting, and accounting practices that will be required to estimate local project stormwater recharge and new yield.

(4) Watermaster is hereby ordered to conduct further analyses as described in section 7.2 of the updated RMP of the Phase I through III projects to refine the projects, to develop a financing plan, and to develop an implementation plan."

Item 3 of Section 7.1 of the 2010 RMPU reads as follows:

"3. In implementing the above, Watermaster should form a committee—consisting of itself, the land use control entities, the County Flood Control Districts, the CBWCD, the IEUA, and others—to develop the monitoring, reporting, and accounting practices that will be required to estimate local project stormwater recharge and new yield. This committee should be formed immediately, and the monitoring, reporting, and accounting practices should be developed as soon as possible."

The operable section of Section 7.2 of the 2010 RMPU reads as follows:

"Watermaster should conduct further analyses of the Phase I through III projects to refine the projects, to develop a financing plan, and to develop an implementation plan. This planning work should begin as soon as practical and could be accomplished within three years. The schedule to implement the Phase I through III projects would be developed during the proposed planning work, and the construction of these projects could be completed within five years of completing the proposed planning work."

Interpreted literally, the Court currently expects that the Planning for the Phase I through III projects to be done by October 2013 and that construction be completed by October 2018. This does not mean that all the projects contained within the 2010 RMPU will be constructed by October 2018. Watermaster needs to determine which of the recharge projects identified in the 2010 RMPU, and perhaps other recharge projects, need to be implemented based on current projected needs and have the planning for these projects done at an appropriate level that they may be constructed by October 2018. In November 2011, Watermaster reported its progress pursuant to the October 2010 Court Order; after which, in December 2011, the Court issued an order directing Watermaster to continue with its implementation of the 2010 RMPU per its October 2010 order but with a revised schedule.

And, on December 15, 2011, the Watermaster Board:

"Moved to approve that within the next year there will be the completion of Recharge Master Plan Update, there will be the development of an Implementation Plan to address balance issues within the Chino Basin subzones, and the development of a Funding Plan, as presented."



Scope of Work

Provide as-requested technical services in furtherance of the Court's order and direction by the Watermaster Board.

Deliverables

The deliverables for this work will be defined by the specific Watermaster staff request.



7303 - PE3/5 - Water Supply Plan: Desalters

Engineering Services

	Required	Discretionary	Total
Consultant	\$29,544		\$29,544
ODCs	\$800		\$800
Outside Professionals			
Total	\$30,344		\$30,344

Rationale

The 2004 Basin Plan Amendment approved by the Regional Water Quality Control Board and the State Water Resources Control Board established the "maximum benefit" objectives and established certain milestones that must be achieved by Watermaster and IEUA. To demonstrate compliance with the Regional Board Order, Watermaster and IEUA agreed to achieve Hydraulic Control. The Chino Creek Well Field (CCWF) is an important element required to achieve Hydraulic Control in the southwest portion of Chino Basin. It is also important to Watermaster parties that drawdown caused by the CCWF does not cause damaging land subsidence and ground fissure. The purpose of this task is to provide technical support for the CDA, and oversight for the Watermaster Board, on the design and construction activities associated with the CCWF and desalter expansion.

Scope of Work¹²

Consultant shall perform the following tasks at the discretion of the Watermaster CEO:

- **Meetings.** Consultant shall attend Desalter Expansion/Chino Creek Well Field meetings as required.
- **Support Chino Desalter Authority (CDA) Consultant in the Desalter Expansion Design Process.** The consultant will provide as-needed engineering support to CDA desalter expansion and hydrogeologic consultants.
- **Review CDA Consultant Design and Construction of Production Wells.** Consultant work includes the review of work of completed by CDA hydrogeological consultant. This includes review of any the location, preliminary design documents, as well as field activities as they pertain to production well design. Consultant will work with the CDA hydrogeologic consultant to provide input regarding the following specific field activities:
 - Geophysical log and pilot hole sample interpretation;
 - Zone testing on pumping well pilot borehole and water quality analysis interpretation;
 - Pumping well design based on lithological logs, geophysical logs, results of zone tests;
 - Geophysical log and monitoring well sample interpretation

Consultant will also respond to requests by the CDA for consistency findings for proposed well construction and related well operations with the OBMP and the Peace Agreements.

¹² The CDA is nearly complete with the CCWF, but they have decided not to construct Well I-19, and explore other well locations in southern Chino Basin.



Engineering Budget Summary - Fiscal Year 2012/13

Deliverables

The deliverables for this work will be defined by the specific Watermaster staff request.



7402 – PE4 – Management Zone Strategies: MZ-1

Engineering Services

	Required	Discretionary	Total
Consultant	\$50,843		\$50,843
ODCs	\$1,219		\$1,219
Outside Professionals	\$15,000		\$15,000
Total	\$67,062		\$67,062

Rationale

Program Element 4 of the OBMP states that land subsidence and ground fissuring in MZ1 are not acceptable and, to the extent that the cause is pumping in MZ1, should be managed to tolerable levels. Watermaster conducts a ground-level monitoring program to support this objective per the requirements of the Peace Agreement, the subsequently developed Court-approved MZ1 Subsidence Management Plan (MZ1 Plan), and the monitoring and mitigation requirements of the Peace II CEQA SEIR. The MZ1 Plan calls for the annual evaluation of data derived from the monitoring program and revisions to the MZ1 Plan and/or the monitoring program, if necessary.

Scope of Work

Consultant shall perform the following tasks:

- Analyze all data collected during the 2012 calendar year under the ground-level monitoring program. These data include groundwater levels, groundwater production, aquifer recharge, aquifer-system deformation, tectonic deformation, pumping test results, ground-level surveys, horizontal strain, and InSAR. – *Required by MZ1 Plan*
- Prepare MZ1 Annual Report that will summarize the data collected and the analyses performed – *Required by MZ1 Plan*
- Prepare an update of the MZ1 Plan, if necessary – *Required by MZ1 Plan*
- Conduct meetings with the Land Subsidence Committee to review the data and analyses and develop a list of potential activities for the next fiscal year (2013-14) – *Required by MZ1 Plan*

Deliverables

Consultant shall deliver to Watermaster no later than the date or dates indicated, the following:

- The MZ-1 Annual Report by June 30, 2013 which will contain the conclusions regarding the protective nature of the MZ-1 Plan, the CBWM-approved activities for the next fiscal year, and the revised MZ-1 Plan, if revisions are necessary.



Engineering Budget Summary – Fiscal Year 2012/13

7502 – PE6/7 – Cooperative Efforts/Salt Management

Engineering Services

	Required	Discretionary	Total
Consultant		\$57,646	\$57,646
ODCs		\$632	\$632
Outside Professionals		\$2,678	\$2,678
Total		\$60,956	\$60,956

Rationale

In the Judgment, Watermaster is provided with discretionary powers to address water quality issues in the basin: "Watermaster, with the advice of the Advisory and Pool Committees, is granted discretionary powers in order to develop an optimum basin management program for Chino Basin, including both water quantity and quality considerations." In the Implementation Plan of the Peace Agreement, Watermaster has committed to certain responsibilities under Program Elements 6 and 7¹³: "Watermaster can improve water quality management in the Basin by committing resources to:

- identify water quality anomalies through monitoring;
- assist the Regional Board in determining sources of the water quality anomalies;
- establish priorities for clean-up jointly with RWQCB; and
- remove organic contaminants through regional groundwater treatment projects in the southern half of the Basin."

Attachment D to the Peace II Agreement further defines water quality commitments for the MZ-3 monitoring program (now a part of the Groundwater Quality Monitoring Program), the OIA VOC plume (now called the Archibald South VOC plume), the Chino Airport plume, the GE Flat Iron Remediation, and the TDS and Nitrogen monitoring, pursuant to the 2004 Basin Plan Amendment.

Scope of Work

Consultant shall perform the following tasks:

- **Water Quality Committee Meetings.** The consultant shall prepare for and attend two quarterly meetings with the WQC. For each of the meetings, the Consultant shall prepare engineering updates with supporting maps, charts, tables, handouts, and PowerPoint presentations, as appropriate.
- **As Needed Investigations (e.g., perchlorate isotopes).** This task is for special water quality studies, for example, Watermaster serves on the Technical Advisory Committee on the Environmental Security Technology Certification Program (ESTCP) study of the potential for perchlorate contamination to migrate from the Rialto-Colton Management Zone into Chino North Management Zone. ESTCP is DOD's environmental technology demonstration and validation program and they are providing funds for the USGS and other agencies to complete the work. Watermaster provides technical oversight and review. This subtask also includes ad hoc engineering services for constituents of emerging concern (hexavalent chromium, 1,2,3-trichloropropane [1,2,3-TCP], etc.)

¹³ Program Element 6 – Develop and Implement Cooperative Programs with the Regional Board and Other Agencies to Improve Basin Management. Program Element 7 – Salt Management Program



-
- **Archibald South VOC Plume. Subtasks include:**
 - assist Watermaster CEO with coordination and negotiation with PRPs
 - assist Watermaster CEO with oversight of monitoring well drilling, construction, and testing, if required
 - sampling of about 50 agricultural wells, if data cannot be acquired from PRPs
 - analysis of groundwater elevation and groundwater quality data
 - development of revised VOC plume maps
 - groundwater model runs to demonstrate capture of the plume by the desalter well fields
 - preparation of technical exhibits to be used in PRP negotiations
 - **Chino Airport VOC Plume. Subtasks include:**
 - coordination and negotiation with Chino Airport PRP
 - oversight of monitoring well drilling, construction, and testing, if required
 - analysis of groundwater elevation and groundwater quality data
 - development of revised VOC plume maps
 - preparation of technical exhibits to be used in PRP negotiations
 - groundwater model runs to estimate plume capture and provide CDA design engineers with estimated influent concentrations of TDS, nitrate, TCE, and 1,2,3-TCP.
 - **Assist Watermaster Staff with the Sampling and Analysis of the Alger Well**

Deliverables

Consultant shall deliver to Watermaster on the meeting date, the following:

- Maps, charts, tables, handouts, and PowerPoint presentations and others as specified by the Watermaster CEO.



Engineering Budget Summary – Fiscal Year 2012/13

7602 – PE8/9 – Storage Management/Conjunctive Use

Engineering Services

	Required	Discretionary	Total
Consultant		\$11,328	\$11,328
ODCs			
Outside Professionals			
Total		<u>\$11,328</u>	<u>\$11,328</u>

Rationale

This task would be performed at the direction of the Watermaster CEO.

Scope of Work

This task provides engineering services to assist Watermaster staff with technical issues beyond their level of technical expertise and to assist Watermaster staff on an as-needed basis with Storage Program issues. There no specific issues that were identified in the development of the fiscal year 2012/13 budget.

Deliverables

The deliverables for this work will be defined by the specific Watermaster staff request.



Attachment B:

Brownstein Hyatt Farber Schreck			2012-2013 Proposed Budget		Revision April 23, 2012			
Account	Description	Note	Labor (Cost)		FY 2012/2013 Budget	FY 2011/2012 Budget		
			Total Hours	Cost				
				Task	Account			
WM Legal Services - Meetings, Business Items, Associated Activities								
6275	Advisory Committee Meetings	8.0 Hours/Month X 12 Months @ \$305	96	\$ 29,280	\$ 201,360	\$ 138,060		
6375	Board Meetings	12.0 Hours/Month X 12 Months @ \$585	144	\$ 84,240				
8375	Appropriative Pool Meetings	8.0 Hours/Month X 12 Months @ \$305	96	\$ 29,280				
8475	Agricultural Pool Meetings	8.0 Hours/Month X 12 Months @ \$305	96	\$ 29,280				
8575	Non-Agricultural Pool Meetings	8.0 Hours/Month X 12 Months @ \$305	96	\$ 29,280				
	Total for Activity		528	\$ 201,360				
6070	WM Legal Services				\$ 175,645	\$ 202,555		
6071	Court Coordination	35 Hrs @ \$585, 35 Hrs @ \$305, 20 Hrs @ \$240	90	\$ 35,950				
6072	Restated/Annotated Judgment	60 Hrs @ \$585, 60 Hrs @ \$305, 15 Hrs @ \$240	135	\$ 57,000				
6073	Personnel Matters	25 Hrs @ \$305	25	\$ 7,625				
6074	Interagency Issues	144 Hrs @ \$305	A 144	\$ 43,920				
6078	Miscellaneous	35 Hrs @ \$585, 35 Hrs @ \$305	B 70	\$ 31,150				
	Total for Activity		464	\$ 175,645	\$ 175,645			
6907.31	S. Archibald Plume				\$ 31,800	\$ 24,625		
	S. Archibald Plume	30 Hrs @ \$585, 10 Hrs @ \$510, 30 Hrs @ \$305	70	\$ 31,800				
	Total for Activity		70	\$ 31,800	\$ 31,800			
6907.32	Chino Airport Plume				\$ 31,800	\$ 25,675		
	Chino Airport Plume	30 Hrs @ \$585, 10 Hrs @ \$510, 30 Hrs @ \$305	70	\$ 31,800				
	Total for Activity		70	\$ 31,800	\$ 31,800			
6907.33	Desalter/Hydraulic Control Issues				\$ 50,100	\$ 67,425		
	Continued CDA Support	50 Hrs @ \$585, 10 Hrs @ \$305	60	\$ 32,300				
	Hydraulic Control	20 Hrs @ \$585, 20 Hrs @ \$305	C 40	\$ 17,800				
	Total for Activity		100	\$ 50,100	\$ 50,100			
6907.34	Santa Ana River Water Rights				\$ 33,250	\$ 25,125		
	Water right permits 20753 and 19895	50 Hrs @ \$305, 75 Hrs @ \$240	125	\$ 33,250				
	Total for Activity		125	\$ 33,250	\$ 33,250			
6907.35	Paragraph 31 Motion				\$ 17,800	\$ 39,200		
	Continued support of motion and appeals	20 Hrs @ \$585, 20 Hrs @ \$395	40	\$ 17,800				
	Total for Activity		40	\$ 17,800	\$ 17,800			
6907.36	Santa Ana River Habitat				\$ 21,150	\$ -		
	Total for Activity	30 Hrs @ \$305, 50 Hrs @ \$240	80	\$ 21,150	\$ 21,150			
6907.37	Storage & Recovery				\$ -	\$ -		
	Total for Activity		0	\$ -	\$ -			
6907.38	Reg. Water Quality Control Board				\$ 11,950	\$ 13,750		
	Legal counsel involvement in ongoing issues	10 Hrs @ \$585, 20 Hrs @ \$305	30	\$ 11,950				
	Total for Activity		30	\$ 11,950	\$ 11,950			
6907.39	Recharge Master Plan				\$ 44,500	\$ 25,360		
	Includes Storage and Recovery Issues	50 Hrs @ \$585, 50 Hrs @ \$305	100	\$ 44,500				
	Total for Activity		100	\$ 44,500	\$ 44,500			
6907.40	Storage Agreements				\$ 17,800	\$ -		
	Includes Storage and Recovery Issues	20 Hrs @ \$585, 20 Hrs @ \$305	40	\$ 17,800				
	Total for Activity		40	\$ 17,800	\$ 17,800			
6907.41	Prado Basin Habitat Sustainability				\$ 17,800	\$ -		
	Prado Basin Habitat	20 Hrs @ \$585, 20 Hrs @ \$305	40	\$ 17,800				
	Total for Activity		40	\$ 17,800	\$ 17,800			
6907.9	WM Legal Counsel - Unanticipated				\$ 25,000	\$ -		
	Miscellaneous	70 Hrs @ \$585, 30 Hrs @ \$305	55	\$ 25,000				
	Total for Activity		55	\$ 25,000	\$ 25,000			
	Total-All Accounts		1742	\$ 679,955	\$ 679,955		\$ 679,955	

Notes: (A) Variety of day-to-day matters that arise throughout the month concerning the Judgment, Rules, agreements, etc.
(B) Activities related to Interagency Cooperative Agreements and other matters (i.e. water purchases from MWD).
(C) Includes attorney and witness preparation, hearing attendance and potential post-hearing activities.

General Notes:

- Brownstein maintains a 10% discount on all fees over \$100,000 as part of the original contract with Watermaster.
- There are out-of-pocket costs that include phone charges, electronic legal research charges, travel costs (including mileage, lodging, etc.) and other incidental costs.
- Rather than attempt to project which budget items would be affected by the 10% discount, and which out-of-pocket cost items might be relevant to which budget items, the budget detail assumes they offset each other.

Brownstein | Hyatt
Farber | Schreck

Memorandum

DATE: April 24, 2011
TO: Watermaster Staff
FROM: Brownstein Hyatt Farber Schreck, LLP
RE: Legal Counsel Budget Detail and Analysis

This worksheet has been prepared at your request so as to provide additional detail regarding the expected legal fees and costs that will be incurred if Watermaster implements its responsibilities under the Judgment, pending Court Orders, including the Peace I and Peace II Agreements and the Optimum Basin Management Program (OBMP). The Nine Member Board is expected to implement these measures. Additional fees and costs may be incurred in connection with actions that are within Watermaster's duties and regulatory authority but outside the control of staff and counsel. That is, Parties to the Judgment and persons not bound by the Judgment may initiate actions that require a response from Watermaster.

This worksheet utilizes the original budget as proposed by legal counsel in April of 2012 so that any reductions in budgeted amount can be made in light of actual projections concerning time and level of activity associated with anticipated budget line items. The experience of Watermaster over the past ten years since Brownstein Hyatt Farber Schreck (Brownstein) was retained as counsel provides a basis for the budget based upon a customary level of activity. These services are included within the budget as requested to provide service as legal counsel to the Board. Thus, the proposed budget amount analyzed below is approximately \$680,000, which includes a \$25,000 allocation for unanticipated expenses.

Budget Assumptions: The number of hours expended to provide the desired level of service is the primary factor in legal counsel expense. The budgeted amount includes reimbursement for out-of-pocket costs that include phone charges, electronic legal research charges, travel costs (including mileage, lodging, etc.) and other incidental costs. While these costs traditionally vary from month to month, they do not constitute a material portion of the budget. Typically, 2-5% of a monthly bill is cost recovery.

Brownstein has represented Watermaster for a decade and consequently, as a matter of Brownstein policy, Watermaster enjoys a continuing and gradually steepening discount against standard rates. In some cases the discount approaches 30%. As a further accommodation to Watermaster and its favored status, Brownstein maintains a 10% discount on all fees over \$100,000 as part of our original contract with Watermaster. When spread over the entirety of the Brownstein fees, this discount results in an approximately 8.5% discount on all fees whenever incurred.

Rather than attempting the detailed analysis that would be required to project which budget items would be affected by this discount, and which out-of-pocket cost items might be relevant to which budget items, the budget detail below uses a simple multiplier of time spent against rates for each attorney. This has the effect of creating an approximately 6% cushion in the estimates provided below assuming that the cost ration from the most recent bill is representative (i.e., $8.5\% - 2.5\% = 6\%$).

Slater and Herrema are the principal lawyers assigned to the Watermaster matter. Over the years, Slater's activities are generally reserved to Watermaster Board meetings, assignments directed by the Board and task driven.

Definition of "unanticipated expenses": For the purposes of this memorandum, "unanticipated expenses" refers to an amount of money that is budgeted to account for legal issues that may arise post budget approval that were not anticipated in the budget, or to account for underestimates in the budget for the anticipated matters as a result of unforeseen complexity. Historically, the Watermaster budget preference has been to under fund all parts of the budget including contingency so as to not create an expectancy of the higher expenditure. Experience suggests that the Watermaster Board and the Parties to the Judgment have been more comfortable with assigning additional revenues to a matter after the actual need has been identified. Such funds whose use requires a Board-approved budget transfer are sometimes identified as "contingency." This analysis uses the term "unanticipated expenses" in the first sense to refer to an amount of money that is budgeted to account for unanticipated expenses.

Watermaster Legal Counsel (6275, 6375, 8375, 8475, 8575)

Detail articulated below includes:

Regular Meeting Attendance	\$ 201,360
Court Coordination	\$ 35,950
Restated Judgment	\$ 57,000
Personnel Issues	\$ 7,625
Interagency and Miscellaneous	\$ 75,070
Total:	<u>\$ 377,005</u>

Regular Meeting Attendance

\$201,360

Assumptions: Four meeting days per month staffed by one attorney per meeting. There are occasions when it is necessary to have more than one attorney at a given meeting, in particular at Board meetings, but the Pools have also indicated a desire to reduce the number of Pool meetings that legal counsel attends, so these two factors may balance each other. Assumed hours commitment of 8 hours per meeting inclusive of attendance, travel and preparation. Assumption of regular attendance by Slater at the Board meeting (12 hours x 12 months = 144 hours) and by Herrema at Pools and Advisory Committee (8 hours x 4 pools x 12 months = 384 hours) for an approximate total of \$201,360.

Court Coordination (6071)

Activities:

(1) Regular court hearings. \$35,950

Judge Reichert has indicated a desire to be educated on Watermaster matters, and policy discussions at Watermaster over the past year have suggested that Watermaster should be more proactive about keeping the Court informed of ongoing Watermaster matters. Past discussion has suggested it would be beneficial to have quarterly status conferences with the Court. At least two other budget activities described below include Court approval hearings, so this item is budgeted at two additional hearings. Given that Court hearings require more preparation than regular monthly meetings, this category assumed an hours commitment of 35 hours per hearing inclusive of attendance, travel and preparation of reports or other filings. This category assumes one attorney per hearing, though it is often necessary to staff a hearing with more than one attorney. Responsibility for this task is shared equally between Slater (35 hours) and Herrema (35 hours) with assistance from Drake (20 hours) for an approximate total of \$35,950.

(2) Restated Judgment/Annotated Judgment/Updated Rules and Regulations (6072)
\$57,000

The Judgment, rules and regulations will be fully annotated and the rules and regulations will be conformed to account for updates and changes made during the Peace II process. It is anticipated that

some portion of the work can be done by an associate attorney Ryan Drake (15 hours) or an equivalent billing attorney and the rest of the responsibility will be shared equally by Slater (60 hours) and Herrema (60 hours) for an approximate total of \$57,000.

Interagency Issues and Miscellaneous (6074 and 6078) \$75,070

There are always a variety of day-to-day matters that arise throughout a month concerning questions that require interpretation of the Judgment, Rules, agreements, etc. Included with this is legal counsel input to monthly agenda planning. Time assumption is 3 hours per week and it is assumed that Herrema (12 hours x 12 months = 144 hours) is the attorney responsible for these matters, with an approximate cost of \$43,920.

To the extent that agreements between the parties arise, there will likely be a nominal involvement from legal counsel. In addition, it is likely that a number of interagency agreements will be required in FY12-13 as in past years. These activities assume equal involvement from Slater (35 hours) and Herrema (35 hours) for an approximate total of \$31,150.

Personnel (6073) \$7,625

Other than the hiring of a full time CEO, it is not anticipated that any significant personnel issues will arise in FY2012-13, though some level of activity is the norm in any year. Thus, we have proposed a nominal budget for this item for Herrema or an equivalent billing attorney of 25 hours, and an approximate total of \$7,625.

S. Archibald Plume – Formerly OIA (6907.31) \$31,800

Proposed budget assumes that Slater will be the primary attorney assigned to the task of ABGL facilitation (30 hours) with input from Mark Mathews (10 hours) and involvement from Herrema (30 hours) for an approximate total of \$31,800.

Chino Airport Plume (6907.32) \$31,800

Watermaster and CDA are currently involved in negotiations with San Bernardino County as they have been for some time. The proposed budget assumes staffing primarily by Mathews (30 hours) with input from Slater (10 hours) and Herrema (30 hours) for an approximate total of \$31,800.

Desalter/Hydraulic Control Issues (6907.33) \$50,100

Regional Water Quality Control Board (6907.38) \$11,950

Given the significance of the Desalter and Hydraulic Control issues to the OBMP, legal counsel believes it is appropriate to expect significant activity on this issue continuing into FY 2012-13. Given his participation in the CDA facilitation, Slater will be the primary attorney (70 hours) with assistance from Herrema (30 hours), for an approximate total of \$50,100. Regarding the Regional Water Quality Control Board, Slater will provide (10 hours) and Herrema (20 hours) for an approximate total of \$11,950.

Santa Ana River Water Rights (6907.34) \$33,250

Legal counsel is currently completing a process to extend the time in which Watermaster must seek to license its water right permit numbers 19895 and 20753. It is hoped that the extension for 20753 will be resolved in FY11-12, and the only remaining process on this permit will be whatever follow-up interaction with staff is needed following action by the SWRCB. However, once this permit is complete it will be necessary to pursue a similar process with regard to permit 19895. Watermaster additionally is required to complete annual reporting to the Department of Fish and Game and the SWRCB regarding its diversions under its permit 21225. In addition, given the history on the Santa Ana River it is prudent to account for some level of activity with regard to water rights on the River. Thus, it appears that this budget item may be over-budgeted at this time by a nominal amount.

Work under this budget item is split 40% Herrema (50 hours) and 60% Drake (75 hours) for an approximate total of \$33,250.

Paragraph 31 Motion (6907.35) \$17,800

While it is hopeful that the Paragraph 31 Motion Appeal will be fully settled during FY11-12, at least one Non-Agricultural Pool member has indicated it will not sign on to the proposed settlement. The process of resolving this issue and any "loose ends" resulting from the settlement will likely take place in FY12-13.

Given the number of variables described above, it is very difficult to predict an accurate amount of time that may be required on this matter. We have proposed a moderate budget that assumes equal involvement by Slater (20 hours) and Herrema (20 hours) for an approximate total of \$17,800.

Recharge Master Plan (6907.39) \$44,500

At the time of Court approval of the RMP Watermaster indicated to the Court that IEUA had not yet approved the RMP and would wait until further information made available through the UWMPs to make its decision. Thus, it is anticipated that further legal process will need to occur regarding approval of Condition Subsequent Number 8.

Additionally, it appears that as part of the RMP implementation process that issues concerning storage and recovery in the Basin will need to be addressed. These include discussions about the MWD DYY account (both internal discussions as well as discussions with MWD), and internal discussions about the Peace II cap on the storage of supplemental water. It is anticipated that there will be some level of involvement of legal counsel in these issues, though the extent of this involvement is not clear at this time.

While it is difficult to predict the amount of time that will be required of legal counsel to address these issues, the importance of the issues suggests it is appropriate to plan for significant legal counsel activity.

We have proposed a time allocation with equal involvement by Slater (50 hours) and Herrema (50 hours) for an approximate total of \$44,500.

Santa Ana River Habitat (6907.36) \$21,150

Regarding the Santa Ana River Habitat, Herrema will provide (30 hours) and Drake (50 hours) for an approximate total of \$21,150.

Storage Agreements (6907.40) \$17,800

Regarding the Storage Agreements, Slater will provide (20 hours) and Herrema (20 hours) for an approximate total of \$17,800.

Prado Basin Habitat Sustainability (6907.41) \$17,800

Regarding the Prado Basin Habitat Sustainability, Slater will provide (20 hours) and Herrema (20 hours) for an approximate total of \$17,800.

Unanticipated Expenses (6907.9) \$25,000

Regarding the unanticipated expenses that may occur during the year, Slater has been budgeted at (70 hours) and Herrema is budgeted (30 hours) for an approximate total of \$25,000.



CHINO BASIN WATERMASTER

PROPOSED BUDGET FY 2012-2013

MAY 10, 2012

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**CHINO BASIN WATERMASTER
ASSESSMENT CALCULATION
FISCAL YEAR 2012-2013
INCLUDES "10% ADMINISTRATIVE AND 15% OBMP/PROJECT OPERATING RESERVES"**

	FY	FY	ASSESSMENT	APPROPRIATIVE POOL		AGRICULTURAL POOL		NON-AG POOL	
	2011-2012 BUDGET	2012-2013 BUDGET							
PRODUCTION BASIS									
2010-11 Production & Exchanges in Acre-Feet (Actuals)			113,666.995	78,410.414	68.983%	31,342.082	27.574%	3,914.499	3.444%
2011-12 Production & Exchanges in Acre-Feet (Projected)			117,125.000	83,288.000	71.110%	30,080.000	25.682%	3,757.000	3.208%
BUDGET									
				General Administration	OBMP	General Administration	OBMP	General Administration	OBMP
Administration, Advisory Committee & Watermaster Board (1)	\$1,009,601	\$1,078,942	\$1,078,942	\$767,240		\$277,093		\$34,609	
OBMP & Implementation Projects (1)	5,337,622	5,090,204	5,090,204		3,619,662		1,307,264		163,278
General Admin & OBMP Assessments	\$6,347,223	\$6,169,146	6,169,146	767,240	3,619,662	277,093	1,307,264	34,609	163,278
TOTAL BUDGET			6,169,146	767,240	3,619,662	277,093	1,307,264	34,609	163,278
Less Budgeted Interest Income	(150,010)	(39,600)	(39,600)		(28,160)		(10,170)		(1,270)
Contributions from Outside Agencies	(411,000)	(152,938)	(152,937)		(108,754)		(39,277)		(4,906)
CASH DEMAND			5,976,609	767,240	3,482,748	277,093	1,257,817	34,609	157,102
OPERATING RESERVE									
Administrative (10%)	10%	107,894	\$107,894	\$76,724		\$27,709		\$3,461	
OBMP (15%)	15%	763,531	763,531		542,949		196,090		24,492
Less: Funds On Hand Utilized for Assessments (2)		(871,425)	(871,425)	(108,377)	(511,297)	(39,141)	(184,658)	(4,889)	(23,064)
FUNDS REQUIRED TO BE ASSESSED			\$5,976,609	\$735,587	\$3,514,401	\$265,661	\$1,269,249	\$33,181	\$158,529
Proposed Assessments					\$51.03				
General Administration Assessments	A		Per Acre-Foot	\$8.83	\$42.20	\$8.83	\$42.20	\$8.83	\$42.20
Minimum Assessments			Per Producer	\$5.00				\$5.00	
Prior Year Assessments, Information Only (Actuals)	B		Per Acre-Foot	\$8.60	\$40.54	\$8.60	\$40.54	\$8.60	\$40.54
	A - B			\$0.23	\$1.66				\$1.89
Estimated Assessment as of "Approved" Budget July 28, 2011, Information Only				\$8.62	\$40.63	\$8.62	\$40.63	\$8.62	\$40.63
					\$49.25				

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

(2) Cash on Hand is June 30 fund balance (estimated) less funds required for Agricultural Pool Reserves, carryover replenishment obligations, SB 22 funds and Education funds.

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**CHINO BASIN WATERMASTER
SUMMARY BUDGET FY 2012-2013**

	FY 10-11 June Actual	FY 11-12 Approved Budget	FY 11-12 Amended Budget	FY 12-13 Original Budget	FY 12-13 Proposed Adjustments	FY 12-13 Proposed Budget	FY 12-13 Amended Budget	Amended vs. Proposed	% Variance Amended vs. Amended
4000 Mutual Agency Revenue	\$ 111,000	\$ 411,000	\$ 654,580	\$ 152,938	\$ -	\$ 152,938	\$ 152,938	\$ (501,642)	(76.6)%
4110 Appropriative Pool Assessments	6,165,079	5,844,796	5,844,796	6,285,952	0	6,285,952	6,285,952	441,156	7.5%
4120 Non-Agricultural Pool Assessments	343,090	252,381	252,381	191,711	0	191,711	191,711	(60,670)	(24.0)%
4730 Prorated Interest Income	36,922	150,010	150,010	39,600	0	39,600	39,600	(110,410)	(73.6)%
4900 Miscellaneous Income	0	0	0	0	0	0	0	0	0.0%
Total Income	6,656,091	6,658,187	6,901,767	6,670,201	0	6,670,201	6,670,201	(231,566)	-3.4%
Administrative Expenses									
6010 Salary Costs	481,459	472,976	592,976	519,684	0	519,684	519,684	(73,292)	(12.4)%
6020 Office Building Expense	98,313	103,369	103,369	104,845	0	104,845	104,845	1,476	1.4%
6030 Office Supplies & Equip.	21,360	28,500	28,500	27,000	0	27,000	27,000	(1,500)	(5.3)%
6040 Postage & Printing Costs	61,289	66,180	66,180	62,368	0	62,368	62,368	(3,812)	(5.8)%
6050 Information Services	155,412	148,020	148,020	142,296	0	142,296	142,296	(5,724)	(3.9)%
6060 WM Special Contract Services	29,708	34,000	66,000	34,400	0	34,400	34,400	(31,600)	(47.9)%
6070 Watermaster Legal Services	0	202,555	202,555	175,645	0	175,645	175,645	(26,910)	100.0%
6080 Insurance Expense	16,107	19,036	19,036	19,393	(0)	19,393	19,393	357	1.9%
6110 Dues and Subscriptions	29,520	30,000	30,000	27,500	0	27,500	27,500	(2,500)	(8.3)%
6150 Field Supplies & Equipment	1,034	1,600	1,600	1,400	0	1,400	1,400	(200)	(12.5)%
6170 Travel & Transportation	25,842	21,970	21,970	21,170	0	21,170	21,170	(800)	(3.6)%
6190 Conferences & Seminars	18,126	17,500	17,500	15,000	0	15,000	15,000	(2,500)	(14.3)%
6200 Advisory Committee Expenses	18,322	54,051	54,051	53,385	0	53,385	53,385	(666)	(1.2)%
6300 Watermaster Board Expenses	50,410	101,246	101,246	143,894	0	143,894	143,894	42,648	42.1%
6500 Education Fund Expenditures	375	375	375	257	0	257	257	(118)	(31.5)%
8300 Appropriative Pool Administration	51,778	50,280	50,280	59,285	0	59,285	59,285	9,005	17.9%
8400 Agricultural Pool Administration	186,152	351,829	351,829	356,983	0	356,983	356,983	5,154	1.5%
8500 Non-Agricultural Pool Administration	145,903	101,713	101,713	46,995	0	46,995	46,995	(54,718)	(53.8)%
9400 Depreciation Expense	20,699	0	0	0	0	0	0	0	0.0%
9500 Allocated G&A Expenditures	(393,760)	(720,599)	(720,599)	(732,558)	0	(732,558)	(732,558)	(11,959)	(1.7)%
Total Administrative Expenses	1,018,047	1,084,601	1,236,601	1,078,942	(0)	1,078,942	1,078,942	(157,659)	(12.7)%
General OBMP Expenditures									
6900 Optimum Basin Mgmt Program	1,510,065	935,026	1,053,121	994,850	0	994,850	994,850	(58,271)	(5.5)%
6950 Cooperative Efforts	10,000	10,000	10,000	10,000	0	10,000	10,000	0	0.0%
9501 Allocated G&A Expenditures	106,826	216,375	216,375	214,336	0	214,336	214,336	(2,039)	(0.9)%
Total General OBMP Expenses	1,626,892	1,161,401	1,279,496	1,219,186	0	1,219,186	1,219,186	(60,310)	(4.7)%
OBMP Implementation Projects									
7101 Production Monitoring	86,386	104,900	104,900	108,746	0	108,746	108,746	3,846	3.7%
7102 In-Line Meter Installation/Maintenance	20,162	66,363	66,363	106,162	0	106,162	106,162	39,799	60.0%
7103 Groundwater Quality Monitoring	195,041	203,960	209,923	197,738	0	197,738	197,738	(12,185)	(5.8)%
7104 Groundwater Level Monitoring	263,997	276,432	297,806	318,898	0	318,898	318,898	21,092	7.1%
7105 Recharge Basin Water Quality Monitor	771	3,592	3,592	3,118	0	3,118	3,118	(474)	(13.2)%

**CHINO BASIN WATERMASTER
SUMMARY BUDGET FY 2012-2013**

	FY 10-11 June Actual	FY 11-12 Approved Budget	FY 11-12 Amended Budget	FY 12-13 Original Budget	FY 12-13 Proposed Adjustments	FY 12-13 Proposed Budget	FY 12-13 Amended Budget	Amended vs. Proposed	% Variance Amended vs. Amended
7106 Water Level Sensors Install	0	0	0	0	0	0	0	0	0.0%
7107 Ground Level Monitoring	476,155	904,443	1,003,499	524,451	0	524,451	524,451	(479,048)	(47.7)%
7108 Hydraulic Control Monitoring Program	400,051	459,784	427,078	411,162	0	411,162	411,162	(15,916)	(3.7)%
7109 Recharge & Well Monitoring Program	9,429	11,160	6,696	21,540	0	21,540	21,540	14,844	221.7%
7200 OBMP Pgm Element 2 - Comp Rechar	881,396	1,341,785	1,233,275	1,374,719	0	1,374,719	1,374,719	141,444	11.5%
7300 OBMP Pgm Element 3 & 5 - Water Sup	98,272	93,383	81,764	75,995	0	75,995	75,995	(5,769)	(7.1)%
7400 OBMP Pgm Element 4 - Mgmt Zone St	56,437	70,067	74,458	82,250	0	82,250	82,250	7,792	10.5%
7500 OBMP Pgm Element 6 & 7 - Coop Effo	100,802	88,942	88,942	68,479	0	68,479	68,479	(20,463)	(23.0)%
7600 OBMP Pgm Element 8 & 9 Storage Mg	25,881	45,773	45,773	58,618	0	58,618	58,618	12,845	28.1%
7700 Inactive Well Protection Program	75	1,413	1,413	920	0	920	920	(493)	(34.9)%
7690 Recharge Improvement Debt Payment	366,790	450,964	450,964	501,055	0	501,055	501,055	50,091	11.1%
9502 Allocated G&A Expenditures	286,933	504,224	504,224	518,222	0	518,222	518,222	13,998	2.8%
Total OBMP Implementation Projects	3,268,577	4,627,185	4,600,670	4,372,073	0	4,372,073	4,372,073	(228,597)	(5.0)%
Total Expenses	5,913,516	6,873,187	7,116,767	6,670,201	(0)	6,670,201	6,670,201	(446,566)	(6.3)%
Net Ordinary Income	742,575	(215,000)	(215,000)	0	0	0	0	215,000	100.0%
Other Income									
4225 Interest Income	28,164	0	0	0	0	0	0	0	0.0%
4210 Approp Pool-Replenishment	3,594,458	0	0	0	0	0	0	0	0.0%
4220 Non-Ag Pool-Replenishment	27,546	0	0	0	0	0	0	0	0.0%
4230 Groundwater Recharge Activity	0	0	0	0	0	0	0	0	0.0%
4600 Groundwater Sales	5,995,123	0	0	0	0	0	0	0	0.0%
Total Other Income	9,645,291	0	0	0	0	0	0	0	0.0%
Other Expense									
5010 Groundwater Recharge	8,735,408	0	0	0	0	0	0	0	0.0%
5105 Purchase of Non-Ag Pool Water	2,255,436	0	0	0	0	0	0	0	0.0%
Total Other Expense	10,990,844	0	0	0	0	0	0	0	0.0%
9900 To / (From) Reserves	(602,977)	0	0	0	0	0	0	0	0.0%
Net Other Income	(742,575)	0	0	0	0	0	0	0	0.0%
Net Income	\$ -	\$ (215,000)	\$ (215,000)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 215,000	100.0%

CHINO BASIN WATERMASTER DETAIL BUDGET FY 2012-2013

	FY 10-11 June Actual	FY 11-12 Approved Budget	FY 11-12 Amended Budget	FY 12-13 Original Budget	FY 12-13 Proposed Adjustments	FY 12-13 Proposed Budget	FY 12-13 Amended Budget	Original vs. Amended
Ordinary Income								
Income								
4000 Mutual Agency Revenue								
4013 Local Agency Contr - OBMP	\$111,000	\$111,000	\$111,000	\$0	\$0	\$0	\$0	(\$111,000)
4030 Basin Management Assistance	0	300,000	300,000	0	0	0	0	(300,000)
4040 Cooperative Agreement	0	0	243,580	152,938	0	152,938	152,938	(90,642)
Total 4000 Mutual Agency Revenue	111,000	411,000	654,580	152,938	0	152,938	152,938	(501,642)
4110 Appropriative Pool Assessments								
4111 Administrative Assessment	582,626	674,504	674,504	735,586	0	735,586	735,586	61,082
4111.2 OBMP Assessment	3,307,583	3,179,008	3,179,008	3,514,401	0	3,514,401	3,514,401	335,393
4111.3 App Pool - Special Assessment	0	0	0	0	0	0	0	0
4112 Ag Pool Reallocation - Administrative	235,794	269,611	269,611	265,661	0	265,661	265,661	(3,950)
4113 Ag Pool Reallocation - OBMP	1,338,112	1,270,709	1,270,709	1,269,249	0	1,269,249	1,269,249	(1,460)
4115 Recharge Improvement Revenue	700,964	450,964	450,964	501,055	0	501,055	501,055	50,091
4117 P/Y Adjustments & Pool Interest	0	0	0	0	0	0	0	0
Total 4110 Appropriative Pool Assessments	6,165,079	5,844,796	5,844,796	6,285,952	0	6,285,952	6,285,952	441,156
4120 Non-Agricultural Pool Assessments								
4123 Administrative Assessment	28,919	33,674	33,674	33,181	0	33,181	33,181	(493)
4123.3 Non-Ag Pool - Special Assessment	150,000	60,000	60,000	0	0	0	0	(60,000)
4124 OBMP Assessment	164,171	158,707	158,707	158,529	0	158,529	158,529	(178)
4127 P/Y Adjustments	0	0	0	0	0	0	0	0
Total 4120 Non-Agricultural Pool Assessments	343,090	252,381	252,381	191,711	0	191,711	191,711	(60,670)
4730 Prorated Interest Income								
4713 Interest Income-Other	(272)	0	0	0	0	0	0	0
4731 Interest - Agricultural Pool	2,324	13,500	13,500	4,000	0	4,000	4,000	(9,500)
4732 Interest - Appropriative Pool	33,539	133,500	133,500	34,400	0	34,400	34,400	(99,100)
4733 Interest - Non-Agricultural Pool	1,327	3,000	3,000	1,200	0	1,200	1,200	(1,800)
4739 Interest - Education Fund	4	10	10	0	0	0	0	(10)
Total 4730 Prorated Interest Income	36,922	150,010	150,010	39,600	0	39,600	39,600	(110,410)
4900 Miscellaneous Income								
	0	0	0	0	0	0	0	0
Total Income	6,656,091	6,658,187	6,901,767	6,670,201	0	6,670,201	6,670,201	(231,566)
Administrative Expenses								
6010 Salary Costs								
6011 WM Staff Salaries & Payroll Burden	523,551	441,032	561,032	462,560	0	462,560	462,560	(98,472)
6012 Payroll Services	3,845	4,020	4,020	4,200	0	4,200	4,200	180
6013 Human Resources Services	2,631	6,000	6,000	6,000	0	6,000	6,000	0
6016 New Employee Search Costs	307	500	500	500	0	500	500	0
6017 Temporary Services	10,842	21,424	21,424	46,424	0	46,424	46,424	25,000
Subtotal Wages	541,177	472,976	592,976	519,684	0	519,684	519,684	(73,292)

**CHINO BASIN WATERMASTER
DETAIL BUDGET FY 2012-2013**

	FY 10-11 June Actual	FY 11-12 Approved Budget	FY 11-12 Amended Budget	FY 12-13 Original Budget	FY 12-13 Proposed Adjustments	FY 12-13 Proposed Budget	FY 12-13 Amended Budget	Original vs. Amended
6018 Fringe Benefits	489,487	499,730	499,730	535,248	0	535,248	535,248	35,518
60199 Payroll Burden Allocated	(549,204)	(499,730)	(499,730)	(535,248)	0	(535,248)	(535,248)	(35,518)
Total 6010 Salary Costs	481,459	472,976	592,976	519,684	0	519,684	519,684	(73,292)
6020 Office Building Expense								
6021 Office Lease	69,972	71,181	71,181	73,149	0	73,149	73,149	1,968
6022 Telephone	12,742	15,300	15,300	15,120	0	15,120	15,120	(180)
6024 Building Repairs & Janitorial	13,424	14,740	14,740	14,320	0	14,320	14,320	(420)
6026 Security Services	2,175	2,148	2,148	2,256	0	2,256	2,256	108
6027 Other Expense	0	0	0	0	0	0	0	0
Total 6020 Office Building Expense	98,313	103,369	103,369	104,845	0	104,845	104,845	1,476
6030 Office Supplies & Equip.								
6031.1 Copy Paper	2,782	4,500	4,500	3,500	0	3,500	3,500	(1,000)
6031.7 Other Office Supplies	17,227	21,000	21,000	21,000	0	21,000	21,000	0
6141 Meeting Expenses	0	0	0	0	0	0	0	0
6141.1 Meeting Supplies	36	1,500	1,500	1,250	0	1,250	1,250	(250)
6141.3 Admin Meetings	1,150	1,500	1,500	1,250	0	1,250	1,250	(250)
6147 Other Admin Expenses	165	0	0	0	0	0	0	0
Total 6030 Office Supplies & Equip.	21,360	28,500	28,500	27,000	0	27,000	27,000	(1,500)
6040 Postage & Printing Costs								
6042 Postage - General	5,868	6,000	6,000	6,000	0	6,000	6,000	0
6043.1 Ricoh Lease Fee	42,986	37,980	37,980	35,968	0	35,968	35,968	(2,012)
6043.2 Ricoh Usage & Maintenance Fee	7,192	14,400	14,400	12,600	0	12,600	12,600	(1,800)
6044 Postage Meter Lease	2,233	2,800	2,800	2,800	0	2,800	2,800	0
6045 Outside Printing	3,010	5,000	5,000	5,000	0	5,000	5,000	0
Total 6040 Postage & Printing Costs	61,289	66,180	66,180	62,368	0	62,368	62,368	(3,812)
6050 Information Services								
6052 Consultants	0	0	0	0	0	0	0	0
6052.1 Park Place Computer Solutions	45,550	46,800	46,800	51,300	0	51,300	51,300	4,500
6052.2 Applied Computer Technologies	33,423	36,000	36,000	36,000	0	36,000	36,000	0
6052.3 Website Consulting	10,100	10,800	10,800	0	0	0	0	(10,800)
6053 Internet Services	17,417	18,420	18,420	18,996	0	18,996	18,996	576
6054 Computer Software	16,779	9,000	9,000	17,000	0	17,000	17,000	8,000
6055 Computer Hardware	31,166	26,000	26,000	18,000	0	18,000	18,000	(8,000)
6057 Computer Maintenance	977	1,000	1,000	1,000	0	1,000	1,000	0
Total 6050 Information Services	155,412	148,020	148,020	142,296	0	142,296	142,296	(5,724)
6060 WM Special Contract Services								
6061.3 Rauch	15,883	15,000	15,000	15,000	0	15,000	15,000	0
6061.4 Other Contract Services	0	0	0	0	0	0	0	0
6062 Audit Services	9,075	9,000	9,000	9,400	0	9,400	9,400	400
6063 Public Relations/Consultant	4,750	10,000	10,000	10,000	0	10,000	10,000	0
6064 CEO Recruitment Contract	0	0	32,000	0	0	0	0	(32,000)

**CHINO BASIN WATERMASTER
DETAIL BUDGET FY 2012-2013**

	FY 10-11 June Actual	FY 11-12 Approved Budget	FY 11-12 Amended Budget	FY 12-13 Original Budget	FY 12-13 Proposed Adjustments	FY 12-13 Proposed Budget	FY 12-13 Amended Budget	Original vs. Amended
Total 6060 WM Special Contract Services	29,708	34,000	66,000	34,400	0	34,400	34,400	(31,600)
6070 Watermaster Legal Services								
6071 Legal Services - Court Coordination	0	39,100	39,100	35,950	0	35,950	35,950	(3,150)
6072 Legal Services - Restated Judgment	0	62,400	62,400	57,000	0	57,000	57,000	(5,400)
6073 Legal Services - Personnel Matters	0	9,875	9,875	7,625	0	7,625	7,625	(2,250)
6074 Legal Services - Interagency Issues	0	34,300	34,300	43,920	0	43,920	43,920	9,620
6075 Legal Services - Replenishment Water	0	0	0	0	0	0	0	0
6076 Legal Services - Storage Agreements	0	0	0	0	0	0	0	0
6078 Legal Services - Miscellaneous	0	56,880	56,880	31,150	0	31,150	31,150	(25,730)
6079 Legal Services - Contingency	0	0	0	0	0	0	0	0
Total 6070 Watermaster Legal Services	0	202,555	202,555	175,645	0	175,645	175,645	(26,910)
6080 Insurance Expense								
6085 Business Insurance Package	15,851	18,728	18,728	19,024	(0)	19,024	19,024	296
6086 Position Bond Insurance	256	307	307	369	0	369	369	61
Total 6080 Insurance Expense	16,107	19,036	19,036	19,393	(0)	19,393	19,393	357
6110 Dues and Subscriptions								
6111 Membership Dues	28,852	29,000	29,000	26,500	0	26,500	26,500	(2,500)
6112 Subscriptions	668	1,000	1,000	1,000	0	1,000	1,000	0
Total 6110 Dues and Subscriptions	29,520	30,000	30,000	27,500	0	27,500	27,500	(2,500)
6150 Field Supplies & Equipment								
6151 Small Tools & Equipment	62	600	600	400	0	400	400	(200)
6154 Uniforms	972	1,000	1,000	1,000	0	1,000	1,000	0
Total 6150 Field Supplies & Equipment	1,034	1,600	1,600	1,400	0	1,400	1,400	(200)
6170 Travel & Transportation								
6170 Travel & Transportation	0	0	0	0	0	0	0	0
6171.1 CEO Vehicle Allowance	5,513	0	0	0	0	0	0	0
6171.2 Watermaster Mgmt. Staff Vehicle Allowance	14,680	14,400	14,400	14,400	0	14,400	14,400	0
6173 Mileage Reimbursements	183	250	250	250	0	250	250	0
6174 Public Transportation	170	320	320	320	0	320	320	0
6175 Vehicle Fuel	1,832	3,000	3,000	2,700	0	2,700	2,700	(300)
6177 Vehicle Repairs & Maintenance	3,465	4,000	4,000	3,500	0	3,500	3,500	(500)
Total 6170 Travel & Transportation	25,842	21,970	21,970	21,170	0	21,170	21,170	(800)
6190 Conferences & Seminars								
6191 Conferences & Seminars	13,598	16,000	16,000	13,500	0	13,500	13,500	(2,500)
6192 Training & Continuing Education	905	1,500	1,500	1,500	0	1,500	1,500	0
6193.1 Strategic Planning Conference	7,158	0	0	0	0	0	0	0
6193.2 Conference - Registration Fee	(3,535)	0	0	0	0	0	0	0
Total 6190 Conferences & Seminars	18,126	17,500	17,500	15,000	0	15,000	15,000	(2,500)
6200 Advisory Committee Expenses								

**CHINO BASIN WATERMASTER
DETAIL BUDGET FY 2012-2013**

	FY 10-11 June Actual	FY 11-12 Approved Budget	FY 11-12 Amended Budget	FY 12-13 Original Budget	FY 12-13 Proposed Adjustments	FY 12-13 Proposed Budget	FY 12-13 Amended Budget	Original vs. Amended
6201 WM Staff Salaries	17,640	21,241	21,241	22,105	0	22,105	22,105	864
6212 Meeting Expense	683	2,000	2,000	2,000	0	2,000	2,000	0
6275 Legal Services - Advisory Committee Meeting	0	30,810	30,810	29,280	0	29,280	29,280	(1,530)
Total 6200 Advisory Committee Expenses	18,322	54,051	54,051	53,385	0	53,385	53,385	(666)
6300 Watermaster Board Expenses								
6301 WM Staff Salaries	21,894	29,916	29,916	31,104	0	31,104	31,104	1,188
6311 Board Member Compensation	24,375	20,000	20,000	22,250	0	22,250	22,250	2,250
6312 Meeting Expense	4,034	5,400	5,400	6,000	0	6,000	6,000	600
6313 Board Member Expenses	107	300	300	300	0	300	300	0
6342 Postage and Printing	0	0	0	0	0	0	0	0
6375 Legal Services - Board Meeting	0	45,630	45,630	84,240	0	84,240	84,240	38,610
Total 6300 WM Board Expenses	50,410	101,246	101,246	143,894	0	143,894	143,894	42,648
6500 Education Fund Expenditures	375	375	375	257	0	257	257	(118)
8300 Appropriative Pool Administration								
8301 WM Staff Salaries	22,115	28,450	28,450	29,505	0	29,505	29,505	1,055
8312 Meeting Expenses	320	500	500	500	0	500	500	0
8367 Appropriative Pool - Legal Services	29,342	0	0	0	0	0	0	0
8375 Legal Services - Approp. Pool Meeting	0	21,330	21,330	29,280	0	29,280	29,280	7,950
Total 8300 Appropriative Pool Administration	51,778	50,280	50,280	59,285	0	59,285	59,285	9,005
8400 Agricultural Pool Administration								
8401 WM Staff	26,134	24,935	24,935	25,930	0	25,930	25,930	995
8411 Compensation	2,250	2,000	2,000	0	0	0	0	(2,000)
8412 Meeting Expenses	129	300	300	300	0	300	300	0
8456 IEUA Readiness To Serve	4,812	5,784	5,784	7,773	0	7,773	7,773	1,989
8467 Ag-Pool Legal Service	116,194	100,000	100,000	100,000	0	100,000	100,000	0
8467.1 Frank B & Associates	10,792	18,000	18,000	18,000	0	18,000	18,000	0
8467.2 Legal - Plumes/Other Issues	0	93,000	93,000	93,000	0	93,000	93,000	0
8470 Ag Pool Meeting Special Compensation	15,500	12,000	12,000	17,300	0	17,300	17,300	5,300
8471 Ag Pool Special Projects	10,342	65,000	65,000	65,000	0	65,000	65,000	0
8475 Legal Services - Ag. Pool Meeting	0	30,810	30,810	29,280	0	29,280	29,280	(1,530)
8485 Ag Pool - Misc. Expense - Ag Fund	0	0	0	400	0	400	400	400
Total 8400 Agricultural Pool Administration	186,152	351,829	351,829	356,983	0	356,983	356,983	5,154
8500 Non-Agricultural Pool Administration								
8501 WM Staff	14,672	14,233	14,233	14,715	0	14,715	14,715	482
8512 Meeting Expense	2,216	3,000	3,000	3,000	0	3,000	3,000	0
8567 Non-Ag Legal Service	129,016	75,000	75,000	0	0	0	0	(75,000)
8575 Legal Services - Non-Ag. Pool Meeting	0	9,480	9,480	29,280	0	29,280	29,280	19,800
Total 8500 Non-Agricultural Pool Administration	145,903	101,713	101,713	46,995	0	46,995	46,995	(54,718)
9400 Depreciation Expense	20,699	0	0	0	0	0	0	0
9500 Allocated G&A Expenditures	(393,760)	(720,599)	(720,599)	(732,558)	0	(732,558)	(732,558)	(11,959)

CHINO BASIN WATERMASTER DETAIL BUDGET FY 2012-2013

	FY 10-11 June Actual	FY 11-12 Approved Budget	FY 11-12 Amended Budget	FY 12-13 Original Budget	FY 12-13 Proposed Adjustments	FY 12-13 Proposed Budget	FY 12-13 Amended Budget	Original vs. Amended
Total Administrative Expenses	1,018,047	1,084,601	1,236,601	1,078,942	(0)	1,078,942	1,078,942	(157,659)
General OBMP Expenses								
6900 Optimum Basin Mgmt Program								
6901 OBMP - Staff	195,184	216,992	216,992	224,554	0	224,554	224,554	7,562
6902 OBMP - Temporary Staff	0	0	0	0	0	0	0	0
6903 OBMP - SARW Group	25,778	11,655	11,655	11,000	0	11,000	11,000	(655)
6906 OBMP - Engineering	335,904	256,209	224,304	344,541	0	344,541	344,541	120,237
6906.1 OBMP - Watermaster Model Update	145,000	204,010	354,010	99,828	0	99,828	99,828	(254,182)
6907 OBMP - Legal								
6907.3 WM Legal Counsel	224,048	0	0	0	0	0	0	0
6907.30 Peace II - CEQA	4,018	0	0	0	0	0	0	0
6907.31 South Archibald Plume	28,855	24,625	24,625	31,800	0	31,800	31,800	7,175
6907.32 Chino Airport Plume	62,126	25,675	25,675	31,800	0	31,800	31,800	6,125
6907.33 Desalter/Hydraulic Control Issues	178,473	67,425	67,425	50,100	0	50,100	50,100	(17,325)
6907.34 Santa Ana River Water Rights	16,562	25,125	25,125	33,250	0	33,250	33,250	8,125
6907.35 Paragraph 31 Motion	146,114	39,200	39,200	17,800	0	17,800	17,800	(21,400)
6907.36 Santa Ana River Habitat	15,208	0	0	21,150	0	21,150	21,150	21,150
6907.37 Storage & Recovery	1,184	0	0	0	0	0	0	0
6907.38 Reg. Water Quality Control Board	3,591	13,750	13,750	11,950	0	11,950	11,950	(1,800)
6907.39 Recharge Master Plan	8,419	25,360	25,360	44,500	0	44,500	44,500	19,140
6907.40 Storage Agreements	0	0	0	17,800	0	17,800	17,800	17,800
6907.41 Prado Basin Habitat Sustainability	0	0	0	17,800	0	17,800	17,800	17,800
6907.9 WM Legal Counsel - Unanticipated	0	0	0	25,000	0	25,000	25,000	25,000
6909 OBMP - Other Expense	0	0	0	0	0	0	0	0
6909.1 OBMP Meetings	1,688	0	0	0	0	0	0	0
6909.3 OBMP Other Expenses	0	0	0	1,977	0	1,977	1,977	1,977
6909.4 OBMP Other Expenses - Other	1,692	0	0	0	0	0	0	0
6909.5 Ad Hoc Litigation Committee	22	0	0	0	0	0	0	0
6909 OBMP - Other Expense	-116,200	25,000	25,000	10,000	0	10,000	10,000	(15,000)
Total 6900 Optimum Basin Mgmt Program	1,510,065	935,026	1,053,121	994,850	0	994,850	994,850	(58,271)
Total 6950 Cooperative Efforts	10,000	10,000	10,000	10,000	0	10,000	10,000	0
9501 Allocated G&A Expenditures	106,826	216,375	216,375	214,336	0	214,336	214,336	(2,039)
Total General OBMP Expenses	1,626,892	1,161,401	1,279,496	1,219,186	0	1,219,186	1,219,186	(60,310)
7000 OBMP Implementation Projects								
<i>7100 OBMP Pgm Element 1 - Comp Monitoring Program</i>								
7101 Production Monitoring								
7101.1 Production Monitoring - WM Staff	85,325	104,150	104,150	107,996	0	107,996	107,996	3,846
7101.2 Production Monitoring - Temporary Services	0	0	0	0	0	0	0	0

**CHINO BASIN WATERMASTER
DETAIL BUDGET FY 2012-2013**

	FY 10-11 June Actual	FY 11-12 Approved Budget	FY 11-12 Amended Budget	FY 12-13 Original Budget	FY 12-13 Proposed Adjustments	FY 12-13 Proposed Budget	FY 12-13 Amended Budget	Original vs. Amended
7101.3 Production Monitoring - Engineering Services	0	0	0	0	0	0	0	0
7101.4 Production Monitoring - Computer Services	750	750	750	750	0	750	750	0
7101.5 Production Monitoring - Supplies & Repairs	311	0	0	0	0	0	0	0
Total 7101 Production Monitoring	86,386	104,900	104,900	108,746	0	108,746	108,746	3,846
7102 In-Line Meter Installation/Maintenance								
7102.1 In-Line Meter - WM Staff	2,639	10,363	10,363	10,537	0	10,537	10,537	174
7102.5 In-Line Meter - Repair & Maintenance	1,355	8,000	8,000	20,000	0	20,000	20,000	12,000
7102.7 In-Line Meter - In-Line Meters	1,847	8,000	8,000	25,000	0	25,000	25,000	17,000
7102.8 In-Line Meter - Calibration & Testing	14,320	40,000	40,000	50,625	0	50,625	50,625	10,625
Total 7102 In-Line Meter Installation/Maintenance	20,162	66,363	66,363	106,162	0	106,162	106,162	39,799
7103 Groundwater Quality Monitoring								
7103.1 Grdwtr Quality - WM Staff	64,398	80,195	80,195	84,064	0	84,064	84,064	3,869
7103.3 Grdwtr Quality - Engineering Services	87,672	80,507	86,470	67,056	0	67,056	67,056	(19,414)
7103.4 Grdwtr Quality - Contract Services	1,425	2,125	2,125	4,800	0	4,800	4,800	2,675
7103.5 Grdwtr Quality - Laboratory Services	31,963	36,883	36,883	38,568	0	38,568	38,568	1,685
7103.6 Grdwtr Quality - Supplies	8,833	3,500	3,500	2,500	0	2,500	2,500	(1,000)
7103.7 Grdwtr Quality - Computer Services	750	750	750	750	0	750	750	0
Total 7103 Groundwater Quality Monitoring	195,041	203,960	209,923	197,738	0	197,738	197,738	(12,185)
7104 Groundwater Level Monitoring								
7104.1 Grdwtr Level - WM Staff	87,722	89,863	89,863	90,577	0	90,577	90,577	714
7104.3 Grdwtr Level - Engineering Services	154,493	151,144	172,518	192,396	0	192,396	192,396	19,878
7104.4 Grdwtr Level - Contract Services (CBWM Staff)	0	500	500	500	0	500	500	0
7104.6 Grdwtr Level - Supplies	2,462	1,000	1,000	1,500	0	1,500	1,500	500
7104.7 Grdwtr Level - Capital Equipment (CBWM Staff)	9,249	10,000	10,000	10,000	0	10,000	10,000	0
7104.8 Grdwtr Level - Contract Services	4,885	10,000	10,000	10,000	0	10,000	10,000	0
7104.9 Grdwtr Level - Capital Equipment	5,187	13,925	13,925	13,925	0	13,925	13,925	0
Total 7104 Groundwater Level Monitoring	263,997	276,432	297,806	318,898	0	318,898	318,898	21,092
7105 Recharge Basin Water Quality Monitoring								
7105.1 Recharge Basin Water Quality - WM Staff	771	2,992	2,992	3,118	0	3,118	3,118	126
7105.4 Recharge Basin Water Quality - Laboratory Services	0	500	500	0	0	0	0	(500)
7105.6 Recharge Basin Water Quality - Supplies	0	100	100	0	0	0	0	(100)
Total 7105 Recharge Basin Water Quality Monitoring	771	3,592	3,592	3,118	0	3,118	3,118	(474)
7107 Ground Level Monitoring								
7107.1 Ground Level - WM Staff	4,376	1,566	1,566	1,680	0	1,680	1,680	114
7107.2 Ground Level - Engineering Services	164,129	166,435	166,435	143,269	0	143,269	143,269	(23,166)
7107.3 Ground Level - Synthetic Aperture Radar	95,000	120,000	120,000	90,000	0	90,000	90,000	(30,000)
7107.5 Ground Level - Laboratory Services	0	0	0	0	0	0	0	0
7107.6 Ground Level - Contract Services	189,407	224,735	224,735	271,806	0	271,806	271,806	47,071
7107.7 Ground Level - Extensometer Installation	0	365,945	465,001	0	0	0	0	(465,001)
7107.8 Ground Level - Capital Equipment	23,243	25,762	25,762	16,046	0	16,046	16,046	(9,716)
7107.9 Ground Level - Other	0	0	0	1,650	0	1,650	1,650	1,650

**CHINO BASIN WATERMASTER
DETAIL BUDGET FY 2012-2013**

	FY 10-11 June Actual	FY 11-12 Approved Budget	FY 11-12 Amended Budget	FY 12-13 Original Budget	FY 12-13 Proposed Adjustments	FY 12-13 Proposed Budget	FY 12-13 Amended Budget	Original vs. Amended
Total 7107 Ground Level Monitoring	476,155	904,443	1,003,499	524,451	0	524,451	524,451	(479,048)
7108 Hydraulic Control Monitoring								
7108.1 Hydraulic Control Monitoring - WM Staff	3,211	7,273	7,273	7,483	0	7,483	7,483	210
7108.2 Hydraulic Control Monitoring - Temporary Services	0	0	0	0	0	0	0	0
7108.3 Hydraulic Control Monitoring - Engineering Services	234,902	279,662	246,956	131,518	0	131,518	131,518	(115,438)
7108.4 Hydraulic Control Monitoring - Laboratory Services	157,262	170,849	170,849	67,661	0	67,661	67,661	(103,188)
7108.6 Hydraulic Control Monitoring - Supplies	0	0	0	0	0	0	0	0
7108.7 Hydraulic Control Monitoring - Prado Basin Habitat	0	0	0	200,000	0	200,000	200,000	200,000
7108.9 Hydraulic Control Monitoring - Contract Services	4,676	2,000	2,000	4,500	0	4,500	4,500	2,500
Total 7108 Hydraulic Control Monitoring	400,051	459,784	427,078	411,162	0	411,162	411,162	(15,916)
7109 Recharge & Well Monitoring								
7109.3 Recharge & Well Monitoring - Engineering Services	9,429	11,160	6,696	21,540	0	21,540	21,540	14,844
7109.4 Recharge & Well Monitoring - Laboratory Services	0	0	0	0	0	0	0	0
Total 7109 Recharge & Well Monitoring	9,429	11,160	6,696	21,540	0	21,540	21,540	14,844
7200 OBMP Pgm Element 2 - Comp Recharge								
7201 Comp Recharge - WM Staff	111,880	125,087	125,087	131,250	0	131,250	131,250	6,163
7202 Comp Recharge - Engineering Services - Other	19,389	0	0	0	0	0	0	0
7202.1 Comp Recharge - Temp Services	0	0	0	0	0	0	0	0
7202.2 Comp Recharge - Engineering Services	0	10,320	10,320	0	0	0	0	(10,320)
7202.3 Comp Recharge - Implementation RMPU	53,422	231,000	122,490	100,016	0	100,016	100,016	(22,474)
7203 Comp Recharge - Contract Services	0	0	0	0	0	0	0	0
7204 Comp Recharge - Supplies	65	2,000	2,000	2,000	0	2,000	2,000	0
7205 Comp Recharge - Other Expenses	9,639	5,000	5,000	7,500	0	7,500	7,500	2,500
7206 Comp Recharge - Basin Program O&M	687,001	722,628	722,628	833,953	0	833,953	833,953	111,325
7207 Comp Recharge - Other	0	245,750	245,750	0	0	0	0	(245,750)
7208 Hansen Aggregate Damages	0	0	0	0	0	0	0	0
7209 Recharge Proof of Concept	0	0	0	300,000	0	300,000	300,000	300,000
Total 7200 OBMP Pgm Element 2 - Comp Recharge	881,396	1,341,785	1,233,275	1,374,719	0	1,374,719	1,374,719	141,444
7300 OBMP Pgm Element 3 & 5 - Water Supply Plan - Desalter								
7301 OBMP - WM Staff	30,646	37,543	37,543	38,651	0	38,651	38,651	1,108
7303 OBMP - Engineering Services	60,744	47,840	36,221	30,344	0	30,344	30,344	(5,877)
7304 OBMP - Contract Services	0	0	0	0	0	0	0	0
7305 OBMP - Supplies	6,882	8,000	8,000	7,000	0	7,000	7,000	(1,000)
7306 OBMP - Other Expense	0	0	0	0	0	0	0	0
Total 7300 OBMP Pgm Element 3 & 5 - Water Supply Plan	98,272	93,383	81,764	75,995	0	75,995	75,995	(5,769)
7400 OBMP Pgm Element 4 - Mgmt Zone Strategies								
7401 OBMP - WM Staff	6,299	12,235	12,235	12,688	0	12,688	12,688	453
7402 OBMP - Engineering Services	43,013	45,732	50,123	52,062	0	52,062	52,062	1,939
7403 OBMP - Contract Services	5,000	10,000	10,000	15,000	0	15,000	15,000	5,000
7404 OBMP - Supplies	21	0	0	0	0	0	0	0
7405 OBMP - Other Expenses	2,104	2,100	2,100	2,500	0	2,500	2,500	400

**CHINO BASIN WATERMASTER
DETAIL BUDGET FY 2012-2013**

	FY 10-11 June Actual	FY 11-12 Approved Budget	FY 11-12 Amended Budget	FY 12-13 Original Budget	FY 12-13 Proposed Adjustments	FY 12-13 Proposed Budget	FY 12-13 Amended Budget	Original vs. Amended
Total 7400 OBMP Pgm Element 4 - Mgmt Zone Strategies	56,437	70,067	74,458	82,250	0	82,250	82,250	7,792
7500 OBMP Pgm Element 6 & 7 - Coop Efforts/Salt Mgmt								
7501 OBMP - WM Staff	2,330	2,992	2,992	7,523	0	7,523	7,523	4,531
7501.1 OBMP - WM Staff (Plume)	0	0	0	0	0	0	0	0
7502 OBMP - Engineering Services	98,472	48,160	48,160	55,868	0	55,868	55,868	7,708
7503 OBMP - Contract Services (Plume)	0	37,790	37,790	0	0	0	0	(37,790)
7504 OBMP - Contract Services	0	0	0	5,088	0	5,088	5,088	5,088
7505 OBMP - Other Expenses	0	0	0	0	0	0	0	0
Total 7500 OBMP Pgm Element 6 & 7 - Coop Efforts/Salt Mgm	100,802	88,942	88,942	68,479	0	68,479	68,479	(20,463)
7600 OBMP Pgm Element 8 & 9 Storage Mgmt/Conj Use								
7601 OBMP - WM Staff	25,767	45,423	45,423	46,940	0	46,940	46,940	1,517
7602 OBMP - Engineering Services	0	0	0	11,328	0	11,328	11,328	11,328
7604 OBMP - Supplies	114	350	350	350	0	350	350	0
7605 OBMP - Other Expenses	0	0	0	0	0	0	0	0
Total 7600 OBMP Pgm Element 8 & 9 Storage Mgmt/Conj Use	25,881	45,773	45,773	58,618	0	58,618	58,618	12,845
7700 Inactive Well Protection Program								
7701 Inactive Well Protection Program - WM Staff	0	413	413	420	0	420	420	7
7703 Inactive Well Protection Program - Contract Services	75	1,000	1,000	500	0	500	500	(500)
Total 7700 Inactive Well Protection Program	75	1,413	1,413	920	0	920	920	(493)
7690 Recharge Improvement Debt Payment	366,790	450,964	450,964	501,055	0	501,055	501,055	50,091
9502 Allocated G&A Expenditures	286,933	504,224	504,224	518,222	0	518,222	518,222	13,998
Total OBMP Implementation Projects	3,268,577	4,627,185	4,600,670	4,372,073	0	4,372,073	4,372,073	(228,597)
Total General OBMP & Implementation Projects	4,895,469	5,788,586	5,880,166	5,591,259	0	5,591,259	5,591,259	(288,907)
Total Expenses	5,913,516	6,873,187	7,116,767	6,670,201	(0)	6,670,201	6,670,201	(446,566)
Net Ordinary Income	742,575	(215,000)	(215,000)	0	0	0	0	215,000
Other Income								
4225 Interest Income								
4225 Interest Income	14,714	0	0	0	0	0	0	0
4226 LAIF Fair Market Value	13,450	0	0	0	0	0	0	0
Total 4225 Interest Income	28,164	0	0	0	0	0	0	0
Water Replenishment Assessments								
4210 Approp Pool-Replenishment								
4211 15% Gross Assessments	227,550	0	0	0	0	0	0	0
4212 85% Net Assessments	1,289,450	0	0	0	0	0	0	0

**CHINO BASIN WATERMASTER
DETAIL BUDGET FY 2012-2013**

	FY 10-11 June Actual	FY 11-12 Approved Budget	FY 11-12 Amended Budget	FY 12-13 Original Budget	FY 12-13 Proposed Adjustments	FY 12-13 Proposed Budget	FY 12-13 Amended Budget	Original vs. Amended
4213 100% Net Assessments	904,561	0	0	0	0	0	0	0
4214 Prior Year Adjustment	0	0	0	0	0	0	0	0
4215 Prior Year Carryover	0	0	0	0	0	0	0	0
4216 CURO Adjustment	1,172,897	0	0	0	0	0	0	0
Total 4210 Approp Pool-Replenishment	3,594,458	0	0	0	0	0	0	0
4220 Non-Ag Pool-Replenishment								
4223 Net Replenishment	24,518	0	0	0	0	0	0	0
4224 CURO Adjustment	3,028	0	0	0	0	0	0	0
Total 4220 Non-Ag Pool-Replenishment	27,546	0	0	0	0	0	0	0
4600 Groundwater Sales								
4613 Stored Water Sales	2,244,496	0	0	0	0	0	0	0
4614 MWD Direct Water Sales	3,750,628	0	0	0	0	0	0	0
Total 4600 Groundwater Sales	5,995,123	0	0	0	0	0	0	0
Total Other Income	9,645,291	0	0	0	0	0	0	0
Other Expense								
5010 Groundwater Recharge								
5011.4 Replenishment Water	0	0	0	0	0	0	0	0
5011.6 MWD Replenishment - Direct Water	3,750,628	0	0	0	0	0	0	0
5011 Replenishment Water - Other	4,984,780	0	0	0	0	0	0	0
5017 IEUA Surcharges	0	0	0	0	0	0	0	0
Total 5010 Groundwater Recharge	8,735,408	0	0	0	0	0	0	0
5105 Purchase of Non-Ag Pool Water	2,255,436	0	0	0	0	0	0	0
Total Other Expense	10,990,844	0	0	0	0	0	0	0
9900 To / (From) Reserves	(602,977)	0	0	0	0	0	0	0
Net Other Income	(742,575)	0	0	0	0	0	0	0
Net Income	\$0	(\$215,000)	(\$215,000)	\$0	\$0	\$0	\$0	\$215,000

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**CHINO BASIN WATERMASTER
ACCOUNT NUMBER JUSTIFICATION
BUDGET FY 2012-2013**

Budget Account Number	Account Description	Comments and Information.
ORDINARY INCOME/EXPENSE		
<u>4000 MUTUAL AGENCY REVENUE</u>		
4013	Local Agency Contr - OBMP	This account represents reimbursement funds from Hanson Aggregates for damage to Lower Day Basin. Annual payments of \$111,000 to start 07/01/09 and end on 07/01/11.
4030	Basin Management Assistance	This account represents the one-time contribution amount of \$300,000 from Three Valleys Municipal Water District according to the Peace II Agreement, Section 9, Article 9.1.
4040	Cooperative Agreement	Per section VI.D.3 of the Groundwater Storage Program Funding Agreement No. 49960 in the Chino Basin, the MWD pays Watermaster an annual administrative fee of \$132,000 due July 1st, with a CPI escalation not to exceed 2.5% each year.
<u>4110 APPROPRIATIVE POOL ASSESSMENTS</u>		
4111	Administrative Assessment	Appropriative Pool Assessments equal the Pool's share of all General Administrative Expenses levied to the Appropriators on a per acre-foot basis levied based on the prior year's production.
4111.2	OBMP Assessment	Appropriative Pool Assessments equal the Pool's share of all Optimum Management costs levied to the Appropriators on a per acre-foot basis based on the prior year's production.
4111.3	Appropriative Pool - Special Assessment	Appropriative Pool Special Assessment for legal services or other expenses such as Basin Wide Objectives, Special Assessment levied to the Appropriators on a formula based upon 50% Operating Safe Yield and 50% Averaged Production and Exchanges, as approved by the Appropriative Pool.
4112	Agricultural Pool Reallocation-Administrative Assessment	The Appropriative Pool and the Overlying Agricultural Pool agreed that the unproduced portion of Ag Pool's annual share of safe yield (82,800 acre-feet) would be immediately reallocated to the Appropriative Pool members provided the Appropriative Pool would pay the Agricultural Pool's share of Administrative and Special Project expenses.
4113	Agricultural Pool Reallocation- OBMP Assessment	With separate assessments levied for General Administration and Optimum Basin Management Plan and Implementation Costs, the Agricultural Pool costs charged through the reallocation levy have been separated to differentiate between the revenues from the two levies.
4115	Recharge Improvement Revenue	This account covers funds required to pay the budgeted debt service payment and the operating and maintenance expenses.
4117	PIY Adjustments	Consists of adjustments related to prior years, if any.
<u>4120 NON-AGRICULTURAL POOL ASSESSMENTS</u>		
4123	Administrative Assessment	Non-Agricultural Pool Assessments equal the Pool's share of all General Administrative Expenses levied to the Non-Agricultural Pool based on the prior year's production.
4123.3	Non-Agricultural Pool - Special Assessment	Non-Agricultural Pool Assessment for legal services, Special Assessment levied to the Non-Agricultural Pool members based upon prior year's actual production.
4124	OBMP Assessment	Non-Agricultural Pool Assessments equal the Pool's share of all Optimum Basin Management costs levied to the Pool members based on the prior year's production.
4127	PIY Adjustments	Consists of adjustments related to prior years, if any.
4730	<u>PRORATED INTEREST INCOME</u>	Interest is prorated between the Pools and the Education Fund using formula approved by the Advisory Committee and Pools several years ago.
<u>6010 SALARY COSTS</u>		
6011	WM Staff Salaries & Payroll Burden	Expenses related to administrative staff hours and costs not related to a particular project.
6012	Payroll Services	Expenses related to processing of bi-weekly payroll and preparation of quarterly and annual tax returns, including calendar year-end W-2 processing.
6013	Human Resources Services	Expenses related to processing of flexible spending medical and dependent care accounts, along with personnel consulting services.
6016	New Employee Search Costs	Expenses related to hiring of new staff, (i.e. employment postings with Monster.com, CareerBuilder, local newspapers, etc.).
6017	Temporary Services	Expenses related to hiring temporary staff from an Employment Agency (i.e. special projects, maternity leaves, extended sick leaves, etc.).
6018	Fringe Benefits	Benefits paid to employees such as employer and employee portions of CalPERS retirement, Medicare payroll taxes, medical, dental, vision, vacation, sick leave, holidays, workers compensation insurance premiums, life insurance premiums, short and long term disability premiums, state unemployment insurance.
60199	Payroll Burden Allocated	Fringe benefits allocated to salary costs.
<u>6020 OFFICE BUILDING EXPENSE</u>		
6021	Office Lease	Lease for Watermaster office.
6022	Telephone	Telephone expense includes office telephone system, cellular phones for management and field staff along with conference call service.
6024	Building Repairs & Janitorial	This account covers monthly janitorial and housekeeping service, along with repairs and maintenance requests for the office.

**CHINO BASIN WATERMASTER
ACCOUNT NUMBER JUSTIFICATION
BUDGET FY 2012-2013**

Budget Account Number	Account Description	Comments and Information
6026	Security Services	After business hours and weekend building alarm monitoring services for the office building.
6027	Other Expense	Expenses to this category include office building improvements.
<u>6030 OFFICE SUPPLIES & EQUIPMENT</u>		
6031.1	Copy Paper	This budget item covers the cost of copy paper for the printers, copy machines, etc.
6031.7	Other Office Supplies	This budget item covers the cost office supplies which includes: stationary, envelopes, checks and other miscellaneous office supplies.
6141	Meeting Expenses	Expenses charged to this category include administrative meeting expenses, food, refreshments, etc.
6141.1	Meeting Supplies	Expenses charged to this category include administrative meeting supplies.
6141.3	Admin Meetings	Expenses charged to this category include administrative meeting expenses, conference calls, etc.
6147	Other Admin Expenses	This budget item covers the cost of administrative meeting expenses not included in other categories of 6141 listed above.
<u>6040 POSTAGE & PRINTING COSTS</u>		
6042	Postage	The postage account covers the cost of mailing or shipping all meeting notices and agendas; correspondence; Annual Reports; outgoing bills and payments, etc. Charges also include FedEx, United Parcel Service costs as well as US postage.
6043	Copy Machine Lease - Other	This account covers the cost of leasing copy machines as well as the costs for copies exceeding the minimum number per month/year as stipulated in the lease agreements.
6043.1	Ricoh Lease Fee	This account covers the cost of leasing the Ricoh copy machines from Imaging Plus.
6043.2	Ricoh Usage & Maintenance Fee	This account covers the usage charges (per page charge) and any maintenance fees for the Ricoh copy machines from Imaging Plus.
6044	Postage Meter Lease	Postage meter costs includes the annual lease fees; quarterly reset fees and postage meter ink cartridge replacements.
6045	Outside Printing	Printing jobs done by outside printers and include the Annual Report, blueprints, special area street maps, color prints and emergency printing when our in-house copiers are down for repairs, etc. Also includes printing of color brochures and annual financial statements.
<u>6050 INFORMATION SERVICES</u>		
6052	Computer Consultant Support Services	Watermaster uses IT consultants to maintain the computer network and workstations, as well as to develop and maintain databases.
6052.1	Park Place Computer Solutions	Watermaster's IT consultant who maintains the computer network and workstations, ensuring proper backups, and recommends system improvements.
6052.2	Applied Computer Technologies	Watermaster's database consultant who maintains the numerous databases.
6052.3	Website Consulting	Watermaster's website consultant who maintains, updates and ensures the website www.cbwm.org is operational and maintained with current information.
6053	Internet Services	Miscellaneous website maintenance costs & T-1 internet connections.
6054	Computer Software	Costs include new software, software upgrades and annual software licenses.
6055	Computer Hardware	Costs include new computer hardware, upgraded computer hardware, servers, printers, back up power supplies, monitors, etc.
6057	Computer Maintenance	Costs include the maintenance and repair of computer hardware, servers, printers, etc.
<u>6060 WATERMASTER SPECIAL CONTRACT SERVICES</u>		
6061.3	Rauch	Expense category used to capture the Watermaster consultant who specializes in the Annual Report creation, development and submission.
6061.4	Other Contract Services	Expense category used to capture the Watermaster consultants who develop and implement strategic plans, develop brochures, and design reports.
6062	Audit Services	Services provided by the audit firm to ensure compliance and field work related for the annual financial statement audit.
6063	Public Relations Consultant	Watermaster retains outside consultants on a per contract basis as our Public Relations Consultant, to keep us up to date regarding relevant legislative issues.
6064	CEO Recruitment Contract	Services provided by the recruiting firm to hire a new CEO for Watermaster.
<u>6070 WATERMASTER LEGAL SERVICES</u>		
6071	Legal Services - Court Coordination	Watermaster legal counsel expenses for the regular court hearings with Judge Reichert.
6072	Legal Services - Restated Judgment	Watermaster legal counsel expenses for the Restated Judgment.
6073	Legal Services - Personnel Matters	Watermaster legal expenses related to personnel issues and/or other HR matters.
6074	Legal Services - Interagency Issues	Watermaster legal expenses related to Interagency matters and issues.
6075	Legal Services - Replenishment Water	Watermaster legal expenses related to the purchase of Replenishment Water.
6076	Legal Services - Storage Agreements	Watermaster legal expenses related to Storage Agreements.

**CHINO BASIN WATERMASTER
ACCOUNT NUMBER JUSTIFICATION
BUDGET FY 2012-2013**

Budget Account Number	Account Description	Comments and Information
6078	Legal Services - Miscellaneous	Watermaster legal expenses related to miscellaneous items not listed in any category above.
6079	Legal Services - Contingency	Watermaster legal expenses related to the administration/G&A contingency.
<u>6080 INSURANCES</u>		
6085	Business Insurance Package	All insurance policies are now included under Business Insurance Package, including auto & general liability.
6086	Position Bond Insurance	Insures key positions for risk of misappropriation and/or fraud.
<u>6110 DUES & SUBSCRIPTIONS</u>		
6111	Membership Dues	Watermaster memberships include: American Water Works Assoc Research Foundation, Association of California Water Agencies, Association of Ground Water Agencies, California Groundwater Coalition, American Groundwater Trust, Southern California Water Committee, Water Education Foundation and the Groundwater Resources Association.
6112	Subscriptions	Watermaster subscribes to several trade journals and the local newspaper.
<u>6150 FIELD SUPPLIES & EQUIPMENT</u>		
6151	Small Tools & Equipment	Small tools and equipment includes any tool which might be required while working in the field.
6154	Uniforms	T-shirts, polo shirts, hats and jackets are provided to staff with Watermaster's logo to wear while in the field and while representing Watermaster. This line item also includes work boots for the field staff.
<u>6170 TRAVEL & TRANSPORTATION</u>		
6170	Travel & Transportation	Travel and transportation costs related to Watermaster business, not related to conferences and seminars.
6171.1	CEO Vehicle Allowance	Employment agreement provides the Chief Executive Officer a vehicle allowance of \$750 per month. For FY 2012/2013, the vehicle allowance is included as part of the overall CEO's salary.
6171.2	Watermaster Mgmt. Staff Vehicle Allowance	Employment agreement provides the Watermaster management staff receive \$400 per month.
6173	Mileage Reimbursements	Reimbursements paid to Watermaster employees for use of personal vehicles for Watermaster business at the federally approved rate per mile.
6174	Public Transportation	Cost of tolls and transponders for Watermaster vehicles on the toll roads (Transportation Corridor Agency and 91 Express Lanes) in Orange County.
6175	Vehicle Fuel	Fuel expenses for Watermaster owned vehicles.
6177	Vehicle Repairs & Maintenance	Covers repairs and maintenance to Watermaster's vehicles.
<u>6190 CONFERENCES & SEMINARS</u>		
6191	Conferences & Seminars	Costs associated with staff attending conferences or seminars for information, training, or making presentations regarding the Chino Basin Watermaster activities.
6192	Training & Continuing Education	Attendance at training and continuing education for Watermaster staff.
6193.1	Strategic Planning Conference	Costs associated with the annual Strategic Planning Conference (site location fee, catering, supplies, brochures, etc.).
6193.2	Conference - Registration Fee	Registration fees for the Strategic Planning Conference.
<u>6200 ADVISORY COMMITTEE EXPENSES</u>		
6201	WM Staff Salaries	Salary and burden costs of WM staff in attending and preparing for Advisory Committee meetings.
6211	Compensation - AG Pool Members	Compensation for AG pool members is paid through accounts 8470.
6212	Meeting Expense	Advisory Committee meetings are normally scheduled to cover the lunch hour so that members are absent from their normal jobs the least amount of time possible. To accommodate the members, a luncheon and/or refreshments are served. Those related costs are reflected in this account.
6275	Legal Services - Advisory Committee	Brownstein legal services directly allocated to the preparation and attendance at the Advisory Committee meetings.
<u>6300 WATERMASTER BOARD EXPENSES</u>		
6301	WM Staff Salaries	Salary and burden costs of WM staff in preparing for and attending Watermaster Board Meetings.
6311	Board Member Compensation	Board Members are entitled to, but may waive, compensation for each day of service. Those who have not waived, receive \$125 per day served at various meetings including Board meetings, Committee meetings and other water agency meetings, including conference calls.
6312	Meeting Expenses	Board and Committee meetings may be scheduled to cover the lunch hour so that attendees are absent from their normal jobs the least amount of time possible. If this occurs, a luncheon and/or refreshments are served. Those related costs are reflected in this account.
6313	Board Member's Expenses	Board Members are entitled to receive reimbursement for expenses incurred on behalf of Watermaster business. Upon request, mileage is reimbursed to any Board Member using a personal vehicle for Watermaster business.

**CHINO BASIN WATERMASTER
ACCOUNT NUMBER JUSTIFICATION
BUDGET FY 2012-2013**

Budget Account Number	Account Description	Comments and Information
6375	Legal Services - Board Meeting	Brownstein legal services directly allocated to the preparation and attendance at the Board meetings.
6500	<u>EDUCATION FUND EXPENDITURES</u>	This account disburses funds from the educational account as directed.
8300	<u>APPROPRIATIVE POOL ADMINISTRATION AND SPECIAL PROJECTS</u>	
8301	WM Staff Salaries	Salary and burden costs of WM staff in attending and preparing for Pool Meetings, and any other Appropriative Pool administrative activity.
8312	Meeting Expenses	This item covers meeting expenses, including the cost of refreshments.
8367	Legal Services	This item covers the legal services for the Appropriative Pool legal counsel.
8375	Legal Services- Appropriative Pool Meeting	Brownstein legal services directly allocated to the preparation and attendance at the Appropriative Pool meetings.
8400	<u>AGRICULTURAL POOL ADMINISTRATION AND SPECIAL PROJECTS</u>	
8401	WM Staff Salaries	Salary and burden costs of WM staff in attending and preparing for Pool Meetings, along with any other Agricultural Pool administrative activity.
8411	Compensation - AG Pool Members	Ag Pool Members are reimbursed \$125 for each Pool, Committee or Board Meeting attended. \$25 of the \$125 is coded to this category with the additional \$100 coded to account #8470.
8412	Meeting Expenses	This account covers meeting expenses, including the cost of refreshments.
8456	IEUA Readiness To Serve	Inland Empire Utilities Agency implemented a 'Readiness To Serve' charge against Watermaster for future provision of service to the land in the Agricultural preserve.
8467	Agricultural Pool Legal Services	The Agricultural Pool retains its own legal council to represent them in all Watermaster matters.
8467.1	Frank B & Associates	The Agricultural Pool has contracted with a water management consultant to assist them in following Watermaster activities important to the Agricultural Pool.
8467.2	Legal - Plumes/Other Issues	This budget category covers the legal costs associated with the Plumes and other legal issues.
8470	Ag Pool Meeting Special Compensation	See account #8411 for details of this line item.
8471	Ag Pool Special Projects	This item covers any special projects that the Agricultural Pool approves funds to be expended towards.
8475	Legal Services - Agricultural Pool Meeting	Brownstein legal services directly allocated to the preparation and attendance at the Agricultural Pool meetings.
8485	Ag Pool - Misc. Expense - Ag Fund	The Ag Pool approved an annual amount of \$400 for miscellaneous expenses by Ag Pool members to be deducted from the Ag Pool Fund.
8500	<u>NON-AGRICULTURAL POOL ADMINISTRATION AND SPECIAL PROJECTS</u>	
8501	WM Staff Salaries	Salary and burden costs of WM staff in attending and preparing for Pool Meetings, along with any other Non-Agricultural Pool administrative activity.
8512	Meeting Expense	This item covers meeting expenses, including the cost of refreshments.
8567	Non-Ag Legal Service	The Non-Agricultural Pool retains its own legal council to represent them in all Watermaster matters.
8575	Legal Services - Non-Agricultural Pool	Brownstein legal services directly allocated to the preparation and attendance at the Non-Agricultural Pool meetings.
9500	<u>ALLOCATED G&A EXPENDITURES</u>	Administrative overhead that is allocated to OBMP and Project jobs as a percentage of total Watermaster salaries.
6900	<u>OPTIMUM BASIN MANAGEMENT PROGRAM</u>	
6900	OPTIMUM BASIN MANAGEMENT PROGRAM GENERAL ENGINEERING	This work includes general engineering services requested by Watermaster to support implementation of the OBMP. The current budget request includes general, non-project specific as well as ad hoc requests for services and data requests promoting the ongoing efforts to implement the OBMP. Items include all aspects of preparing reports as required by the OBMP including the State of the Basin Report and the conditions subsequent pursuant to Judge Gunn's December 21, 2007 court order approving Peace II.
6901	OBMP - WM Staff	Salary and burden costs of WM staff in performance of OBMP activities and projects.
6903	OBMP - SAWPA Group	Basin Monitoring Plan TaskForce with SAWPA
6906	OBMP - Engineering	Costs associated with the OBMP project by Wildermuth Environmental, Inc.
6906.1	OBMP - Watermaster Model Update	Costs associated with updating the OBMP model by Wildermuth Environmental, Inc.
6907.3	WM Legal Counsel	Watermaster legal counsel expenses for the three Pools, the Advisory Committee and the Board meetings, projects, activities, etc.
6907.30	Peace II - CEQA	Watermaster legal expenses related to the Peace II - CEQA.
6907.31	S. Archibald Plume - Formerly OIA	Watermaster legal expenses related to the S. Archibald Plume, formerly known as the Ontario Airport Plume.
6907.32	Chino Airport Plume	Watermaster legal expenses related to the Chino Airport Plume.
6907.33	Desalter/Hydraulic Control Issues	Watermaster legal expenses related to the Desalter/Hydraulic Control Issues and Court proceedings.
6907.34	Santa Ana River Water Rights	Watermaster legal expenses related to the Santa Ana River Water Rights.

**CHINO BASIN WATERMASTER
ACCOUNT NUMBER JUSTIFICATION
BUDGET FY 2012-2013**

Budget Account Number	Account Description	Comments and Information
6907.35	Paragraph 31 Motion	Watermaster legal expenses related to the Paragraph 31 Motion and Appeal.
6907.36	Santa Ana River Habitat	Watermaster legal expenses related to the Santa Ana River Habitat.
6907.37	Storage and Recovery	Watermaster legal expenses related to Storage & Recovery issues.
6907.38	Regional Water Quality Control Board	Watermaster legal expenses related to the Regional Water Quality Control Board.
6907.39	Recharge Master Plan	Watermaster legal expenses related to the Recharge Master Plan.
6907.4	Storage Agreements	Watermaster legal expenses related to Storage Agreements and related issues.
6907.41	Prado Basin Habitat Sustainability	Watermaster legal expenses related to the Prado Basin Habitat Sustainability and other related issues.
6907.9	WM Legal Counsel - Contingency	Watermaster legal expense contingency. Can only be allocated to the current fiscal year budget by submitting a budget transfer request through the three Pools, the Advisory Committee and the Board for approval.
6909	OBMP - Other Expenses	Expense category to capture other expenses related to the OBMP project (i.e. Regional Board fine and additional costs related to the water softener exchange program through IEUA).
<u>6950</u>	<u>COOPERATIVE EFFORTS</u>	On an ad hoc basis, Watermaster and other agencies agree to share the costs of various projects that will benefit both parties.
<u>9501</u>	<u>ALLOCATED G&A EXPENDITURES</u>	Administrative overhead that is allocated to OBMP and Project jobs as a percentage of total Watermaster salaries.
<u>7000</u>	<u>OPTIMUM BASIN MANAGEMENT PROGRAM IMPLEMENTATION PROJECTS</u>	
7101.1	PRODUCTION MONITORING	Watermaster staff collects and processes production information for the approximately 580 wells within the Basin, including approximately 200 Appropriator wells, 16 Non-Ag wells, and approximately 370 private wells. Watermaster staff read the meters for the private wells while the Appropriators and Non-Ag parties report their meter readings to Watermaster. The data is inputted into a production database that is updated quarterly and is used at the end of the fiscal year to provide essential data for the Assessment Package.
7101.2		
7101.3		
7101.4	Production Monitoring - Computer Services	Computer services are for the subscription for parcel lot information (split 50/50 with account 7103 - Groundwater Quality Monitoring).
7102.1	IN-LINE METER INSTALLATION	Approximately 270 in-line flow meters are now installed on the previously unmetered private wells. Approximately half of all Ag and Non-Ag meters must be calibrated each year and other maintenance and repairs are required. Each calibration is expected to cost \$200. Approximately 50 broken meters are expected to be replaced this fiscal year, as these wells are expected to remain for at least another 12 months.
7102.5		
7102.7		
7102.8		
7103.1	GROUNDWATER QUALITY MONITORING	Pursuant to the OBMP & Peace Agreement, Program Element 1 includes the development and implementation of a comprehensive groundwater quality monitoring program. Previously, Watermaster annually collected water quality data from approximately 200 private wells and obtained other water quality data from other cooperators so that approximately one-third of the active wells were sampled every third year. Other cooperators include members of the appropriate and overlying non-agricultural pools, the Regional Water Quality Control Board, the Department of Toxic Substances Control, the United States Geological Survey, the Orange County Water District and others. The key well monitoring program has now been implemented. Approximately 125 wells are included within the water quality key well program, with approximately 60 wells being sampled and analyzed each year. This monitoring activity is a requirement for the Chino Basin to receive TDS and Nitrogen objectives based on maximum beneficial use. The ad hoc Water Quality Committee oversees the surface water and groundwater quality programs to ensure that necessary data are collected to effectively manage the Basin.
7103.3		
7103.5		
7103.4	Groundwater Quality Monitoring - Contract Services	Contract services for this category include pumping of monitoring wells, the installation of access spigots on wells as necessary, and highway signs.
7103.6	Groundwater Quality Monitoring - Supplies	Required supplies for this line item include sampling equipment such as piping and valving, and well as the rental of equipment for monitoring well testing.
7103.7	Groundwater Quality Monitoring - Computer Services	Computer services are for the subscription for parcel lot information (split 50/50 with account 7101 - Production Monitoring).
7104.1	GROUNDWATER LEVEL MONITORING PROJECT	Pursuant to the OBMP and Peace Agreement, Program Element 1 includes the development and implementation of a comprehensive groundwater-level monitoring program. The key well monitoring program has now been implemented. For the key well program, about 75 wells are measured monthly, about 70 wells are measured by transducers, about 210 wells are measured by municipal well owners (which are collected by Watermaster staff), and about 100 wells are measured by cooperators. Cooperators include members of the appropriate and overlying non-ag pools, RWQCB, DTSC, USGS, OCWD, and others. All data is checked for reasonableness with regard to historical data at the well, converted from depth-to-water to groundwater-level elevation, and compiled into a centralized database. The majority of this effort is concentrated in the southern half of the basin to support Desalter/HCMP monitoring programs. This data is analyzed in time series charts and maps annually to support the annual HCMP report and the semi-annual State of the Basin Report.
7104.3		
7104.6	Groundwater Level Monitoring - Supplies	Required supplies for this category include sounder replacement lines, rubber gloves, distilled water, and fittings for installing transducers.

**CHINO BASIN WATERMASTER
ACCOUNT NUMBER JUSTIFICATION
BUDGET FY 2012-2013**

Budget Account Number	Account Description	Comments and Information
7104.7	Groundwater Level Monitoring - Capital Equipment	Capital equipment for this category include transducers and transducer download cables purchased by Watermaster staff.
7104.4	Groundwater Level Monitoring - Contract Services	Contract services for this category include the construction of aluminum covers for transducers (not otherwise enclosed in structures) and ground-level surveys of well reference points.
7104.9	Groundwater Level Monitoring - Capital Equipment	Capital equipment purchased by the Wildermuth Environmental, Inc. staff.
7105.1	BASIN WATER QUALITY MONITORING	Pursuant to the OBMP & Peace Agreement, Program Element 1 also includes the surface water quality monitoring program. Work in this line item previously included measuring water quality at recharge and flood retention basins within the Chino Basin. This was typically done during the rainy season only; approximately 3-4 samplings per basin per year. Enough data has now been collected and catalogued for this activity and only minor amounts of money are now budgeted for use on an as-needed basis.
7105.4		
7105.6	Basin Water Quality Monitoring - Supplies	Required supplies for this line item include rubber gloves, sample bags, tools, and field lab equipment.
7107.1	GROUND LEVEL MONITORING	Pursuant to the OBMP and Peace Agreement, Program Element 1 also includes the development and implementation of a ground-level monitoring and testing program. Watermaster is interested in determining how much, if any, subsidence has occurred in the Basin and in monitoring the effectiveness of the OBMP in minimizing it. Data is collected from a network of ground elevation stations (surveys), from a multi-piezometer and from a dual borehole extensometer in the subsidence-prone area (mainly Management Zone 1). Satellite imagery (InSAR) will also be collected and analyzed for subsidence. Watermaster is implementing these efforts as part of the MZ1 Subsidence Management Plan.
7107.2		
7107.3		
7107.5		
7107.6		
7107.8	Ground Level Monitoring - Capital Equipment	Capital equipment purchased by the Wildermuth Environmental, Inc. staff.
7107.9	Ground Level Monitoring - Supplies	Miscellaneous supplies for this line item.
7108.1	HYDRAULIC CONTROL MONITORING PROGRAM	As part of the Basin Plan, a monitoring plan to evaluate the state of hydraulic control in the southern end of the basin has been developed. Hydraulic control will be used to maximize the safe yield of the basin. Watermaster, OCWD and the Regional Board have developed a monitoring plan to assess the state of hydraulic control to provide information to Watermaster to manage future production and recharge. Samples are collected from stations along the SAR every-other-week for water quality analyses. Stream flow measurements are also collected from stations along the SAR. Four near-river wells are monitored monthly and 21 HCMP SAR wells are monitored annually. Water discharge and quality data area collected from all POTWS and other non-tributary dischargers between the Riverside Narrows and below Prado dam. This monitoring activity is a requirement for the Chino Basin to receive TDS and Nitrogen objectives based on maximum beneficial use.
7108.2		
7108.3		
7108.4		
7108.6		
7108.7	PRADO BASIN HABITAT	Wildermuth Environmental and other outside engineering costs for the Prado Basin Habitat project, split three ways between Watermaster, IEUA and OCWD.
7108.9	HYDRAULIC CONTROL MONITORING	A 2012 aerial photograph of the Chino Basin will also be purchased.
7109.3	RECHARGE AND WELL MONITORING PROGRAM	Engineering services to review quarterly and annual reports for Chino Basin Recycled Water Groundwater Recharge Program.
7109.4		
7201	OBMP PROGRAM ELEMENT 2 -- COMPREHENSIVE RECHARGE PROGRAM	This budget category includes the start of the Recharge Master Plan implementation, GRCC participation and recharge basin O&M (a shared cost with IEUA).
7202		
7202.1		
7202.2		
7202.3		
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7204		
7205		
7206	OBMP Program Element 2 - Basin Program	Basin O&M charges direct from IEUA.
7207	OBMP Program Element 2 - Recharge - Other	San Sevaime channel repair - cost sharing agreement with San Bernardino County Flood Control District and Inland Empire Utilities Agency completed in FY 2011/2012.
7209	Recharge Proof Of Concept	Recharge Proof Of Concept
7301	OBMP PROGRAM ELEMENTS 3 & 5 - WATER SUPPLY PLAN - DESALTER	The expenses in this budget line item includes engineering services for the technical review of non-Watermaster consultant work products for consistency with OBMP, Basin Plan and other Watermaster interests. Work in this category also includes the design support for the proposed Chino Creek Desalter well field.
7303		
7304		
7305		
7306		

**CHINO BASIN WATERMASTER
ACCOUNT NUMBER JUSTIFICATION
BUDGET FY 2012-2013**

Budget Account Number	Account Description	Comments and Information
7401 7402 7403 7404 7405	OBMP PROGRAM ELEMENT 4 - MANAGEMENT ZONE MANAGEMENT STRATEGIES	Pursuant to the OBMP and Peace Agreement, Watermaster has developed a long-term management plan for MZ1. Watermaster and the Court approved the MZ1 Subsidence Management Plan in 2007. Watermaster began implementing the MZ1 Subsidence Management Plan in FY 2008-2009 and continued in years thereafter, adapting the plan as new data and understanding dictates. Data collected and analyzed will be presented and discussed at the Subsidence Technical Group meetings.
7501 7502 7503 7505	OBMP PROGRAM ELEMENTS 6 & 7 - COOPERATIVE EFFORTS AND SALT MANAGEMENT	Pursuant to the OBMP and Peace Agreement, Watermaster will complete specific activities to improve water quality monitoring and analyze the effectiveness of the OBMP to accomplish its goals. The work in this line item includes coordinating the Water Quality committee activities, coordinating with RWQCB and DTSC on several groundwater plumes - including VOC plumes potentially emanating from the South Archibald Plume (formerly OIA) and the Chino Algoron and the Stringfellow perchlorate plume, which has now reached the Santa Ana River, the Basin Monitoring Task Force pursuant to Watermaster's Maximum Benefit obligation, and participating in the TMDL process for Santa Ana River, Chino and Mill Creeks.
7503		This budget category includes laboratory costs for split-sample analyses with ABGL of the South Archibald Plume.
7601 7602 7604	OBMP PROGRAM ELEMENTS 8 & 9 - STORAGE MANAGEMENT AND CONJUNCTIVE USE PROGRAMS	This budget category includes Watermaster's effort to expand the existing DYY Program and to develop new groundwater storage programs.
7701 7703	INACTIVE WELL PROTECTION PROGRAM	Pursuant to the OBMP and Peace Agreement, Watermaster is responsible for inactive wells that have not been properly abandoned. Watermaster equips inactive wells with devices that meet the requirement of well abandonment to protect the integrity of the groundwater. These devices also allow for access to the well for monitoring purposes, if necessary. This fiscal year, approximately two or three inactive wells will need to be equipped with such devices.
7690	RECHARGE IMPROVEMENT DEBT PAYMENT	Repayment of debt as agreed to in contract with Inland Empire Utilities Agency for improvement of recharge basins within the Chino Basin. This expense is to be paid by the Appropriators.
<u>9502</u>	<u>ALLOCATED G&A EXPENDITURES</u>	Administrative overhead that is allocated to OBMP and Project jobs as a percentage of total Watermaster salaries.
<u>611</u>	<u>SUPPLEMENTAL & REPLENISHMENT WATER INCOME AND EXPENSES</u>	
		Water rights were assigned in the Judgment entered in 1978. It established the terms and conditions regarding replenishment water and how the assessments would be levied to cover the water for each pool. No amounts are budgeted in this category as Watermaster is unable to determine what the overproduction will be at year, if any. Replenishment water is a "pass-thru" expense meaning all amounts overproduced by an agency are billed to them at the rate Watermaster pays for the cost of the water, plus fees.
4210	App Pool Replenishment Assessments	Certain Appropriators under the Judgment have 15% of the cost of replenishment water required by their group and 85% of the cost is paid by the appropriator overproducing water in the prior year. Other Appropriators have the obligation to pay 100% of the costs of replacing any overproduced water.
4211	15% Gross Assessments	Costs levied against the 15%/85% group for replacing water.
4212	85% Gross Assessments	Costs levied against the 15%/85% group for replacing water.
4213	100% Net Assessments	Costs levied against those subject to 100% assessments for replacing water.
4216	CURO Adjustment	Cumulative Unmet Replenishment Obligation (CURO).
4220	Non-Ag Pool Replenishment	Non-Ag members (primarily industrial producers) are required to replace any water produced which exceeds their assigned water rights.
4613	Stored Water Sales	Sale of stored Non-Ag water to the Appropriators.
4614	MWD Direct Water Sales	Purchase of water directly from MWD.
5010	Groundwater Recharge	Costs of Replenishment or Supplemental Water.
5011	Replenishment Water - Other	Costs of Replenishment or Supplemental Water.
5011.6	Replenishment Water	This budget line covers the costs of purchasing replenishment water from MWD.
5017	IEUA Surcharges	Inland Empire Utilities Agencies charges a fee for water delivered.

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CHINO BASIN WATERMASTER

II. BUSINESS ITEM

B. WATERMASTER RECHARGE MASTER PLAN UPDATE FILING





CHINO BASIN WATERMASTER

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STAFF REPORT

DATE: May 10, 2012
TO: Pool Members
SUBJECT: Recharge Master Plan Update

SUMMARY

Issue – Consider Approval of Final Draft of Sections 1-4 of the 2012 Recharge Master Plan Update and Status Report to the Court

Recommendation - Approve Recommendation to the Advisory Committee and Watermaster Board that They: 1. Approve the Final Draft of Sections 1-4 of the 2012 Chino Basin Recharge Master Plan Update; 2. Authorize Filing the Recharge Master Plan Status Report With the Court; 3. Direct Staff to Continue Working the Stakeholders and Recharge Master Plan Update Steering Committee on Completing the Remaining Sections of the Update;

Financial Impact – None at This Time. Update Preparation Costs are Included in the Current and Proposed Budgets.

Background

In its October 2010 Court order, the Court accepted the 2010 RMPU as satisfying Condition Subsequent Number 8 to The Peace II Agreement and ordered that certain recommendations of the 2010 RMPU be implemented. Specifically, the Court ordered:

(3) Watermaster is hereby ordered to convene the committee described in item 3 of section 7.1 of the updated RMP to develop the monitoring, reporting, and accounting practices that will be required to estimate local project stormwater recharge and new yield.

(4) Watermaster is hereby ordered to conduct further analyses as described in section 7.2 of the updated RMP of the Phase I through III projects to refine the projects, to develop a financing plan, and to develop an implementation plan.

(5) By December 17, 2011, six months following completion of the parties UWMPs, Watermaster will report to the Court on any changes to the 2010 RMP necessitated by information received through the UWMPs. In this report Watermaster will also report on progress made under items (3) and (4) above, and will report on the status of IEUA's approval of the RMP.

Item 3 of Section 7.1 of the 2010 RMPU reads as follows:

3. In implementing the above, Watermaster should form a committee—consisting of itself, the land use control entities, the County Flood Control Districts, the CBWCD, the IEUA, and others—to develop the monitoring, reporting, and accounting practices that will be required to estimate local project stormwater recharge and new yield. This committee should be formed immediately, and the monitoring, reporting, and accounting practices should be developed as soon as possible.

The operable section of Section 7.2 of the 2010 RMPU reads as follows:

Watermaster should conduct further analyses of the Phase I through III projects to refine the projects, to develop a financing plan, and to develop an implementation plan. This planning work should begin as soon as practical and could be accomplished within three years. The schedule to implement the Phase I through III projects would be developed during the proposed planning work, and the construction of these projects could be completed within five years of completing the proposed planning work.

Interpreted literally, the Court currently expects that the Planning for the Phase I through III projects to be done by October 2013 and that construction be completed by October 2018. This does not mean that all the projects contained within the 2010 RMPU will be constructed by October 2018. Watermaster needs to determine which of the recharge projects identified in the 2010 RMPU, and perhaps other recharge projects, need to be implemented based on current projected needs and have the planning for these projects done at an appropriate level that they may be constructed by October 2018.

In November 2011, Watermaster reported its progress pursuant to the October 2010 Court Order; after which, in December 2011, the Court issued an order directing Watermaster to continue with its implementation of the 2010 RMPU per its October 2010 order but with a revised schedule.

On December 15, 2011, the Watermaster Board:

“Moved to approve that within the next year there will be the completion of Recharge Master Plan Update, there will be the development of an Implementation Plan to address balance issues within the Chino Basin subzones, and the development of a Funding Plan, as presented.”

Watermaster staff convened a Recharge Master Plan Update Steering Committee (Steering Committee) last fall. The Steering Committee was reformed in January 2012 to include all stakeholders and has met twice per month since February. The Steering Committee developed and approved a scope of work and report outline and commenced with the execution of the work. The scope of work is responsive to the October 2010 and December 2011 Court Orders and the December 2011 Board direction. The Steering Committee's report will include nine sections with technical appendices.

The Steering Committee's report is organized around a set of questions that were developed to respond to the Court, the Watermaster Board, and the Parties. The table below lists these questions, the order in which they are answered, and the sections in which the answers are provided.

Section	Questions Addressed
Section 1 Introduction	<ol style="list-style-type: none"> 1. What were the requirements of the 2010 Recharge Master Plan Update? 2. What implementation actions did the Court order? 3. What implementation actions did the Watermaster Board direct?
Section 2 Changed Conditions	<ol style="list-style-type: none"> 4. What are the regulatory and institutional issues that have occurred since the 2010 RMPU was prepared? 5. How have groundwater levels changed since the OBMP was approved in 2000? 6. How have groundwater and replenishment projections changed since the 2010 RMPU was

Section	Questions Addressed
	<p>prepared?</p> <ol style="list-style-type: none"> 7. How much water has been stored by the Parties and what is the potential for additional storage in the future? 8. What are the replenishment sources available to the Watermaster and what are their reliability and cost?
Section 3 Impacts of Revised Groundwater Production and Replenishment Projections	<ol style="list-style-type: none"> 1. How are groundwater levels projected to decline with the revised projections? 2. What areas in the basin are facing sustainability challenges?
Section 4 Inventory of Existing Recharge Facilities and Their Capabilities	<ol style="list-style-type: none"> 1. What are the existing recharge facilities and what is their ability to recharge storm and supplemental waters? 2. What physically/institutionally limits the ability to recharge storm water at existing facilities and what improvements could be made to these facilities to capture more stormwater? 3. What physically/institutionally limits the supplemental water recharge capacity of the existing recharge facilities? 4. What are the implications of the most recent draft recycled water recharge regulations for the Chino Basin? 5. What is the recharge capacity of existing ASR facilities in the Chino Basin? 6. What is the projected in-lieu recharge capacity in the Basin and what limits it?
Section 5 Recharge Resulting from MS4 Permits	<ol style="list-style-type: none"> 1. Who owns the new yield created by the implementation of new recharge projects constructed to comply with MS4 permits? 2. What policies and accounting procedures need to be developed to account for the new yield created by MS4 compliance?
Section 6 Recharge Options to Improve Yield and Assure Sustainability	<ol style="list-style-type: none"> 1. What areas in the basin are likely to have future sustainability issues that can be addressed by increasing physical recharge? 2. What operational changes should be implemented to increase the recharge of storm and supplemental waters at existing basins to increase yield or to assure production sustainability? What are the costs and impediments to implementations? 3. What new recharge facilities should be constructed to increase yield or to assure production sustainability? What are the costs and impediments to implementation? 4. What changes in production patterns (location and magnitude) could be implemented to increase yield or to assure production sustainability? What are the costs and impediments to implementations?
Section 7 Evaluation Criteria	<ol style="list-style-type: none"> 1. What criteria should be used to evaluate the recharge options identified in Section 6? 2. What are the criteria for ranking the options?
Section 8 Recommended Recharge Master Plan Update Options	<ol style="list-style-type: none"> 1. Applying the criteria and ranking scheme from Section 7, what operational and facilities improvements should be implemented to increase

Section	Questions Addressed
	yield and assure sustainable production?
Section 9 Recommended Schedule and Financing Plan	

Attached hereto is the Final Draft of the first four sections of this report. These sections fulfill the requirements for the June Status Report filing with the Court. The contents of these draft sections were developed and vetted by the Steering Committee and are recommended for approval by the Pools, Advisory Committee and Board.

Appendices A and B to the Final Draft are the Tables and Figures for sections 1-4. The files are very large and therefore are not included herein but can be downloaded from the Watermaster's ftp site. These appendices have also been fully reviewed by the Steering Committee.

Also attached hereto is Appendix C, Response to Comments, which are the comments received to the earlier Administrative Draft and responses thereto which are included in the final draft as noted.

Finally, attached hereto is the Recharge Master Plan Status Report which will be filed with the Court. At this time, because of the full review process of the Steering Committee, staff does not anticipate any objections to this Status Report and requests that the Court's receipt of the Report not require a hearing. However, if any party should file an objection, Counsel and staff will present the Report and respond to any questions the Court may have. The Status Report has also been reviewed by the Steering Committee.

Actions:

- May 10, 2012 Appropriative Pool –
- May 10, 2012 Non-Agricultural Pool –
- May 10, 2012 Agricultural Pool –
- May 17, 2012 Advisory Committee –
- May 24, 2012 Watermaster Board –

**Chino Basin Recharge Master Plan Update
Steering Committee Report
Sections 1 through 4**

**Chino Basin Watermaster
Inland Empire Utilities Agency**

May 3, 2012



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Table of Contents

Section 1 – Introduction	1-1
1.1 Scope and Content of the 2010 RMPU.....	1-1
1.1.1 Peace Agreement.....	1-1
1.1.2 Peace II Agreement.....	1-2
1.1.3 Special Referee’s December 2007 Report, Sections VI (Assurances Regarding Recharge), VII (Declining Safe Yield), and VIII (New Equilibrium).....	1-4
1.2 2010 RMPU Implementation.....	1-5
1.3 Production Sustainability	1-7
1.4 Organization of this Report.....	1-7
Section 2 – Changed Conditions	2-1
2.1 Legislative and Regulatory.....	2-1
2.2 Groundwater Level Changes.....	2-1
2.2.1 Groundwater Level Changes Across the Basin.....	2-2
2.2.2 Changes in Saturated Thickness.....	2-3
2.2.3 Historical Groundwater Level Trends	2-4
2.2.3.1 Management Zone 1.....	2-4
2.2.3.2 Management Zone 2.....	2-5
2.2.3.3 Management Zone 3.....	2-6
2.2.3.4 Management Zone 4.....	2-7
2.2.3.5 Management Zone 5.....	2-7
2.2.4 Focused Groundwater Level Time Histories in the Southern End of MZ3	2-8
2.3 Water Stored in the Basin.....	2-9
2.4 Revised Groundwater Production and Replenishment Projections	2-9
2.4.1 Groundwater Production Projections	2-10
2.4.2 Replenishment Obligation Projections.....	2-12
2.4.3 Groundwater Production and Replenishment Scenarios.....	2-13
2.4.3.1 Scenario 1 – Baseline Scenario – Projected Groundwater Production and Production Rights and Efficient Market Assumption	2-13
2.4.3.2 Scenario 2 – Projected Groundwater Production and Production Rights per Table 2-4 with a Delay in the Decline of Agricultural Pool Production, and Efficient Market Assumption	2-14
2.4.3.3 Scenario 3 – Projected Groundwater Production and Production Rights per Table 2-4 with Appropriate Pool Production Increased by 10 Percent, and Efficient Market Assumption	2-15
2.4.3.4 Scenario 4 – Projected Groundwater Production and Production Rights per Table 2-4 with Appropriate Pool Production Increased by 10 Percent, with a Delay in the Decline of Agricultural Pool Production, and Efficient Market Assumption.....	2-15
2.4.4 Projected Time History of Water in Storage.....	2-15
2.4.5 Supplemental Water Recharge Capacity and Requirements to Meet Replenishment Obligations	2-16
2.4.6 Conclusions Regarding Groundwater Production and Replenishment Projections.....	2-16
2.5 Replenishment Sources, Availability and Cost	2-17
2.5.1 SWP Water Supplied by Metropolitan	2-17
2.5.2 Recycled Water for Recharge and Its Availability and Cost (to be insert on 4-18-12).....	2-18
Section 3 – Impacts of Revised Groundwater Production and Replenishment Projections	3-1
3.1 Summary of 2009 Peace II Modeling Results	3-3
3.2 Basin Response to Updated Groundwater Production and Replenishment.....	3-3
3.3 Recharge and/or Forbearance Required to Achieve Sustainable Production.....	3-6
Section 4 – Inventory of Existing Recharge Facilities and Their Capabilities	4-1
4.1 Existing Spreading Basins and Their Capacities	4-1
4.1.1 Spreading Facilities.....	4-2



4.1.2 Spreading Basin Recharge Performance..... 4-2

 4.1.2.1 Banana & Hickory Basins..... 4-3

 4.1.2.2 Etiwanda Debris Basin 4-3

 4.1.2.3 Upland Basin 4-4

4.1.3 Historical Spreading of Supplemental Water 4-5

 4.1.3.1 Imported Water 4-5

 4.1.3.2 Recycled Water 4-5

4.1.4 Increase in Recharge from Operational and Minor Facility Improvements..... 4-6

 4.1.4.1 Internal Berms 4-6

 4.1.4.2 Basin Rehabilitation 4-6

 4.1.4.3 Conveyance Improvements..... 4-6

4.1.5 Impact of Anticipated Changes in the Draft Title 22 Rules for Groundwater Recharge with Recycled Water 4-7

4.2 Other Recharge/Storage Management Methods..... 4-8

 4.2.1 In-Lieu Recharge 4-8

 4.2.2 Existing In-lieu Recharge Capacity 4-8

 4.2.3 Historical In-lieu Recharge..... 4-8

 4.2.4 Increase in In-lieu Recharge Capacity from Operational and Minor Facility Improvements . 4-8

4.3 Existing ASR Capacity..... 4-9

4.4 Total Supplemental Recharge Capacity..... 4-10

Section 5 – Recharge Resulting from MS4 Permits 5-1

Section 6 – Recharge Options to Improve Yield and Assure Sustainability 6-1

Section 7 – Evaluation Criteria 7-1

Section 8 – Recommended Recharge Master Plan Update Options 8-1

Section 9 – Recommended Schedule and Financing Plan..... 9-1

Section 10 – References 10-1

Appendix A – Projected Groundwater Elevation Time Series for Selected Wells for Scenarios 1 and 3

Appendix B – Projected Groundwater Elevation Time Series for JCSD Wells for Scenarios 1, 1A- 1D, 3 and 3A-3D

Appendix C – Stakeholder Comments on Sections 1 through 4 and Responses



List of Tables

(Tables Are Available for Download at the Watermaster ftp Site)

- 2-1 Time History of Water in Storage in the Chino Basin Exclusive of the Dry-Year Yield Activities
- 2-2 Groundwater in Storage in the Chino Basin by Party as of July 1, 2011
- 2-3 Projected Groundwater Production for the Chino Basin Normal Year Projection
- 2-4 Scenario 1 - Baseline Scenario - Projected Groundwater Production and Production Rights and Efficient Market Assumption
- 2-5 Scenario 2 - Projected Groundwater Production and Production Rights per Table 2-4 with a Delay in the Decline of Agricultural Pool Production, and Efficient Market Assumption
- 2-6 Scenario 3 - Projected Groundwater Production and Production Rights per Table 2-4 with Appropriative Pool Production Increased by 10 Percent, and Efficient Market Assumption
- 2-7 Scenario 4 - Projected Groundwater Production and Production Rights per Table 2-4 with Appropriative Pool Production Increased by 10 Percent, with a Delay in the Decline of Agricultural Pool Production and Efficient Market Assumption
- 2-8a Historical Deliveries of Metropolitan's SWP Water to Recharge Basins - 2000 to 2011
- 2-8b Historical Deliveries of Recycled Recharge to Recharge Basins - 2000 to 2011
- 2-9 Historical and Projected Metropolitan Water Rates and IEUA Recycled Water Recharge Rate
- 3-1 IEUA Projected Recycled Water Recharge
- 3-2 Summary of Groundwater Level Changes by Water Service Area, 2010 through 2030 (feet)
- 3-3 Pumping and New Recharge for Sensitivity Analysis
- 4-1 Storm and Supplemental Water Recharge Capacity Estimates
- 4-2 Chino Basin Groundwater Recharge Value FY 2005/06 – FY 2011/12
- 4-3 Chino Basin Total Recharge FY 2005/06 – FY 2011/12
- 4-4 Chino Basin Average Recharge FY 2005/06 – FY 2011/12
- 4-5 Chino Basin ASR Injection and Extraction Capacity
- 4-6 Chino Basin Existing and Potential ASR Injection & Extraction Capacity

List of Figures

(Figures Are Available for Download at the Watermaster ftp Site)

- 2-1a Groundwater Elevation Contours for Layer 1 - Spring 2000
- 2-1b Groundwater Elevation Contours for Layer 1 - Spring 2010
- 2-2 Groundwater Level Change for Layer 1 - Spring 2000 to Spring 2010
- 2-3 Distribution of Groundwater Production
- 2-4 Flow-line Based Cross-Section Profiles for the 2010 Initial Groundwater Condition
- 2-5a Groundwater Level Conditions in 2000 and 2010 - MZ1
- 2-5b Groundwater Level Conditions in 2000 and 2010 - MZ2
- 2-5c Groundwater Level Conditions in 2000 and 2010 - MZ3
- 2-5d Groundwater Level Conditions in 2000 and 2010 - MZ4
- 2-5e Groundwater Level Conditions in 2000 and 2010 - MZ5
- 2-5f Groundwater Level Conditions in 2000 and 2010 - Chino II Desalters and JCSD Wells
- 2-6a Long-Term Trends in Groundwater Levels versus Climate, Production, and Recharge - MZ1
- 2-6b Long-Term Trends in Groundwater Levels versus Climate, Production, and Recharge - MZ2
- 2-6c Long-Term Trends in Groundwater Levels versus Climate, Production, and Recharge - MZ3
- 2-6d Long-Term Trends in Groundwater Levels versus Climate, Production, and Recharge - MZ4
- 2-6e Long-Term Trends in Groundwater Levels versus Climate, Production, and Recharge - MZ5
- 2-7a Long-Term Trends in Groundwater Levels versus Climate, Production, and Recharge - Chino II Desalters
- 2-7b Long-Term Trends in Groundwater Levels versus Climate, Production, and Recharge - JCSD Wells
- 2-8 Storage in the Chino Basin
- 2-9 Projected Storage Time History
- 2-10 Location of Imported Water Facilities - Recharge Basins, Pipelines, Turnouts, and Treatment Plants
- 2-11 Location of Recycled Water Facilities - Recharge Basins, Pipelines, Reservoirs, and Treatment Plants
- 3-1 Groundwater Elevation for Layer 1 - July 2005
- 3-2a Projected Peace II Baseline Groundwater Elevations for Layer 1 - July 2030
- 3-2b Projected Peace II Alternative Groundwater Elevations for Layer 1 - July 2030
- 3-3a Projected Peace II Baseline Groundwater Elevation Change for Layer 1 - July 2006 to June 2030



List of Figures

(Figures Are Available for Download at the Watermaster ftp Site)

- 3-3b Projected Peace II Alternative Groundwater Elevation Change for Layer 1 - July 2006 to June 2030
- 3-4 Groundwater Elevation for Layer 1 Initial Condition - April 2010
- 3-5a Projected Scenario 1 Groundwater Elevations for Layer 1 - April 2030
- 3-5b Projected Scenario 3 Groundwater Elevations for Layer 1 - April 2030
- 3-6a Projected Scenario 1 Groundwater Elevation Change for Layer 1 - April 2010 to April 2030
- 3-6b Projected Scenario 3 Groundwater Elevation Change for Layer 1 - April 2010 to April 2030
- 3-7a Projected Groundwater Level Conditions in 2010, 2020, and 2030 for Scenario 1 and 3 - MZ1
- 3-7b Projected Groundwater Level Conditions in 2010, 2020, and 2030 for Scenario 1 and 3 - MZ2
- 3-7c Projected Groundwater Level Conditions in 2010, 2020, and 2030 for Scenario 1 and 3 - MZ3
- 3-7d Projected Groundwater Level Conditions in 2010, 2020, and 2030 for Scenario 1 and 3 - MZ4
- 3-7e Projected Groundwater Level Conditions in 2010, 2020, and 2030 for Scenario 1 and 3 - MZ5
- 3-8 Projected Groundwater Level Conditions in 2010, 2020, and 2030 for Scenario 1 and 3 - Chino II Desalters and JCSD Wells
- 4-1
- 4-2
- 4-3
- 4-4
- 4-5
- 4-6
- 4-7
- 4-8
- 4-9
- 4-10
- 4-11
- 4-12
- 4-13
- 4-14



Acronyms, Abbreviations, and Initialisms

acre-ft/yr acre-feet per year



Section 1 – Introduction

This report documents the investigation that was conducted pursuant to the direction of the Court and the Chino Basin Watermaster (Watermaster) to revise its 2010 Recharge Master Plan Update (RMPU). The 2010 RMPU was prepared consistent with the requirements of the Peace II Agreement and the December 2007 Court Order¹ that approved and directed Watermaster to implement the Peace II Agreement. The 2010 RMPU was a condition subsequent to the December 2007 Court order that mandated completion of the 2010 RMPU and submittal to the Court by July 1, 2010. The 2010 RMPU was completed on time and submitted to the Court in June 2010.

1.1 Scope and Content of the 2010 RMPU

The minimum scope and content of the 2010 RMPU work was contained in the December 2007 Court Order and included the following.

1.1.1 Peace Agreement

Section 5.1 (e) of the Peace Agreement contains Watermaster's commitments regarding the recharge of supplemental water in the Chino Basin. The 2010 RMPU focused on Watermaster's implementation of Peace Agreement Section 5.1 (e) items (i), (iii), (v), (vii), and (viii), which are stated as follows (see Peace Agreement, pages 20 and 21):

Watermaster shall exercise Best Efforts to:

- (i) protect and enhance the safe yield of the Chino Basin through Replenishment and Recharge; [...]
- (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; [...]
- (v) establish and periodically update criteria for the use of water from different sources for Replenishment purposes; [...]
- (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 Judgment;
- (viii) maintain long-term hydrologic balance between total Recharge and discharge in all areas and sub-areas; [...].

The OBMP Implementation Plan (Exhibit B of the Peace Agreement) contains language identical to that in Peace Agreement Section 5.1 (e), but it is mostly silent as to the schedule for implementing the specific commitments listed above (see OBMP Exhibit B, paragraph 11 on page 20 and the implementation schedule on pages 22 and 23). Paragraph 9 of page 20 of the Implementation Plan includes additional recharge guidelines that Watermaster must consider:

¹ The Court orders discussed in this section are available on Watermaster's ftp site.



9. When locating and directing physical recharge, Watermaster shall consider the following guidelines:

- (i) provide long-term hydrologic balance within the areas and sub-areas of the basin
- (ii) protect and enhance water quality
- (iii) improve water levels
- (iv) the cost of recharge water
- (v) any other relevant factors

Section 7 of the Rules and Regulations repeats the commitments of Section 5.1 (e) of the Peace Agreement and adds (see Rules and Regulations, page 37, 7.1 [b] [iv]):

- (b) Watermaster shall exercise Best Efforts to: [...]
- (iv) Make its initial report on the then existing state of Hydrologic Balance by July 1, 2003, including any recommendations on Recharge actions which may be necessary under the OBMP. Thereafter, Watermaster shall make written reports on the long term Balance in the Chino Basin every two years; [...].

1.1.2 Peace II Agreement

The Peace II Agreement states that Watermaster will update the Recharge Master Plan and obtain Court approval of that update to address how the Chino Basin will be managed to secure and maintain hydraulic control and operated at a new equilibrium at the conclusion of the period of reoperation. This plan must reflect an appropriate schedule for planning, design, and physical improvements—as required—to provide reasonable assurance that, following the full beneficial use of groundwater withdrawn in accordance with basin reoperation and authorized controlled overdraft, sufficient replenishment capability exists to meet the reasonable projections of the Desalter replenishment obligations. With the concurrence of the IEUA and Watermaster, the Recharge Master Plan is to be updated and amended as frequently as necessary with Court approval and no less than every five (5) years.

Peace II Article 8.4 summarizes recharge in Management Zone 1 (MZ1)—specifically the 6,500 acre-ft/yr supplemental recharge to MZ1. Moreover, the Parties make the following acknowledgments regarding the 6,500 acre-ft/yr supplemental recharge:

- (a) A fundamental premise of the Physical Solution is that all water users dependent upon Chino Basin will be allowed to pump sufficient waters from the Basin to meet their requirements. To promote the goal of equal access to groundwater within all areas and sub-areas of the Chino Basin, Watermaster has committed to use its best efforts to direct recharge relative to production in each area and subarea of the Basin and to achieve long-term balance between total recharge and discharge. The Parties acknowledge that to assist Watermaster in providing for recharge, the Peace Agreement sets forth a requirement for Appropriative Pool purchase of 6,500 acre-ft/yr of Supplemental Water for recharge in Management Zone 1 (MZ1). The purchases have been credited as an addition to Appropriative

Pool storage accounts. The water recharged under this program has not been accounted for as Replenishment water.

- (b) Watermaster was required to evaluate the continuance of this requirement in 2005 by taking into account provisions of the Judgment, Peace Agreement and OBMP, among all other relevant factors. It has been determined that other obligations in the Judgment and Peace Agreement, including the requirement of hydrologic balance and projected replenishment obligations, will provide for sufficient wet water recharge to make the separate commitment of Appropriative Pool purchase of 6,500 acre-ft unnecessary. Therefore, because the recharge target as described in the Peace Agreement has been achieved, further purchases under the program will cease and Watermaster will proceed with operations in accordance with the provisions of paragraphs (c), (d) and (e) below.
- (c) The parties acknowledge that, regardless of Replenishment obligations, Watermaster will independently determine whether to require wet-water recharge within MZ1 to maintain hydrologic balance and to provide equal access to groundwater in accordance with the provisions of this Section 8.4 and in a manner consistent with the Peace Agreement, OBMP and the Long Term Plan for Subsidence." Watermaster will conduct its recharge in a manner to provide hydrologic balance within, and will emphasize recharge in MZ1. Accordingly, the Parties acknowledge and agree that each year Watermaster shall continue to be guided in the exercise of its discretion concerning recharge by the principles of hydrologic balance. (d) Consistent with its overall obligations to manage the Chino Basin to ensure hydrologic balance within each management zone, for the duration of the Peace Agreement (until June of 2030), Watermaster will ensure that a minimum of 6,500 acre-ft of wet water recharge occurs within MZ1 on an annual basis. However, to the extent that water is unavailable for recharge or there is no replenishment obligation in any year, the obligation to recharge 6,500 acre-ft will accrue and be satisfied in subsequent years.
1. Watermaster will implement this measure in a coordinated manner so as to facilitate compliance with other agreements among the parties, including but not limited to the Dry-Year Yield Agreements.
 2. In preparation of the Recharge Master Plan, Watermaster will consider whether existing groundwater production facilities owned or controlled by producers within MZ1 may be used in connection with an aquifer storage and recovery ("ASR") project so as to enhance recharge in specific locations and to otherwise meet the objectives of the Recharge Master Plan.
- (e) Five years from the effective date of the Peace II Measures, Watermaster will cause an evaluation of the minimum recharge quantity for MZ1. After consideration of the information developed in accordance with the studies conducted pursuant to paragraph 3 below, the observed experiences in complying with the Dry Year Yield Agreements as well as any other

pertinent information, Watermaster may increase the minimum requirement for MZ1 to quantities greater than 6,500 acre-ft/yr. In no circumstance will the commitment to recharge 6,500 acre-ft be reduced for the duration of the Peace Agreement.

1.1.3 Special Referee’s December 2007 Report, Sections VI (Assurances Regarding Recharge), VII (Declining Safe Yield), and VIII (New Equilibrium)

In the Final Report and Recommendations on Motion for Approval of Peace II Documents, the Special Referee stated that “A key element of the proposed Peace II Measures is that Watermaster must develop recharge capability throughout the Basin Reoperation period, to ensure that sufficient recharge capability exists at the end of the period” (Final Report, page 25, [Schneider, 2007]). The Special Referee recommended and the Court ultimately ordered that several elements be included within the updated Plan (Motion to Approve Watermaster’s Filing in Satisfaction of Condition Subsequent 5; Watermaster Compliance with Condition Subsequent 6, August 21, 2008):

1. Baseline conditions must be clearly defined and supported by technical analysis. The baseline definition should encompass factors such as pumping, demand, recharge capacity, total Basin water demand, and availability of replenishment water.
2. Safe Yield should be estimated annually, though it is recognized that it is not to be formally recalculated until 2011. Watermaster should develop a technically defensible approach to estimating Safe Yield annually.
3. Measures should be evaluated to lessen or stop the projected Safe Yield decline. All practical measures should be evaluated in terms of their potential benefits and feasibility.
4. Evaluations and reporting of the impact of Basin Re-Operation on groundwater storage and water levels should be done on an annual basis.
5. Total demand for groundwater should be forecast for 2015, 2020, 2025, and 2030. The availability of imported water for supply and replenishment, and the availability of recycled water should be forecast on the same schedule. The schedules should be refined in each Recharge Master Plan update. Projections should be supported by thorough technical analysis.
6. The Recharge Master Plan must include a detailed technical comparison of current and projected groundwater recharge capabilities and current and projected demands for groundwater. The Recharge Master Plan should provide guidance as to what should be done if recharge capacity cannot meet or is projected not to be able to meet replenishment needs. This guidance should detail how Watermaster will provide sufficient recharge capacity or undertake alternative measures so that Basin operation in accordance with the Judgment and the Physical Solution can be resumed at any time.

These recommendations are a reflection of the requirements described in the Peace II Measures. Peace Agreement II section 8.1 and the Amendment to Judgment Exhibit “I” section 2(b)(5) require that the updated Recharge Master Plan must:

- Address how the Basin will be contemporaneously managed to secure and maintain Hydraulic Control and subsequently operated at a new equilibrium at the conclusion of the period of Re-Operation.
- Contain recharge estimations and summaries of the projected water supply availability as well as the physical means to accomplish the recharge projections.
- Reflect an appropriate schedule for planning, design, and physical improvements as may be required to provide reasonable assurance that sufficient Replenishment capacity exists to meet the reasonable projections of Desalter Replenishment obligations following the implementation of Basin Re-Operation.

Peace Agreement II section 8.4(d)(2) further requires that the Recharge Master Plan:

Consider whether existing groundwater production facilities owned or controlled by producers within MZ1 may be used in connection with an aquifer storage and recovery (“ASR”) project so as to further enhance recharge in specific locations and to otherwise meet the objectives of the Recharge Master Plan.

The Outline of the Recharge Master Plan Update report and the scope of work were designed to respond to the Special Referee’s report, as ordered by the Court on December 21, 2007. The Court subsequently approved the outline, and the stakeholders reviewed and approved the scope of work.

1.2 2010 RMPU Implementation

In its October 2010 Court order, the Court accepted the 2010 RMPU as satisfying Condition Subsequent Number 8 and ordered that certain recommendations of the 2010 RMPU be implemented. Specifically, the Court ordered:

(3) Watermaster is hereby ordered to convene the committee described in item 3 of section 7.1 of the updated RMP to develop the monitoring, reporting, and accounting practices that will be required to estimate local project stormwater recharge and new yield.

(4) Watermaster is hereby ordered to conduct further analyses as described in section 7.2 of the updated RMP of the Phase I through III projects to refine the projects, to develop a financing plan, and to develop an implementation plan.

(5) By December 17, 2011, six months following completion of the parties UWMPs, Watermaster will report to the Court on any changes to the 2010 RMP necessitated by information received through the UWMPs. In this report Watermaster will also report on progress made under items (3) and (4) above, and will report on the status of IEUA’s approval of the RMP.

Item 3 of Section 7.1 of the 2010 RMPU reads as follows:

3. In implementing the above, Watermaster should form a committee—consisting of itself, the landuse control entities, the County Flood Control Districts, the CBWCD, the IEUA, and others—to develop the monitoring, reporting, and accounting practices that will be required to estimate local project stormwater recharge and new yield. This committee should be formed immediately, and the monitoring, reporting, and accounting practices should be developed as soon as possible.

The operable section of Section 7.2 of the 2010 RMPU reads as follows:

Watermaster should conduct further analyses of the Phase I through III projects to refine the projects, to develop a financing plan, and to develop an implementation plan. This planning work should begin as soon as practical and could be accomplished within three years. The schedule to implement the Phase I through III projects would be developed during the proposed planning work, and the construction of these projects could be completed within five years of completing the proposed planning work.

Interpreted literally, the Court currently expects that the Planning for the Phase I through III projects to be done by October 2013 and that construction be completed by October 2018. This does not mean that all the projects contained within the 2010 RMPU will be constructed by October 2018. Watermaster needs to determine which of the recharge projects identified in the 2010 RMPU, and perhaps other recharge projects, need to be implemented based on current projected needs and have the planning for these projects done at an appropriate level that they may be constructed by October 2018.

In November 2011, Watermaster reported its progress pursuant to the October 2010 Court Order; after which, in December 2011, the Court issued an order directing Watermaster to continue with its implementation of the 2010 RMPU per its October 2010 order but with a revised schedule.

And, on December 15, 2011, the Watermaster Board:

“Moved to approve that within the next year there will be the completion of Recharge Master Plan Update, there will be the development of an Implementation Plan to address balance issues within the Chino Basin subzones, and the development of a Funding Plan, as presented.”²

This report is in response to the October 2010 and December 2011 Court Orders and the December 2011 Board direction.

² From the minutes of the December 15, 2011 Watermaster Board meeting



1.3 Production Sustainability

The term sustainability is used throughout this report and refers specifically to the ability to produce water from a specific well at a desired production rate, given the groundwater level at that well and its specific well construction and equipment details. It has no nexus to the Judgment or Peace Agreements. Groundwater production at a well is presumed to be sustainable if the groundwater level at that well is greater than the sustainability metric. Sustainability metrics are defined for each well by well owner. If the groundwater level falls below the sustainability metric, the owner will either lower their pumping equipment in their well or have to reduce production.

1.4 Organization of this Report

This report is organized around a set of questions that were developed to respond to the Court, the Watermaster Board, and the Parties. The table below lists these questions, the order in which they are answered, and the sections in which the answers are provided.

Section	Questions Addressed
Section 2 – Changed Conditions	<ol style="list-style-type: none"> 1. What are the regulatory and institutional issues that have occurred since the 2010 RMPU was prepared? 2. How have groundwater levels changed since the OBMP was approved in 2000? 3. How have groundwater and replenishment projections changed since the 2010 RMPU was prepared? 4. How much water has been stored by the Parties and what is the potential for additional storage in the future? 5. What are the replenishment sources available to the Watermaster and what are their reliability and cost?
Section 3 – Impacts of Revised Groundwater Production and Replenishment Projections	<ol style="list-style-type: none"> 1. How are groundwater levels projected to decline with the revised projections? 2. What areas in the basin are facing sustainability challenges?
Section 4 – Inventory of Existing Recharge Facilities and Their Capabilities	<ol style="list-style-type: none"> 1. What are the existing recharge facilities and what is their ability to recharge storm and supplemental waters? 2. What physically/institutionally limits the ability to recharge storm water at existing facilities and what improvements could be made to these facilities to capture more stormwater? 3. What physically/institutionally limits the supplemental water recharge capacity of the existing recharge facilities? 4. What are the implications of the most recent draft recycled water recharge regulations for the Chino Basin? 5. What is the recharge capacity of existing ASR facilities in the Chino Basin?

Section	Questions Addressed
	6. What is the projected in-lieu recharge capacity in the Basin and what limits it?
Section 5 – Recharge Resulting from MS4 Permits	<ol style="list-style-type: none"> 1. Who owns the new yield created by the implementation of new recharge projects constructed to comply with MS4 permits? 2. What policies and accounting procedures need to be developed to account for the new yield created by MS4 compliance?
Section 6 – Recharge Options to Improve Yield and Assure Sustainability	<ol style="list-style-type: none"> 1. What areas in the basin are likely to have future sustainability issues that can be addressed by increasing physical recharge? 2. What operational changes should be implemented to increase the recharge of storm and supplemental waters at existing basins to increase yield or to assure production sustainability? What are the costs and impediments to implementations? 3. What new recharge facilities should be constructed to increase yield or to assure production sustainability? What are the costs and impediments to implementation? 4. What changes in production patterns (location and magnitude) could be implemented to increase yield or to assure production sustainability? What are the costs and impediments to implementations?
Section 7 – Evaluation Criteria	<ol style="list-style-type: none"> 1. What criteria should be used to evaluate the recharge options identified in Section 6? 2. What are the criteria for ranking the options?
Section 8 – Recommended Recharge Master Plan Update Options	<ol style="list-style-type: none"> 1. Applying the criteria and ranking scheme from Section 7, what operational and facilities improvements should be implemented to increase yield and assure sustainable production?
Section – 9 Recommended Schedule and Financing Plan	

Section 2 – Changed Conditions

The objectives of this section are to describe changed conditions from what was assumed in the 2010 RMPU and to update information that was included in the 2010 RMPU. Specifically this section answers the following questions:

- What are the regulatory and institutional issues that have occurred since the 2010 RMPU was prepared?
- How have groundwater levels changed since the OBMP was approved in 2000?
- How have groundwater and replenishment projections changed since the 2010 RMPU was prepared?
- How much water has been stored by the Parties and what is the potential for additional storage in the future?

What are the replenishment sources available to the Watermaster and what is their reliability and cost?

2.1 Legislative and Regulatory

There has been one significant legislative change and one regulatory change since the 2010 RMPU. The legislative change is the implementation of SBX7-7, the so-called “20 percent by 2020 law.” Under this legislation, potable water demands are to be reduced by 10 percent by 2015 and 20 percent by 2020.³ The municipal water suppliers have incorporated this requirement into their 2010 Urban Water Management Plans. This information was not available during the preparation of the 2010 RMPU. The implications of the implementation of this law on groundwater production and replenishment are discussed in further detail in the section below entitled Revised Groundwater Production and Replenishment Projections.

Currently, Watermaster and the IEUA recharge recycled water in the Chino Basin under a permit issued by the Regional Water Quality Control Board (Regional Board). The California Department of Public Health (DPH) has draft regulations for the planned recharge of recycled water into a potable water supply aquifer. The DPH recently updated its draft regulations. The DPH uses the draft regulations as guidance in the regulation of recycled water recharge and issues permit conditions that are incorporated by the Regional Board into permits for planned recycled water recharge projects. The implications of the new draft regulations on recycled water are discussed in Section 4 of this report.

2.2 Groundwater Level Changes

This section analyzes groundwater level changes in the Basin and groundwater level changes at representative wells since the implementation of the OBMP in 2000. Groundwater level changes are characterized in groundwater level contour maps, a groundwater level change

³ The actual law and implementation are more complicated than just the stated reductions in potable water demand. The law also has an agricultural water demand reduction mandate. For more information, go to <http://www.water.ca.gov/wateruseefficiency/sb7/docs/20x2020plan.pdf>.

contour map, cross-sections that illustrate changes in saturated thickness, and time histories of groundwater levels at selected wells through 2011. The data used in the subsequent figures are contained in a relational database and were accessed through HydroDaVE™.

2.2.1 Groundwater Level Changes Across the Basin

Figures 2-1a and 2-1b are groundwater elevation contour maps for spring of 2000 and the spring of 2010. These maps were included in the recent 2010 State of the Basin Report (WEI, 2012). The following procedures were used in the creation of these maps:

- Extract the entire time history of groundwater level data from Watermaster's groundwater level database for all wells in the Chino Basin.
- Plot and explore groundwater elevation time histories for all wells.
- Choose one "static" groundwater level elevation data point per well that is representative of the spring 2000 and spring 2010 periods.
- Plot groundwater level elevation data on maps with background geologic/hydrologic features.
- Contour and digitize groundwater elevation data.

The direction of groundwater flow is perpendicular to these contours in the direction of decreasing elevation. These maps show that groundwater generally flows in a south-southwest direction from the primary areas of recharge in the northern parts of the basin toward the Prado Flood Control Basin in the south. There are notable pumping depressions in the groundwater level surface that interrupt the general flow patterns in the northern portion of MZ1 (Montclair and Pomona areas) and directly southwest of the Jurupa Hills. There is an extensive groundwater level depression surrounding the Chino I and Chino II Desalter well fields in the spring of 2010.⁴

Figure 2-2 shows the difference in groundwater elevation between the spring of 2010 and the spring of 2000. This map was composed by subtracting the groundwater elevations for the year 2000 from the groundwater elevations for 2010. The change in groundwater elevation is shown by contours of equal change and by a color ramp of yellow-to-green for increasing groundwater elevations and yellow-to-red for decreasing groundwater elevations. These groundwater-level changes are for the shallow unconfined aquifer, where most of the storage change occurs.

Groundwater levels have declined across the central and eastern portions of the Basin. This decline is attributed to groundwater production in MZ2 and MZ3 during the period and the implementation of "basin re-operation." Groundwater levels declined significantly in most of the areas around the Chino Desalter well fields. Pumping began in 2001 and progressively

⁴ The Chino I desalter started producing groundwater in 2001, and the groundwater depression surrounding wells CDA I-5 through CDA I-12 quickly developed. The Chino I desalter expansion and the Chino Desalter II started up in 2007, and the groundwater depression surrounding CDA I-13 through CDA I-15 and the Chino Desalter II wells quickly developed.

increased as the well field and the desalter facilities expanded. The drawdown associated with the desalter well field has achieved hydraulic control in most of this area and has increased the hydraulic gradient from the Santa Ana River toward the desalter well field. Hydraulic Control is one of several commitments made by the IEUA and Watermaster to the Regional Board (RWQCB) as part of the maximum benefit commitments incorporated in the Santa Ana Regional Water Quality Control Plan (Basin Plan) in 2004 and the Peace II Agreement in 2007. Watermaster conducts monitoring and prepares an annual report to the RWQCB to document the state of hydraulic control.

Groundwater levels have risen in the western part of the Basin. In the northwest part of the Basin this is attributed to a decrease in production associated with in-lieu and wet water recharge for the MWDSC Dry Year Yield program. In the southwest, water levels have increased where there is decreased pumping associated with the land subsidence investigation and the resulting MZ1 Subsidence Management Plan (WEI, 2007b). In the south near Prado Basin, water levels have risen due to decreased agricultural pumping and, more recently, the agricultural use of recycled water in lieu of groundwater production.

Figure 2-3 illustrates the groundwater production time history for fiscal years 1999-2000 through 2010-11⁵ by pool, Dry-year Yield program take, and for the Chino Desalter Authority. During this period total groundwater production oscillated between 160,000 to 180,000 acre-ft/yr except for 2006 and 2011. Aggregate production by the overlying agricultural and overlying non-agricultural pools declined from about 50,000 acre-ft/yr to about 22,000 acre-ft/yr. These declines were offset by production from the appropriative pool, Dry-year Yield program takes in 2008, 2009, and 2010, and by increases in production from the Chino Basin desalters. Production by the appropriative pool generally increased through 2007 and then declined to less than 100,000 acre-ft/yr after 2007.

2.2.2 Changes in Saturated Thickness

Figure 2-4 shows the locations of flow-lined based cross-section profiles through each of the management zones, through a part of the Chino II Desalter well field, and through part of the JCSD well field. These flow-line based cross-sections are shown in figures 2-5a through 2-5f. The intent of these cross-sections is to show the saturated thickness through these cross-sections for 2000 and 2010 and wells located on or near these cross-sections. The horizontal red bar shown at most wells are sustainability metrics that have been provided by the well owners. Groundwater production at wells is presumed to be sustainable if the groundwater level at the well is greater than the sustainability metric. If the groundwater level falls below the sustainability metric, the owner will either lower their pumping equipment in their well or will have to reduce production. These metrics will be described in more detail in Section 3.

Cross-sections A-A' (Figure 2-5a), B-B' (Figure 2-5b), and C-C' (Figure 2-5c) are laid out in a generally north to south alignment through MZ1, MZ2, and MZ3, respectively. The saturated thickness through most of these cross-sections ranges from about 400 feet to over 1,000 feet with two notable exceptions: the northern end of A-A' and the JCSD well field in cross-

⁵ Hereafter, all years in which production, replenishment, and recharge are discussed will be fiscal years, and they will be referred to as the trail year. For example, fiscal 1999-2000 will be referred to as 2000.

section C-C'. Groundwater levels are seen to be slightly higher in MZ1 in 2010 relative to 2000, and this increase is relatively small compared the saturated thickness and the depth of wells. Groundwater levels are generally 20 to 50 feet lower in MZ2 and MZ3 in 2010 relative to 2000; as with MZ1, this change is relatively small compared to the saturated thickness and depth of wells except where cross-section C-C' passes through the JCSD well field and the Chino desalter wells, where the saturated thickness is much smaller due to an increase in the elevation of the effective base of the aquifer.

Cross-sections D-D' (Figure 2-4d) and E-E' (Figure 2-4e) are laid out in a generally east to west alignment through MZ4 and MZ5, respectively. The saturated thickness throughout most of these cross-sections ranges from about 100 feet to 300 feet and in some places less. The saturated thickness near JCSD well 24 appears to be slightly greater than 100 feet in 2010. Groundwater levels are generally 0 to 30 feet lower in MZ4 and MZ5 in 2010 relative to 2000 with the decrease in MZ5 less than MZ4.

2.2.3 Historical Groundwater Level Trends

Figure 2-1a shows the locations of wells with groundwater level time histories discussed herein and the Chino Basin management zone boundaries. Wells were selected based on length of record, density of data points, quality of data, geographical distribution, and aquifer system. Wells are identified by their local name (usually owner abbreviation and well number) or their Watermaster identification number (Watermaster ID) if privately owned.

Figures 2-6a through 2-6e are groundwater level time history charts for the wells shown in Figure 2-1a, for MZ1 through MZ5, respectively. Some of the short-term groundwater level fluctuations shown in these figures result from the inclusion of static and dynamic observations. Below, by management zone, the behavior of groundwater levels at specific wells is compared to climate, groundwater production, wet water recharge activities, and other factors as appropriate.

To compare groundwater levels to climate, a cumulative departure from mean precipitation (CDFM) curve has been plotted on the groundwater level time history charts. Positive sloping lines on the CDFM curve show wet years or wet periods, whereas negatively sloping lines show dry years or dry periods. For example, the period from 1978 to 1983 was an extremely wet period, and it is represented by a positively sloping line. To compare groundwater levels to pumping and recharge activities, bar charts that show groundwater production and wet water recharge by management zone have been superimposed on the groundwater level time history charts. These charts are detailed and somewhat complicated tools that provide insight into the complicated response of groundwater levels to several stressors.

2.2.3.1 Management Zone 1

MZ1 is an elongate region, running generally north-south, and comprises the westernmost area of the Chino Basin. It is bounded by MZ2 to the east, various basin-boundary faults to the north, and sedimentary bedrock outcrops to the west and south.

Figure 2-6a shows groundwater level time histories for the following wells: Monte Vista Water District Well 10 (MVWD-10), City of Pomona Well 11 (P-11), City of Chino Well 10 (C-10), and Chino Hills Wells 15A and 16 (CH-15A and CH-16). The Montclair, College Heights, Upland, and Brooks Street Basins are located in the northern portion of MZ1 and are the primary sites for artificial recharge. Careful inspection of Figure 2-6a indicates that the groundwater level response to precipitation is minimal, as evidenced by comparison of the CDFM to groundwater level time series, and that groundwater levels are most significantly influenced by groundwater production and artificial recharge.

Wells MVWD-10 and P-11 exhibit representative groundwater levels for the northern portion of MZ1. An analysis of static groundwater levels at these wells shows a decline from 1995 to 2001, a period of increased groundwater production in MZ1. Since 2001, water levels have risen by about 100 feet at MVWD-10 and by about 45 feet at P-11. This increase is attributed to a decrease in local production and an increase in wet water recharge in MZ1 since 2001.

Well C-10 is located in central MZ1. Water levels at C-10 peaked in the mid-1990s and declined by about 20 feet from 1995 to 2000. Unlike other wells in MZ1 that experienced significant water level recovery from 2000 to 2006, the water levels at C-10 remained essentially unchanged. Since 2006, water levels have risen by approximately 20 feet. This increase is due to a decrease in local production and an increase in wet water recharge.

Water levels measured at CH-15A are representative of the shallow aquifer system in the southern portion of MZ1. The recent land subsidence investigation has shown that in southern MZ1, the aquifer system is hydrologically stratified. The shallow aquifer system is unconfined to semi-confined while the deep aquifer system is confined. Water levels in CH-15A have historically been stable at around 80-90 ft-bgs and have experienced small variations in response to nearby pumping. Since 2000, water levels have risen by about 10 feet. This is primarily due to the decrease in local production associated with the MZ1 Interim Management Plan.

CH-16 is perforated in the confined deep aquifer system, which is characterized by large changes in piezometric pressure due to nearby pumping. In 2003 and 2004, during a series of pumping tests conducted by Watermaster in southern MZ1, water levels in CH-16 dropped by approximately 100 feet, and the period of recovery lasted several months. These tests demonstrated that piezometric levels in CH-16 (and the deep aquifer system in general) are heavily influenced by changes in pumping from local wells screened within the deep aquifer system. The static water levels at CH-16 declined by about 100 feet from 1995 to 2000 and subsequently recovered by about 140 feet from 2000 to 2006. At the end of 2008, static water levels had declined by about 30 feet from the 2006 highs with a maximum drawdown of about 60 feet observed in the summer of 2008.

2.2.3.2 Management Zone 2

Management Zone 2 (MZ2) is a large, central, elongate area of the Chino Basin. Figure 2-6b shows groundwater level time histories for Cucamonga Valley Water District (CVWD) Wells CB-3 and CB-5 (CVWD CB-3 and CVWD CB-5), City of Ontario Well 16 (O-16), Watermaster ID 600394, and Hydraulic Control Monitoring Program Wells 2/1 and 2/2

(HCMP-2/1, and HCMP-2/2). These wells are aligned north to south, approximately along a groundwater flow line. The San Sevaine, Etiwanda, Lower Day, Victoria, Turner, and Ely Basins are located in the northern and central regions of MZ2 and are the primary sites for artificial recharge. Careful inspection of Figure 2-6b indicates that the groundwater level response to precipitation and artificial recharge is minimal, as evidenced by comparison of the CDFM and artificial recharge time history to groundwater level time histories, and that groundwater level time histories are most significantly influenced by groundwater production.

The groundwater level time histories for the northernmost wells—CVWD CB-3 and CB-5 and O-16—show a general water level increase following 1978, which is likely due to a combination of the 1978 to 1983 wet period, the reduction in overdraft following the implementation of the Chino Basin Judgment, and the start of artificial replenishment with imported water in the San Sevaine and Etiwanda Basins. Following the early 1990s, water levels at these wells began to decrease and have continued to decrease to present. The static water levels at CB-3 and CB-5 decreased by approximately 30 feet between 2003 and 2006. Long-term water level decreases in this area of MZ2 are likely due to decreased wet water recharge from 1996 to 2003 and increased groundwater production from 1995 to present.

Well Watermaster ID X-Ref 404 is located in the central portion of MZ2, north of the Chino I Desalter well field. Water levels at this well have decreased by about 15 feet since 2000.

Wells HCMP 2/1 and HCMP 2/2 are located at the southern end of MZ2 near the Chino I Desalter well field. These wells were completed and the first measurements were recorded in early 2005. HCMP 2/1 is perforated in the shallow aquifer system, and HCMP 2/2 is perforated in the deep aquifer system. Contrary to that of MZ1, the deeper aquifer in this MZ behaves much more like the shallow, unconfined aquifer, which is indicative of a greater degree of hydraulic communication between the two aquifer systems. Both wells exhibited similar groundwater level increases (15-20 feet) from 2005 to 2006. It is likely that this was due to changes in local production—especially at some of the nearby Chino I Desalter wells, which experienced production decreases in 2005 and 2006. Since 2006, water levels have decreased by 5-10 feet in both wells.

2.2.3.3 Management Zone 3

Management Zone 3 (MZ3) consists of the area along the eastern boundary of the Chino Basin. It is bounded by MZ2 to the west, Chino-East (MZ4) and Chino-South (MZ5) to the south, and the Rialto-Colton Fault to the east. Figure 2-6c shows water level time histories for Fontana Water Company Wells F30A and F35A (F30A and F35A), Milliken Landfill Well M-3 (M-3), County of San Bernardino MIL M-06B, Watermaster ID 3602468, and HCMP Well 7/1 (HCMP 7/1). These wells are aligned northeast to southwest, approximately along a groundwater flow line. The RP-3 and Declez Basins are located in the central region of MZ3 and are the primary sites for artificial recharge. Careful inspection of Figure 2-6c indicates that, like MZ2, the groundwater level response to precipitation and artificial recharge is minimal, as evidenced by comparison of the CDFM and artificial recharge time history to groundwater level time histories, and that groundwater level time histories are most significantly influenced by groundwater production.

Wells F30A and F35A are located in the northeastern portion of MZ3. The groundwater level time histories of these two wells show relatively stable water levels from 1978 until the late 1990s. From 2000 to 2006, the wells experienced a progressive decline in water levels of about 25 feet. This decline is due to increased production in MZ3. Since 2006, water levels at F35A have remained relatively unchanged, and water levels at F30A have fluctuated ± 5 to 10 feet.

Wells M-3, M-06B, and Watermaster ID Xref 425 are located in the central portion of MZ3. From 2000 to 2006, a groundwater decline of about 30 feet was observed at these wells.

The southernmost well, HCMP-7/1, experienced a groundwater level decline of about 20 feet from 2005 to the end of 2008. Similar water level declines can be observed in most wells throughout MZ3. This regional drawdown in MZ3 is due to the steady increase in production within MZ3 over the past 20 years and a lack of artificial recharge.

2.2.3.4 Management Zone 4

MZ4, also known as Chino-East, is bounded by the Jurupa Hills to the north, the Pedley Hills to the east, MZ5 to the south, and MZ3 to the west. Figure 2-6d shows groundwater level time histories for HCMP Well 9/1 (HCMP-9/1), Jurupa Community Services District Well 10 (JCSD-10), Watermaster ID 4503, and FC932A2. There are no recharge basins in MZ4, and very little groundwater production occurs in this area.

Groundwater levels at these wells decreased by about 20 to 40 feet between 2000 and 2008. These declines are due to groundwater production at wells in the management zone and at nearby wells in MZ3, including the Chino II desalter well field, which is located near the western boundary of the MZ4.

2.2.3.5 Management Zone 5

MZ5, also known as Chino-South, is bounded by MZ4 to the north, MZ3 to the west, the Riverside Narrows to the east, and various unnamed hills to the south. Figure 2-6e shows groundwater level time histories for USGS Well Archibald-1, HCMP Well 8/1 (HCMP 8/1), and Santa Ana River Water Company Well 07 (SARWC-07). There are no groundwater recharge basins in MZ5, but the Santa Ana River is a major source of groundwater recharge. In place of artificial recharge, Figure 2-6e shows the total Santa Ana River discharge measured at the MWD crossing where the Santa Ana River enters the Chino Basin. Santa Ana River discharge in the lower Chino Basin is the source of recharge to wells producing in that area, including the Chino desalters.

These wells exhibit very little groundwater level variation due to the stabilizing effects of Santa Ana River discharge and, more particularly, dry-weather discharge that consists of recycled water and rising water discharge, originating above the MWD crossing and the City of Riverside recycled water discharge just downstream of the MWD crossing. Production in MZ5 decreased steadily from 1978 to 2008 due to a reduction in agricultural production, as the overlying land was converted from agricultural to urban uses. Groundwater levels in

HCMP-8/1 and SARWC-07 have declined about 10 to 15 feet since 2006. This decline is due to the onset of pumping at nearby Chino II Desalter wells.

2.2.4 Focused Groundwater Level Time Histories in the Southern End of MZ3

The discussion of Figures 2-5a through 2-5g indicated that groundwater levels were close or had fallen below sustainability metrics for the some wells in the southern end of MZ3. In this section, we examine the time history of selected wells in this part of the Basin. Figures 2-7a and 2-7b are groundwater level time history charts for the wells shown in Figure 2-1a: for the eastern Desalter II well field and for selected JCSD wells in the JCSD well field, respectively. Static and dynamic water level observations have been included to show the trend in groundwater levels in these areas and the amount of drawdown incurred at these wells when operating. Below, the behavior of groundwater levels at specific wells is compared to climate, groundwater production, wet water recharge activities, and other factors as appropriate.

Figure 2-7a illustrates the groundwater level time histories and stressors for the eastern wells of the Desalter II well field. The water level time history starts in 2007 and continues into 2012, a period of just under five years. These data are collected at high frequency using integrated pressure transducers with data loggers. The static and dynamic levels are easily identifiable. Static groundwater levels at wells CDA II-7 and CDA II-8 decreased about 20 feet by mid-2009 and have remained steady since that time. Static groundwater levels at wells CDA II-6 and CDA II-9a decreased about 30 feet by mid-2009 and have remained steady since that time. Desalter II production declined after 2009, and artificial recharge in MZ3 at the RP3 and Declez Basins increased. Based on the groundwater modeling work discussed in Section 3, it is likely that the reduction in Desalter II production contributed to the stabilization of groundwater levels at these wells.

Figure 2-7b illustrates the groundwater level time histories and stressors for selected JCSD wells. The locations of these wells are shown in Figure 2-1a. The water level time histories for JCSD 12 and JCSD 17 start before 2000. The irregularity of the data makes the interpretation of the water level time histories less clear than that of the desalter wells discussed above. Water levels at JCSD 12 appear to decline about 10 feet through 2005, decrease another 30 feet after Desalter II started up in 2007, and stabilize in 2009. The water level time history for JCSD 17 is more difficult to interpret, but the trend in the data suggests that the static level may have decreased 10 feet.

The water level record at JCSD 22 starts in 2004 with irregular observations through 2008 and more frequent observations thereafter. Static groundwater levels at JCSD 22 vary somewhat between 2004 and 2007 with no discernible trend. After the startup of Desalter II, groundwater levels appear to decrease about 20 feet by mid-2009, remaining steady since that time. Static groundwater levels at wells CDA II-6 and CDA II-9a appear to decrease about 30 feet by mid-2009, remaining steady since that time. Desalter II production declined after 2009 and artificial recharge in MZ3 at the RP3 and Declez Basins increased. Based on the groundwater modeling work discussed in Section 3, it is likely that the reduction in Desalter II production contributed to the stabilization of groundwater levels at these wells.

2.3 Water Stored in the Basin

Members of the overlying non-agricultural and appropriative pools can store water in the Chino Basin for subsequent use and transfer among parties to Judgment. Storage is regulated pursuant to the Judgment and Watermaster rules and regulations. Classifications of water in storage include:

- Carryover water – unproduced water in any year that may accrue to a member of the overlying non-agricultural and appropriative pools and that is produced first each subsequent fiscal year or accounted for as excess carryover water;
- Excess carryover water – carryover water which in aggregate quantities exceeds a party's share of the safe yield in the case of the overlying non-agricultural pool or the assigned share of operating safe yield in the case of the appropriative pool in any year; and
- Supplemental water – water imported to the Chino Basin from outside of the Chino Basin watershed and recycled water.

Table 2-1 shows the time history of the aggregate water in storage for all parties in the overlying non-agricultural and appropriative pools by storage type for the period July 1, 2001 through June 30, 2011. This time history is shown graphically in Figure 2-8. Aggregate storage by the overlying non-agricultural pool increased from about 38,000 acre-ft in July of 2001 to about 56,000 acre-ft in July of 2011. Aggregate storage by the appropriative pool increased from about 154,000 acre-ft in July of 2001 to about 286,000 acre-ft in July of 2011. In total, storage increased from about 192,000 acre-ft in 2001 to about 342,000 acre-ft by July 2011, with most of the increase occurring after 2004. Table 2-2 shows the distribution of storage by individual members of the overlying non-agricultural and appropriative pools.

2.4 Revised Groundwater Production and Replenishment Projections

The 2010 RMPU (WEI, et al., 2010) contained a recommendation to update the groundwater production and replenishment obligations to reflect the water purveyor plans being developed to comply with SBX7-7 (20 percent reduction in per capita potable demands by 2020) and the 2010 Urban Water Management Plans (UWMPs) that were due in June 2011. Some stakeholders in the 2010 RMPU process noted that water purveyors may have overestimated groundwater production projections, which would lead to an overestimate of future replenishment obligations and potentially investments in new recharge facilities that may not be required if more recent future groundwater production estimates were used.

The Court accepted this recommendation and included it in its October 8, 2010 Court Order, directing Watermaster and the IEUA to prepare updated groundwater production and replenishment obligation projections and to submit them to the Court by December 17, 2011. This section complies with the October 8, 2010 Court Order and to support the ongoing Watermaster planning process, wherein Watermaster is updating and using its groundwater models to predict basin responses to future planning scenarios. One of the goals of modeling the future planning scenarios is to estimate the safe yield of the Chino Basin.

It is important to note that this report is focused on production and replenishment. The term replenishment, as used herein, refers to the mitigation of overproduction pursuant to the physical solution specified in the Judgment through either wet-water or in-lieu means. Recharge and replenishment water are defined in the Peace Agreement as: “[...] the introduction of water into the Basin, directly or indirectly, through injection, percolation, delivering water for use in-lieu of Production or other method. Recharge references the physical act of introducing water into the Basin. Recharge includes Replenishment Water but not all Recharge is Replenishment Water.”

The distinction between recharge and replenishment is important. There may be reasons to recharge other than replenishment, such as mitigating excessive groundwater level declines. Watermaster’s recharge obligations related to excessive groundwater level decline and/or the need to balance recharge and discharge are contained in 5.1 (e) of the Peace Agreement.

2.4.1 Groundwater Production Projections

WEI collected available UWMPs from the Chino Basin Parties, including the Cities of Chino, Ontario, Pomona, and Upland; the Golden State Water Company; the San Antonio Water Company; the Monte Vista Water District; the Cucamonga Valley Water District; the Fontana Water Company; the Jurupa Community Services District; the Chino Desalter Authority; the Inland Empire Utilities Agency; the Three Valleys Municipal Water District; the Western Municipal Water District; and the Metropolitan Water District of Southern California. In addition to these plans, WEI contacted the City of Chino Hills to informally obtain their water demands and supply plans. For those retail water agencies that are not required to prepare UWMPs, WEI conducted interviews or reviewed other planning information to estimate water demands and to establish water supply plans.

WEI reviewed this planning information, and where parties’ water supply plans showed more water supply than demand, WEI conducted additional discussions to distinguish their Chino Basin groundwater production projections and was able to establish priorities of the various supplies and adjust their water supply plans.

The Metropolitan Water District of Southern California (Metropolitan) has indicated that it will discontinue Replenishment Service water deliveries and replace those deliveries with some other program that will be developed in the future. Seemingly, Watermaster will likely be required to purchase untreated water from Metropolitan at Tier 1, Tier 2, or melded Tier 1/Tier 2 rates for future replenishment. Several appropriators have demonstrated that, given increased replenishment, power, and assessment costs, it is currently or will soon be more economical to purchase Metropolitan water directly than to produce groundwater in excess of their production rights.

The production projection for agricultural producers has not changed in concept from the 2010 RMPU. Agricultural groundwater production was assumed to decrease linearly from about 21,000 acre-ft/yr in 2009-10 to about 5,000 acre-ft/yr by 2019-20. The sensitivity of this

assumption on projected production and replenishment will be described later in this report. In the last few years, recycled water has been supplied for agricultural uses and has resulted in a decline in agricultural groundwater use. The land remaining in agricultural land use is mostly within the sphere of influence of the Cities of Chino and Ontario. The decline in agricultural groundwater use, as shown in Table 2-3, is consistent with the growth in water demand by the Cities of Chino and Ontario.

The production projections for individual overlying non-agricultural producers were based on the following:

- For active producers where planning information was unavailable, production was assumed to be their maximum annual production from the five prior years (2006-07 through 2010-11).
- For General Electric (GE), production was assumed to be zero; GE now injects all of its produced groundwater back into the Chino Basin.
- For all other producers, planning estimates were provided.

Table 2-3 shows the projected time history of groundwater production for the 2010 through 2035 period, based on the information collected from the water supply agencies. “Normal” water supply conditions were used when the 2010 UWMPs were available. Under normal supply conditions, total annual groundwater production is projected to decrease from about 162,000 acre-ft/yr in 2010 to about 159,000 acre-ft/yr by 2020 and then gradually increase to about 191,000 acre-ft/yr by 2035. Projected annual groundwater production (in acre-ft/yr) is shown below.

Summary of Groundwater Production by Pool and the CDA
(acre-ft/yr)

Planning Year	Agricultural Pool Production	Overlying Non-Agricultural Pool Production	Appropriative Pool and CDA Projection	Total Production
2010	21,000	2,343	138,320	161,662
2015	13,000	3,387	142,987	159,374
2020	5,000	3,667	150,356	159,023
2025	5,000	3,667	161,356	170,023
2030	5,000	3,667	171,969	180,636
2035	5,000	3,667	181,875	190,542

Municipal and private water purveyors as well as private users in the Chino Basin area depend in part or completely on Chino Basin groundwater. The table below contains aggregate water supply projections (in acre-ft/yr), based on the UWMPs and other information obtained for this investigation.

Macro Water Supply Plan for Watermaster Parties and the CDA
(acre-ft/yr)

Water Source	2010	2015	2020	2025	2030	2035
Chino Basin Groundwater	161,662	159,374	159,023	170,023	180,636	190,542
Non-Chino Basin Groundwater	49,718	57,463	57,463	57,463	57,463	57,463
Local Surface Water	26,017	18,869	18,869	18,869	18,869	18,869
Imported Water From Metropolitan	57,434	87,558	95,521	98,448	101,327	105,768
Other Imported Water	766	3,500	3,500	3,500	3,500	3,500
Recycled Water for Direct Reuse	13,516	21,393	26,393	30,993	35,593	40,694
Total	309,113	348,157	360,769	379,296	397,388	416,836

The total water demand is projected to grow from about 309,000 acre-ft/yr in 2010 to about 417,000 acre-ft/yr by 2035. As stated above, Chino Basin groundwater production is projected to decrease from about 162,000 acre-ft/yr in 2010 to about 159,000 acre-ft/yr by 2020 and then increase gradually to about 191,000 acre-ft/yr in 2035. Recycled water for direct reuse is projected to increase from about 14,000 acre-ft/yr in 2010 to about 41,000 acre-ft/yr by 2035. The amount of imported water supplied by Metropolitan is projected to increase from about 57,000 acre-ft/yr in 2010 to about 106,000 acre-ft/yr by 2035, an increase of 86 percent.

2.4.2 Replenishment Obligation Projections

Watermaster recharges supplemental water into the Chino Basin pursuant to the Judgment and the Peace Agreement. Total annual replenishment is calculated herein based on projected groundwater production and production rights. Production rights are based on the following assumptions:

- The safe yield is 140,000 acre-ft/yr through 2011 and, thereafter, the safe yield estimate presented in 2009 Production Optimization and Evaluation of the Peace II Project Description (WEI, 2009). The safe yield is projected to decline to about 129,000 acre-ft/yr by 2035.
- The Judgment allows 5,000 acre-ft/yr of controlled overdraft of the Chino Basin through 2017.
- Reoperation water is allocated to the replenishment of CDA desalter production, as provided for in the Peace II Agreement, updated in the report prepared to satisfy Condition Subsequent No. 7 (WEI, 2008), and updated thereafter based on actual CDA production. Reoperation water is completely used up by 2030.
- The 6,500 acre-ft/yr supplemental water recharge commitment to Management Zone 1 (MZ1) pursuant to the Peace II Agreement.
- Recycled water recharge was assumed to occur as projected by the IEUA in its February 10, 2012 email to Ken Jeske.

Recycled water recharge is used in MZ1 to partially meet the 6,500 acre-ft/yr supplemental water recharge obligation. Therefore, some of the recycled water recharge that has historically occurred in MZ1 and is planned to occur in the future is credited to meet the 6,500 acre-ft/yr supplemental water recharge obligation.

2.4.3 Groundwater Production and Replenishment Scenarios

Four groundwater production and replenishment scenarios were developed in this investigation.

2.4.3.1 Scenario 1 – Baseline Scenario – Projected Groundwater Production and Production Rights and Efficient Market Assumption

Table 2-4 contains the projected groundwater production from Table 2-3, the various components of production rights and total production rights, the projected replenishment obligation, and the cumulative replenishment obligation (the baseline projection). The sudden decrease in production rights in 2014 is caused by the exhaustion of the first tranche of reoperation water by the existing desalters. The increase in production rights in 2015 is caused by the startup in use of the second tranche of reoperation water by the CDA expansion and the projected increase in recycled water recharge. The decrease in production rights over the period of 2019 through 2030 is due to the elimination of 5,000 acre-ft/yr of controlled overdraft after 2017 and the gradual decrease of safe yield. The sudden decrease in production rights that occurs in 2031 is due to the assumed ending of the 6,500 acre-ft/yr recharge obligation in MZ1 and the exhaustion of the second tranche of reoperation water.

Watermaster's replenishment obligation was estimated using the following assumptions:

- The water in storage accounts at the start of fiscal year 2010 is not used to meet future replenishment obligations. This is a conservative assumption that reserves discretion regarding the use of this water to individual storing parties.
- On a go-forward basis, under-producers will transfer un-pumped rights to overproducers each year; that is, there is an efficient market that moves unused production rights from under-producers to overproducers (hereafter, the efficient market assumption).

For this investigation, the net annual replenishment obligation was assumed to be equal to the greater of zero and the difference between actual production and production rights. The net replenishment obligation—assuming normal water supply years and the adjusted groundwater production projection from the UWMPs scenario—is projected to be zero in 2010 through 2023 (with a one-year exception in 2014), increase to about 1,600 acre-ft/yr in 2024, increase gradually to about 25,000 acre-ft/yr in 2030, jump to about 34,000 acre-ft/yr by 2031, and increase gradually thereafter to 43,000 acre-ft/yr in 2035. As noted above, this assumes that under-producers will transfer un-used production rights to overproducers each year; that is, there is an efficient market that moves unexercised rights from under-producers to overproducers. This assumption may underestimate the replenishment obligation for some years if water cannot be acquired in those years. Though, over the long term, this assumption is valid because the appropriator parties cannot store unused production rights indefinitely,

and the demand for replenishment water will provide financial incentives for unused production rights to be sold to overproducers. The efficient market assumption has been vetted with the Watermaster and the Judgment parties throughout the post Peace Agreement period and more recently in the RMPU Steering Committee process in 2012.

The last column in Table 2-4 shows the cumulative replenishment obligation from July 1, 2009 forward. Negative values indicate that cumulative production rights through that year exceed the cumulative production and that the volume of water in storage accounts will have increased by the negative of that value. For example, by the end of 2023, the cumulative replenishment obligation is estimated to be about -144,000 acre-ft. During the period of 2010 through 2023, the cumulative production rights are about 144,000 acre-ft greater than the cumulative production, and the volume of water in storage accounts will have increased by about 144,000 acre-ft.

After 2023, the net replenishment obligation becomes positive and grows as the annual production rights are less than the annual production. That said, the volume of water accumulating in storage accounts through 2023 is greater than the cumulative positive net replenishment obligation projected to occur from 2024 through 2032. In theory, this means that Watermaster may not have to purchase water from Metropolitan for replenishment until 2033. Though, Watermaster will still need to acquire and recharge supplemental water to meet its 6,500 acre-ft/yr MZ1 recharge obligation through 2030. There may also be a need to recharge imported water to dilute recycled water recharge. The maximum replenishment obligation would reach about 43,000 acre-ft/yr in 2035 which is substantially less than the projected supplemental recharge capacity available to Watermaster.

2.4.3.2 Scenario 2 – Projected Groundwater Production and Production Rights per Table 2-4 with a Delay in the Decline of Agricultural Pool Production, and Efficient Market Assumption

Table 2-5 is identical to Table 2-4 except that the projected decline in agricultural pool production is deferred until after 2020 and is assumed to decline to 5,000 acre-ft/yr by 2025 (hereafter Scenario 2). This was done to test the sensitivity of the projected replenishment obligation to the projected overlying agricultural pool production shown in Table 2-3. This results in greater projected groundwater production through 2024 than the production projection used in Scenario 1, the Baseline Scenario. The resulting net replenishment obligation projection with this assumed, delayed decline in agricultural production looks similar to the prior projection with the cumulative replenishment obligation being negative through 2026, reaching a value of about -65,000 acre-ft in 2016, and gradually increasing thereafter to about +240,000 by 2035. The maximum replenishment obligation would reach about 43,000 acre-ft/yr in 2035 which is substantially less than the projected supplemental recharge capacity available to Watermaster.

2.4.3.3 Scenario 3 – Projected Groundwater Production and Production Rights per Table 2-4 with Appropriate Pool Production Increased by 10 Percent, and Efficient Market Assumption

Table 2-6 is identical to Table 2-4 except that the appropriate pool contribution to groundwater production was increased by ten percent (hereafter Scenario 3). This was done to test the sensitivity of the projected replenishment obligation to the projected appropriate pool production shown in Tables 2-3 and 2-4. This results in greater projected groundwater production throughout the planning period than was seen in Scenarios 1 and 2. The resulting net replenishment obligation projection with this assumed increase in appropriate pool production looks similar to the prior projections with the cumulative replenishment obligation being negative through 2022, reaching a value of -39,000 acre-ft in 2013 and gradually increasing thereafter to about +430,000 by 2035. The maximum replenishment obligation would reach about 57,000 acre-ft/yr in 2035, which is substantially less than the projected supplemental recharge capacity available to Watermaster.

2.4.3.4 Scenario 4 – Projected Groundwater Production and Production Rights per Table 2-4 with Appropriate Pool Production Increased by 10 Percent, with a Delay in the Decline of Agricultural Pool Production, and Efficient Market Assumption

Table 2-7 is identical to Table 2-4 except that the appropriate pool contribution to groundwater production was increased by ten percent, and the projected decline in agricultural pool production is deferred until after 2020 and is assumed to decline to 5,000 acre-ft/yr by 2024-25 (hereafter Scenario 4). This was done to test the sensitivity of the projected replenishment obligation to the projected overlying agricultural and appropriate pools production shown in Table 2-3. This results in greater projected groundwater production throughout the planning period than was seen in Scenarios 1, 2, and 3. The resulting net replenishment obligation projection with this assumed increase in appropriate pool production looks similar to the prior projections with the cumulative replenishment obligation being negative for most of the planning period, reaching a value of -78,000 acre-ft in 2021-22 and gradually increasing thereafter to about +228,000 by 2034-35. The maximum replenishment obligation would reach about 46,000 acre-ft/yr in 2034-35, which is substantially less than the projected supplemental recharge capacity available to Watermaster.

2.4.4 Projected Time History of Water in Storage

Figure 2-9 shows the projected time history of water in storage accounts and, more specifically, the buildup in storage due to production rights exceeding groundwater production throughout most of the planning period for the four planning scenarios shown in Tables 2-4, 2-5, 2-6, and 2-7. The amount of water in storage includes 283,000 acre-ft of water, which is in storage as of July 1, 2009, plus the projected increase in storage for each planning scenario. The projected time history shown in Figure 2-9 assumes that replenishment will come from storage when the production exceeds production rights. The intent of this figure is to illustrate the impact of the groundwater production projections on storage and to illustrate the amount of water in storage that could be available to offset future replenishment obligations. For Scenario 1, the volume of water in storage is projected to reach about 427,000 acre-ft in 2023 and declines thereafter but never reaches zero. This means that in theory, Watermaster could

purchase replenishment water from storing parties (provided that there are willing sellers) and never have to purchase water from Metropolitan for replenishment. This holds true for Scenario 2. Watermaster would have to purchase replenishment water from Metropolitan for replenishment by 2033 for Scenario 3 and 2030 for Scenario 4.

2.4.5 Supplemental Water Recharge Capacity and Requirements to Meet Replenishment Obligations

The 2010 RMPU stated that: “The supplemental water recharge capacity of the spreading basins available to Watermaster and the existing ASR wells is about 88,700 acre-ft/yr. With in-lieu recharge, the supplemental water recharge capacity ranges from 113,700 to 128,700 acre-ft/yr.” The supplemental water recharge capacity dedicated to recycled water recharge and the 6,500 acre-ft/yr MZ1 obligation is about 25,200 acre-ft//yr. This leaves about 89,000 to 103,000 acre-ft/yr of supplemental water recharge capacity for replenishment purposes.⁶ The maximum supplemental water recharge requirement estimated in the production scenarios described above was 46,000 acre-ft/yr and assumes that the replenishment obligation will be met with imported water recharge and not storage. Given what is known today and anticipated groundwater production, there is no need to construct additional supplemental water recharge capacity to meet future replenishment obligations through 2035.

2.4.6 Conclusions Regarding Groundwater Production and Replenishment Projections

The following conclusions are evident from the discussion above:

- The groundwater production projections for 2012 are substantially less than assumed in the 2010 RMPU. The groundwater production projections presented herein are based, in part, on the 2010 UWMPs and a projected decline in agricultural water use. The reduction in projected groundwater production has been largely offset by an increase in the direct use of imported water, which appears to be driven, in part, by the changing economics of groundwater production. The Watermaster parties participating in the RMPU Steering Committee have reviewed the production projections and have accepted them as the best current estimates
- No new recharge facilities or new sources of replenishment water will be required to meet future replenishment obligations, as required by the Judgment. There may be other reasons to construct new recharge facilities, such as to mitigate excessive groundwater level declines. Watermaster’s recharge obligations related to excessive groundwater level decline and/or the need to balance recharge and discharge are contained in Section 5.1 (e) of the Peace Agreement.
- Watermaster and the parties should consider reviewing the storage management plan currently in use to determine if changes should be made to improve storage

⁶ As part of the current RMPU steering committee process, the supplemental water recharge capacity was reduced about 2,000 acre-ft/yr (see Section 4) however there is more than adequate supplemental water recharge capacity to meet future replenishment obligations.

management in general and more specifically to accommodate the probable increases in storage that will occur in the future.

2.5 Replenishment Sources, Availability and Cost

Watermaster has historically met its replenishment obligations through the purchase of State Water Project (SWP) water from the IEUA who in turn obtains this water from the Metropolitan Water District of Southern California (Metropolitan) and through the purchase of water from members of the appropriative pool. The 2010 RMPU contains a detailed description of sources of supplemental water that could be used for replenishment or other recharge programs. These sources include:

- Metropolitan’s SWP and Colorado River Aqueduct supplies delivered through Metropolitan facilities;
- groundwater and surface water supplies in the Santa Ana Watershed that can be supplied to the Chino Basin directly through existing or new conveyance facilities or by exchange;
- surplus groundwater from the Six Basins area;
- recycled water from the Western Riverside County Regional Wastewater Authority Plant located in the Chino Basin;
- recycled water from the Rapid Infiltration Extraction Treatment Plant (RIX) in Colton, from the City of Rialto, from the City of Riverside, and from others;
- groundwater and surface water supplies from the Central Valley, conveyed to the Chino Basin through SWP and Metropolitan facilities, San Bernardino Valley Municipal Water District facilities, and San Gabriel Municipal Water District facilities; and
- groundwater and surface water supplies from the Colorado River Basin conveyed to the Chino Basin through Metropolitan facilities.

The 2010 RMPU report documents the availability of these sources and includes cost estimates for some. With the exception of the Metropolitan’s SWP water, the availability and cost of all other supplemental water sources are unknown at this time.

2.5.1 SWP Water Supplied by Metropolitan

The 2010 RMPU contained an analysis of the availability of Metropolitan’s SWP water. Since the 2010 RMPU was completed, Metropolitan has completed its 2010 Integrated Resources Plan (IRP) Update (Metropolitan, 2010). Metropolitan’s core resources strategy, if implemented, will result in Metropolitan being able to meet all its demands at all times with the exceptions of potential shortages as the strategy is being implemented in the current decade.⁷ Metropolitan is currently implementing its core resource strategy. Based on this finding, it is assumed herein that Watermaster will be able to purchase SWP water from Metropolitan when needed.

⁷ Based on the 2010 Update, Integrated Regional Plan (Metropolitan, 2010) and personal discussion with Brandon Goshi of Metropolitan

Historically, Watermaster has purchased almost all of its replenishment water at rates that were discounted relative to water served by Metropolitan for direct use. Metropolitan is considering the elimination of its replenishment service this year, which means that Watermaster will be required to purchase more expensive untreated Tier 1 and Tier 2 water. Table 2-8a shows the historical recharge of Metropolitan SWP water in the Chino Basin. Figure 2-10 shows the location of Metropolitan's pipelines and turnouts and the recharge basins imported is recharge into the Basin.

Since 2002, Metropolitan's average water rates have increased about 6 percent per year, and since 2007, rates have increased about 10 percent per year. Currently, Metropolitan provides replenishment service water at \$442 per acre-ft which is \$118 less than the full-service untreated Tier 1 rate. The Metropolitan Board recently approved its fiscal 2012/13 and 2013/14 budgets and water sales rates. Metropolitan's average water rates will increase 5 percent in 2012/13 and 5 percent in 2013/14. Table 2-9 lists the historical water rates for replenishment, untreated Tier 1 and untreated Tier 2 services, and a range of future rate projections based on sustained rate increases of 6.75 percent (compound rate 2002 through 2012) and high projection increases at 10.92 percent (compound rate 2007 through 2012).

2.5.2 Recycled Water for Recharge and Its Availability and Cost (to be insert on 4-18-12)

In the last decade IEUA has constructed improvements at its treatment plants and conveyance facilities that have made recycled water available for direct reuse and groundwater recharge. The conveyance improvements and recharge basins use to recharge recycled water are shown in Figure 2-11. IEUA has conducted planning investigations to project the amount of recycled water available for recharge⁸. The key factors used to develop the recycled water recharge projections below are: basin/turnout capacities, infiltration rates, basin maintenance, recycled water contribution limitations, dry vs. wet year, capital projects and annual O&M. The specific assumptions for the recycled water recharge projections are listed below. The projections are included in Table 2-10.

- Mid-Range (Average Year) Recycled Water Recharge Assumptions:
 1. Recycled water recharge occurs 7 months of the year for Basins with infiltration rates ≥ 0.5 ft/day.
 2. Recycled water recharge occurs 5 months of the year for Basins with infiltration rates ≤ 0.5 ft/day.
 3. Recycled water turnout capacity limitations were considered.
 4. Recycled water contribution (RWC) limitations were considered.
 5. Basin maintenance is assumed to be at a frequency that would ensure that 50percent of post cleaning infiltration rate⁹ at all times.

⁸ IEUA Memorandum, Groundwater Recharge Master Plan Update, Recycled Water Assumptions, February 14, 2012

⁹ The "post-cleaning infiltration rate" is the maximum infiltration rate achievable in the basin.



6. Basin maintenance occurs every two-to three years for each basin.
 7. Includes approved projects from the 2012/13 Ten-Year Capital Improvement Program:
 - a. Turner Basin – Recycled water conveyance enhancements completed by October 2013, and beneficial use is realized in FY 2013/14. Assumes permitting of Turner Basin 5 and 8 are completed and operational to maximize use.
 - b. RP-3 & Declez Basin – Recycled water conveyance enhancements completed by December 2013, and beneficial use is realized in FY 2014/15.
 - c. Lower Day, Etiwanda Debris Basin & Etiwanda Conservation Basin – Currently, these projects are not in the TYCIP; however, Lower Day can be implemented by FY 2017/18 and Etiwanda Debris Basin by FY 2021/22.
 - d. Infiltration rates based on historical storm flow and imported water flow to these basins. Actual infiltration rates may be lower when the basin is used on a long term basis.
 - e. No RWC limitations, since there is no history of underflow/storm flow diluent calculations or basin performance history.
- Low-Range (Wet Year) Recycled Water Recharge Assumptions, same as Mid-Range except:
 1. Recycled water recharge occurs 4 months of the year for Basins with infiltration rates ≥ 0.5 ft/day.
 2. Recycled water recharge occurs 2 months of the year for Basins with infiltration rates ≤ 0.5 ft/day.
 3. Imported water is not competing with recycled water for groundwater recharge.
 - High-Range (Dry Year) Recycled Water Recharge Assumptions, same as Mid-Range except:
 1. Recycled water recharge occurs 10 months of the year due to limited storm water recharge for Basins with infiltration rates ≥ 0.5 ft/day.
 2. Recycled water recharge occurs 7 months of the year due to limited storm water recharge for Basins with infiltration rates ≤ 0.5 ft/day.

The IEUA has also prepared cost projections for recycled water recharge. These go through 2015 and included in Table 2-9. The historical and projected recycled water recharge rate ranges about \$200 to \$300 per acre-ft less than the replenishment water service cost from Metropolitan over the 2011 through 2015 period.

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Section 3 – Impacts of Revised Groundwater Production and Replenishment Projections

The objectives of this section are to describe changed conditions from what was assumed in the 2010 RMPU and to update the information included in the 2010 RMPU. Specifically this section answers the following questions:

1. How are groundwater levels projected to change with the revised projections?
2. What areas in the basin are facing sustainability challenges?

In 2006 and 2007, Watermaster conducted extensive hydrologic and modeling investigations in support of the development of the Peace II Agreement and the facilities and basin operating strategies that are contained in the Peace II Agreement. And, Watermaster developed a sophisticated suite of computer simulation tools that are collectively referred to as the 2007 Watermaster Model. Based on these investigations, Wildermuth Environmental Inc. (WEI), Watermaster's consultant, concluded that:

- the safe yield of the Basin would likely decline from about 140,000 acre-ft/yr in 2006 to about 130,000 acre-ft/yr in 2030;
- projected future production may not be sustainable for some Appropriators due to excessive drawdown; and
- given Watermaster's traditional approach to replenishment operations, future production may have to be limited by Watermaster's existing replenishment capacity (WEI, 2007).

In 2008, Watermaster conducted a material physical injury analysis of the proposed Dry-Year Yield Expansion—using updated groundwater production projections provided by the IEUA—and reached identical conclusions regarding production sustainability and replenishment limitations (WEI, 2008a). However, in this analysis, WEI recommended additional work to optimize the location and magnitude of groundwater production and replenishment in order to maximize groundwater production capabilities.

The sustainability issue identified in these reports occurs because the municipal groundwater producers had not coordinated their future groundwater production plans that include new wells and increased production. In early 2009, the preparation of an environmental impact report PEIR for the Peace II Agreement commenced. Prior to evaluating the hydrologic changes that are expected to occur through the implementation of the Peace II Project Description, Watermaster conducted an analysis of existing and future projected groundwater production patterns and developed new groundwater production patterns and supplemental water recharge plans that ensure sustainability. These new groundwater production and replenishment patterns are based on optimization studies that were constrained to meet projected production requirements, to use existing and master-planned well locations, to use existing spreading basins and planned injection wells, and to balance recharge and discharge in every area and subarea (a Peace Agreement requirement). **Watermaster requested that each**

appropriator party provide an elevation at each well for which if the model-projected groundwater elevation remained above that elevation, groundwater production sustainability at that well would be assured. These elevations were referred to as sustainability metrics. The groundwater production patterns developed in this investigation are voluntary. This work was documented in *2009 Production Optimization and Evaluation of the Peace II Project Description* (WEI, 2009).

This section describes the results of an analysis similar to the 2009 investigation that uses the 2007 Watermaster Model with:

- updated groundwater production and replenishment projections for Scenario 1 and 3 (described in Section 2 herein),
- updated recycled water recharge projections,
- management zone specific supplemental water recharge plans, and
- updated sustainability metrics.

The Steering Committee stakeholders reviewed Scenarios 1 through 4 that are described in Section 2 and subsequently selected Scenarios 1 and 3 as the most representative scenarios to bookend the range of future groundwater production and replenishment.

Table 3-1 lists the location and magnitude of projected recycled water recharge, as provided by the IEUA.¹⁰ Given the IEUA's recycled water recharge projection, supplemental water recharge was programmed for Scenarios 1 and 3 as follows:

- First priority – recycled water recharge in amounts and basins as projected by IEUA.
- Second priority – recycled and imported water were recharged in MZ1 at 6,500 acre-ft/yr.
- Third priority – if there was still a replenishment obligation after the recharge of imported water in MZ1, then imported water was recharged in the MZ3 spreading basins at a rate equal to the minimum of either the imported water recharge capacity or the remaining replenishment obligation.
- Forth priority – if there was still a replenishment obligation after the recharge capacity of the first three priorities has been exhausted, then imported water was recharged in the MZ2 spreading basins at a rate equal to the minimum of either the imported water recharge capacity or the remaining replenishment obligation.
- Fifth priority – if there was still a replenishment obligation after the recharge capacity of the first four priorities has been exhausted, then imported water was recharged in the MZ1 spreading basins at a rate equal to the minimum of either the remaining imported water recharge capacity or the remaining replenishment obligation.

¹⁰ Mid-range estimate, email from Chris Berch, dated February 14, 2012

3.1 Summary of 2009 Peace II Modeling Results

Figure 3-1 illustrates the estimated groundwater elevation contours for July 2005 for model layer 1. This map shows the initial groundwater elevations throughout the basin and illustrates the initial groundwater levels for the planning period. Figures 3-2a and 3-2b show the projected groundwater elevations in June 2030, the end of the planning period, for model layer 1¹¹ for the Baseline (non-Peace II) alternative and the Peace II alternative respectively. And, Figures 3-3a and 3b show the change in groundwater levels across the basin for June 2030 for model layer 1 for the Baseline and Peace II alternatives. Figures 3-3a and 3-3b also show the appropriators' water service area boundaries.

Review of Figures 3-1, 3-2a, and 3-2b indicates that the direction of groundwater flow in the Chino Basin is generally the same in 2005 and 2030 with groundwater flowing from the northeast and north to the southwest and south. A small area in the western part of the basin experiences slight groundwater elevation increases while the rest of the basin experiences declines. The 2030 groundwater level projections for both alternatives show a significant pumping depression around the desalter well field area. The 2009 report included comparisons of projected groundwater level time histories at selected wells to their respective sustainability constraints in an appendix and based on a review of these time-history charts concluded that:

“The groundwater elevation projections in Appendix B and in Figures 4-13a through 4-13j show that groundwater production is sustainable for the Baseline and Peace II Alternatives. At some wells, the groundwater elevation falls below constraints prescribed by the appropriators. For these cases, it was assumed that the pumps would be lowered to maintain production.”

3.2 Basin Response to Updated Groundwater Production and Replenishment

Figure 3-4 illustrates the estimated groundwater elevation contours for July 2010 for model layer 1. This map shows the initial groundwater elevations throughout the basin and illustrates the initial groundwater levels for the planning period used to evaluate Scenarios 1 and 3. Figures 3-5a and 3-5b show the projected groundwater elevations in June 2030 (the end of the planning period) for model layer 1 for Scenarios 1 and 3, respectively. And, Figures 3-6a and 3-6b show the change in groundwater levels across the basin in June 2030 for model layer 1 for Scenarios 1 and 3, respectively. Figures 3-6a and 3-6b also show the appropriators' water service area boundaries.

The direction of groundwater flow in the Chino Basin in 2010 and 2030 is generally the same with groundwater flowing from the northeast and north to the southwest and south. Appendix A contains charts that illustrate the projected groundwater level time series for all the wells shown in Figures 3-6a and 3-6b along with their sustainability metrics. Appendix A

¹¹ The model consists of three layers with layer 1 being the uppermost layer. With the exception of the western part of the basin, the piezometric head in layers 2 and 3 correlate and lag slightly compared to the head changes in layer 1; as such, only layer 1 is discussed herein.

also includes a table that lists these wells and their respective sustainability metrics. Table 3-2 characterizes the average, maximum, and minimum changes in groundwater elevations across the water service areas of appropriators that overlie the Chino Basin for Scenario 1 and 3 from 2010 through 2030.

The groundwater elevation projections shown in Appendix A indicate that production will be sustainable for most wells. At some wells, the groundwater elevation falls below the sustainability metric prescribed by the appropriators. For most of these cases, it was assumed that the pumps would be lowered to maintain production. The exception is the JCSD well field area. At some JCSD wells, the groundwater elevation falls below the sustainability metric provided by the JCSD, and the pumps cannot be lowered further because they are already in the well bottoms.

The maximum, minimum and average groundwater elevation changes, depicted in Table 3-2 for each municipal service area, were computed from all of the computed groundwater elevations at 200-foot by 200-foot model cells within each service area.

- Average change in groundwater level
 - For Scenario 1, the water service area average change groundwater level ranges from -11 feet for the Upland service area to -35 feet for the Ontario service area. Relative to the Peace II alternative, in 2030, the average change in groundwater elevation ranges from a low of +12 feet for the Upland service area to +34 feet for the Pomona service area.
 - For Scenario 3, the water service area average change groundwater level ranges from +3 feet for the Upland service area to -36 feet for the Ontario service area. Relative to the Peace II alternative, in 2030, the average change in groundwater elevation ranges from a low of +12 feet for the Upland service area to +34 feet for the Pomona service area.
 - The difference in the water service area average change groundwater level between Scenario 3 and Scenario 1 ranges from +4 feet for the Fontana Water Company service area to -14 feet for the City of Upland and Monte Vista Water District service areas.

- Maximum change in groundwater level
 - For Scenario 1, the maximum change in groundwater level at a model cell in a water service area¹² ranges from +4 feet for the City of Upland service area to -17 feet for the City of Pomona service area. Relative to the Peace II alternative, in 2030, the maximum change in groundwater elevation ranges

¹² The maximum change is computed as the maximum change at a model cell and is not equal to the difference between the maximum elevations at a cell across scenarios unless the maximum occurs at the same model cell across the scenarios.

- from a low of +21 feet for the City of Upland service area to +44 feet for the Cities of Ontario and Pomona service areas.
- For Scenario 3, the maximum change in groundwater level at a model cell in a water service area ranges from -6 feet for the Fontana Water Company service area to 39 feet for the City of Upland service area. Relative to the Peace II alternative, in 2030, the maximum change in groundwater elevation ranges from a low of +15 feet for the City of Upland service area to +49 feet for the City of Ontario service area.
- The difference in the maximum change in groundwater level in a water service area average between Scenario 3 and Scenario 1 ranges from +2 feet for the City of Upland service area to +11 feet for the JCSD service area.
- Minimum change in groundwater level
 - For Scenario 1, the minimum change in groundwater level at a model cell in a water service area¹³ ranges from -25 feet for the City of Upland service area to -54 feet for the City of Ontario service area. Relative to the Peace II alternative, in 2030, the minimum change in groundwater elevation ranges from a low of +7 feet for the Cucamonga Valley Water District service area to -24 feet for the City of Upland and Monte Vista Water District service areas.
 - For Scenario 3, the minimum change in groundwater level at a model cell in a water service area ranges from -25 feet for the City of Upland service area to -54 feet for the City of Ontario service area. Relative to the Peace II alternative, in 2030, the minimum change in groundwater elevation ranges from a low of -18 feet for the City of Upland service area to -61 feet for the JCSD service area.
 - The difference in the minimum change in groundwater level in a water service area average between Scenario 3 and Scenario 1 ranges from +2 feet for the Fontana Water Company service area to -36 feet for the City of Upland service area.

Figure 2-4 shows the locations of flow-line based cross-section profiles through each of the management zones, through a part of the Chino II Desalter well field, and through part of the JCSD well field. These flow-line based cross-sections are shown in Figures 3-7a through 3-7e for MZ1 through MZ5, respectively. These figures are identical to Figures 2-5a through 2-5e except that 3-7a through 3-7e contain the model-estimated groundwater levels for Scenarios 1 and 3. The intent of these cross-sections is to show the saturated thickness through these cross-sections for 2010, 2020 and 2030, and wells located on or near these cross-sections. The horizontal red bars shown at most wells are the sustainability metrics provided by the well

¹³ The minimum change is computed as the minimum change at a model cell and is not equal to the difference between the minimum elevations at a cell across scenarios unless the minimum occurs at the same model cell across the scenarios.

owners. Groundwater production at wells is presumed to be sustainable if the groundwater level at the well is greater than the sustainability metric. If the groundwater level falls below the sustainability metric, the owner will either lower their pumping equipment in their well or will have to reduce production. Careful review of Appendix A and these cross-sections indicates that groundwater levels for some FWC wells and a CVWD well come close falling below their respective sustainability metrics (see Figures 3-7b and 3-7c). The pumping equipment in these wells will likely have to be lowered at some time in the future. Wells where pumping equipment may have to be lowered include the following:

- City of Chino – Well No. 5
- CVWD – Well No. CB-5
- FWC – Well Nos. F2A, F44A, F44B, F44C,
- City of Ontario – Well Nos. No. 24, 27, 31, 37, 38, 39, 44, 50
- CDA – Well Nos. CDA I-9, I-10, I-14, I-15, II-1

The groundwater levels at several JCSD wells are projected to be close to or fall below their respective sustainability metrics. Because the saturated thickness is thin in the JCSD well field and many of their pumps are already near the well bottoms, it would be difficult, and in some cases impossible, to lower the pumping equipment to assure sustainable production. This includes most of the wells used by the JCSD for potable water supply:

- JCSD – Well Nos. 6, 8, 11, 12, 13, 14, 15, 16, 17, 18, 20, 22, 25

3.3 Recharge and/or Forbearance Required to Achieve Sustainable Production

The sustainability challenge for the JCSD wells was hydrologically evaluated by conducting a sensitivity analysis to determine how sensitive groundwater levels at the JCSD wells were to new recharge at facilities near the JCSD wells and to reductions in production by the JCSD. The following scenarios were evaluated:

- Scenario 1A – Same as Scenario 1 except that the planned JCSD production was reduced by 20 percent starting in 2017 with the reductions spread among the JCSD wells on a pro rata basis.
- Scenario 1B – Same as Scenario 1 except that recharge totaling 20 percent of the JCSD annual production is assumed to occur starting in 2017.
- Scenario 1C – Same as Scenario 1 except that the planned JCSD production was reduced by 50 percent starting in 2017 with the reductions spread among the JCSD wells on a pro rata basis.
- Scenario 1D – Same as Scenario 1 except that recharge totaling 50 percent of the JCSD annual production is assumed to occur starting in 2017.

- Scenario 3A – Same as Scenario 3 except that the planned JCSD production was reduced by 20 percent starting in 2017 with the reductions spread among the JCSD wells on a pro rata basis.
- Scenario 3B – Same as Scenario 3 except that recharge totaling 20 percent of the JCSD annual production is assumed to occur starting in 2017.
- Scenario 3C – Same as Scenario 3 except that the planned JCSD production was reduced by 50 percent starting in 2017 with the reductions spread among the JCSD wells on a pro rata basis.
- Scenario 3D – Same as Scenario 3 except that recharge totaling 50 percent of the JCSD annual production is assumed to occur starting in 2017.

Table 3-3 lists the assumed JCSD production and recharge for each scenario. The intent of these scenarios is determine whether a reduction in JCSD production, an increase in near-field recharge, or both activities will ensure sustainable production in the JCSD well field. For scenarios with reduced groundwater production, the reduced production would be offset through either imported water served to the JCSD or by groundwater produced elsewhere in the Basin and conveyed to the JCSD. New recharge for Scenarios 1B, 1D, 3B, and 3D was assumed to occur at the Wineville Basin. The storm and supplemental water recharge capacity of the Wineville Basin is unknown. Recharge could be also be done by injection at JCSD wells.

These scenarios were simulated with the 2007 Watermaster model, and the results are summarized as time history charts in Appendix B and in tabular form in Table A-1 in Appendix A. Review of these charts indicates the following:

- Most of the JCSD wells that failed the sustainability test in Scenarios 1 and 3 failed the test for some or most the scenarios investigated above; although, the failures that did occur occurred later for some of the wells, and some failures were marginal.
- Production from three of the twelve wells that failed the sustainability tests for Scenario 1 and production from two of the thirteen wells that failed the sustainability tests for Scenario 3 was projected to be sustainable with a reduction in JCSD production of twenty percent.
- Production from two of the twelve wells that failed the sustainability tests for Scenario 1 and production from one of the thirteen wells that failed the sustainability tests for Scenario 3 was projected to be sustainable with an increase in recharge at the Wineville Basin equal to twenty percent of the JCSD's annual production.
- Production from four of the twelve wells that failed the sustainability tests for Scenario 1 and production from four of the thirteen wells that failed the sustainability tests for Scenario 3 was projected to be sustainable with a reduction in production of fifty percent.
- Production from four of the twelve wells that failed the sustainability tests for Scenario 1 and production from four of the thirteen wells that failed the sustainability

tests for Scenario 3 was projected to be sustainable with an increase in recharge at the Wineville Basin equal to fifty percent of JCSD’s annual production.

- Several wells that failed the sustainability test had projected groundwater levels from either decreased production or increased recharge that were close to passing the sustainability test.
- A twenty-percent and fifty-percent reduction in JCSD production are more hydraulically efficient at ensuring sustainability than increasing recharge at the Wineville Basin and not reducing production. In fact after 2017, the year that reductions in JCSD production was assumed to occur, production at almost all the wells that failed the sustainability test was projected to be sustainable or to marginally fail the test.

This sensitivity analysis suggests that reducing production or relocating production away from the JCSD well field is more hydraulically efficient than recharge. There are a lot of unknowns that will need to be resolved before imported water can be recharged at the Wineville Basin or other stormwater management facilities in the area. Watermaster and the IEUA are developing a proof-of-concept project to test the feasibility of large scale recharge in the Wineville Basin and exploring interagency agreements to relocate JCSD and CDA groundwater production to areas with greater production potential.

The sensitivity analysis also suggests that aquifer storage and recovery with injection totals up to fifty percent of JCSD production could ensure sustainability. Conceptual production and recharge alternatives are discussed in Section 6 and subsequent sections of this report.

Section 4 – Inventory of Existing Recharge Facilities and Their Capabilities

The objectives of this section are to describe existing recharge facilities and their capabilities and some new recharge concepts that were not included in the 2010 RMPU. Specifically this section answers the following questions:

1. What are the existing recharge facilities and what is their ability to recharge storm and supplemental waters?
2. What physically/institutionally limits the ability to recharge storm water at existing facilities and what improvements could be made to these facilities to capture more stormwater?
3. What physically/institutionally limits the supplemental water recharge capacity of the existing recharge facilities?
4. What are the implications of the most recent draft recycled water recharge regulations for the Chino Basin?
5. What is the recharge capacity of existing ASR facilities in the Chino Basin?
6. What is the projected in-lieu recharge capacity in the Basin and what limits it?

4.1 Existing Spreading Basins and Their Capacities

As outlined as one of the goals of the Optimum Basin Management Program (OBMP), Watermaster and the IEUA partnered with the San Bernardino County Flood Control District (SBCFCD) and Chino Basin Water Conservation District to construct and/or improve eighteen recharge sites. This project, known as the Chino Basin Facilities Improvement Project (CBFIP), anticipated a total potential recharge capacity of 130,000 acre-ft/yr. This value was derived from the original design infiltration estimates for each site, anticipated stormwater capture, reliable availability of imported water, and a recycled water contribution limit of 20 percent for each basin. The potential recharge capacity for each basin and each type of water supply, as developed as part of the CBFIP, is provided in Table 4-1 for further reference. As part of the CBFIP, significant improvements were made to each recharge site to enhance water conveyance, recharge capabilities, data collection, and monitoring.

Water conveyance improvements included various new water supply connections and diversions. Through the expansion of the IEUA recycled water distribution system, turnouts were connected to eleven of the eighteen sites. Similarly, as part of the CBFIP, several imported water turnouts were modified and/or constructed along Metropolitan's Rialto Feeder pipeline. Stormwater conveyance improvements were made through the installation of in-channel diversion structures, such as rubber dams and grated drop inlets.

Recharge capability improvements primarily consisted of removal of fine grained deposits from within the basin and the construction of internal levies. Many of these sites were not maintained for the purpose of recharge and were therefore sealed with fine grained sediments that were deposited at the bottom of the basins during the many years of stormwater retention and release operations. This project removed these sediments and restored the base and side

slopes of the basins in a condition that best meets the recharge needs of the project. At several sites, internal levies were constructed to enhance the capture and storage capacity of the basin as well as to better manage the maintenance and recharge of each basin.

A key component to the CBFIP was the development and installation of a state-of-the-art Supervisory Control and Data Acquisition (SCADA) system and corresponding field instrumentation. The field instrumentation included a variety of level sensors, automated gates/valves, pumps, and flow meters. Using the SCADA system, staff can access field equipment and data from a laptop and make required field changes. The SCADA has also enabled Watermaster and the IEUA to conduct detailed analysis of recharge performance.

4.1.1 Spreading Facilities

The CBFIP sites are located primarily in the northern portion of the Chino Basin and are spread from the San Antonio channel on the west to the base of the Jurupa Mountains on the east. In addition to being tracked on a regional basis, recharge operations are tracked and managed within three distinct management zones. The locations of the eighteen sites within their corresponding management zones are shown in Figure 2-10. As water supplies can be preferentially delivered to recharge facilities located within a specific management zone, Watermaster will set priorities based on basin and sub-basin recharge needs.

There are two primary types of recharge basins within the CBFIP: conservation and multipurpose basins. Conservation basins are operated to recharge storm and supplemental water (ten sites). Multipurpose basins are operated primarily for flood peak discharge attenuation and secondarily for the recharge of storm and supplemental water (eight sites).

The CBFIP consisted of approximately \$50M in improvements throughout the Chino Basin. Approximately 50 percent of these improvements were funded through grant proceeds from the State Water Resources Control Board. The remaining 50 percent was funded equally by the IEUA and Watermaster. Through the first seven years of operation, it is estimated that the project facilities have resulted in the recharge of nearly \$52,000,000 of water into the Chino Basin. A summary of the value of water recharged by type and fiscal year is outlined in Table 4-2.

4.1.2 Spreading Basin Recharge Performance

Since initiation in 2005, data has been tracked closely for recharge of all types of water at each site. To date, the project has accounted for more than 200,000 AF of recharge into the Chino Basin. The historical recharge for each basin, in total and on average, is summarized in Tables 4-3 and 4-4, respectively.

During this same time frame (2005-2012), recharge by management zone has also been tracked. Recharge by management zone is part of the Peace Agreement and OBMP and a critical component when considering known concerns of pumping depressions, subsidence, water quality, and changing water levels throughout the Chino Basin. Figures 4-1 and 4-2

show average recharge by management zone and type from 2005 to the most recent full year of data (2011). As evident in these figures, the MZ1 recharge requirement of 6,500 acre-ft/yr has been met on an average if not annual basis, and in recent years, recharge within MZ3 has increased.

Through the evaluation of the collected recharge data, it was generally observed that the actual recharge rates have been lower than those planned during design of the CBFIP. The reduced recharge rates have been primarily attributed to reduced infiltration rates due to compaction or clogging of the basin surface with fine sediments or biological growth. A summary of the planned and actual infiltration rates, measured in feet per day, is shown in Figure 4-3.

The most effective way to keep infiltration rates maximized at each site is through a well-planned and managed maintenance program. The existing maintenance program is funded by Watermaster and the IEUA and is proposed in March of the year prior to the planned fiscal year. Contractually, Watermaster's share of funding is based on the actual storm and imported water recharged at each basin plus related turnout and habitat mitigation commitments, while the IEUA's share is based on recycled water recharge at each basin. In practice, Watermaster funding is typically based on what is available through Watermaster assessments, which is generally consistent with the prior year's budget. Basin maintenance is therefore prioritized based on available funds and has not been based on the economic merits of rehabilitated recharge potentials.

Through an evaluation of the historical recharge volumes and infiltration rates, several basins have been identified as impediments in meeting the original project potential capacity. A few of the key facilities are outlined below.

4.1.2.1 Banana & Hickory Basins

Although designated as separate basins, the Banana and Hickory Basins are within 1/2 mile and share various water supply sources, channels, and pipelines, and have similar geological characteristics. These basins were anticipated to have infiltration rates between 1.5 and 2.0 feet per day for a combined recharge volume of up to 11,600 acre-ft/yr. However, the historical infiltration rates have averaged approximately 0.5 feet per day for both sites with an average total recharge of 1,300 acre-ft/yr.

4.1.2.2 Etiwanda Debris Basin

The Etiwanda Debris Basin recently underwent a series of environmental restoration improvements by the SBCFCD. These improvements resulted in rerouting of native and imported water recharge areas. Although the average infiltration rate of 1 feet per day is less than the planned 3 feet per day, post improvement infiltration rates are closer to 0.5 feet per day.

4.1.2.3 Upland Basin

The Upland Basin is a critical flood control facility for the City of Upland. As a required condition of the site development, a buttress was constructed on several sides of the basin. It is suspected that the recharge capacity of the basin was significantly affected by the depth of the basin and the compaction of the side wall sediments.

It is also important to note that the original potential capacities for these sites were based on modeled stormwater flows and the availability of imported water supplies.

Stormwater: As data has become available, the stormwater flow projections have been further refined. Based on the maximum recharge year for each basin, over 19,000 AF of stormwater was captured and recharged (92% of planned recharge capacity).

Imported Water: It is anticipated that nearly 70% of the total anticipated recharge was through the spreading of imported water purchased through Metropolitan. Historically, it was anticipated that this water would be available 7 out of every 10 years. Starting in 2008, it became apparent that imported water would be available much less often (less than 3 out of every 10 years) and that the focus of the CBFIP should be primarily on the recharge of stormwater and recycled water.

Within the Chino Basin, there are several channel drainage systems that feed various recharge sites. Evaluating the historical data and performance of each recharge site, each recharge drainage system was reviewed to determine if the capture and recharge of various types of water were maximized. Figures 4-4 through 4-13 (attached) summarize the findings of recharge performance/limitations for each drainage system.

Watermaster has an existing appropriative water right permit from the State Water Resources Control Board, Division of Water Rights. Permit No. 21225 was issued on October 9, 2008 in response to Application No. 31369. The permit allows the diversion of surface water flowing in a channel for purposes of groundwater recharge within the boundaries of the area administered by Watermaster. The water appropriated is limited to the quantity that can be beneficially used for purposes of industrial, irrigation, stock watering (dairy use), or municipal use. The total combined amount taken by direct diversion and storage during any one year is 68,500 acre-feet. The permit lists 29 intended points of diversion into recharge basins from the various Chino Basin creek systems.

The permit requires that 68,500 acre-ft/yr of stormwater be put to beneficial use by December 31, 2075. Water which is not put to beneficial use by that date is no longer authorized to be diverted. Waste or unreasonable use of water or unreasonable method of diversion and use of the water is not allowed. Over the past six years (July 2005 to June 2011), an average of approximately 11,000 acre-ft/yr of stormwater has been diverted for recharge. The minimum and maximum amounts diverted were 4,734 acre-ft/yr and 17,051 acre-ft/yr, respectively.

4.1.3 Historical Spreading of Supplemental Water

Supplemental water recharge in the Chino Basin can either be imported water or recycled water. Imported water is used for replenishment purposes to offset overproduction of the basin, and recycled water is assigned (pro-rata) to the IEUA agencies that provide wastewater. Imported water comes from the State Water Project (SWP) via Metropolitan/the IEUA, and recycled water is delivered by the IEUA. This imported and recycled water is delivered to the recharge basins through several locations, as shown in Figure 2-10 and 2-11.

4.1.3.1 Imported Water

Historically, Watermaster purchases replenishment water when one or more of the parties overproduces. Watermaster has traditionally met its replenishment obligations by purchasing imported water from Metropolitan (replenishment water service) and unproduced groundwater from the appropriators. In the recent past, Metropolitan was typically able to supply all of the replenishment needs in its service area with replenishment water service, which was estimated to be available seven out of ten years. Recent court rulings regarding endangered species and the drought have severely limited the ability of Metropolitan and other SWP contractors to obtain SWP water. In 2008, Metropolitan provided a revised replenishment water service forecast, projecting that replenishment water would be available three out of ten years.

Watermaster has an obligation under the Judgment to provide replenishment water for overproduction in the prior year¹⁴ with the cost borne mostly or entirely by the overproducing party. Because of a recent Metropolitan proposal to eliminate the replenishment program and discounted rate, Watermaster will have to acquire new non-traditional supplemental water supplies for replenishment. These non-traditional supplemental water supplies could consist of Metropolitan Tier I and Tier II service waters, non-IEUA recycled water, and other imported supplies from the Central Valley, the Colorado River, and other areas.

4.1.3.2 Recycled Water

In 2005, the IEUA initiated an aggressive recycled water reuse program for its service area. Under this program, most of the recycled water produced in the IEUA service area will be directly reused for irrigation, landscaping, and other direct reuse purposes. The remaining recycled water is recharged at selected spreading basins.

Recycled water recharge is not used to satisfy replenishment obligations. Instead, it is recharged into the basin and subsequently assigned to certain appropriator parties' supplemental storage accounts, thereby potentially increasing the appropriators' production rights and reducing their future replenishment liabilities. Watermaster assigns recharged recycled water to appropriators based on the relative sewage contributions of the appropriators to the IEUA.

¹⁴ Judgment, paragraph 45

4.1.4 Increase in Recharge from Operational and Minor Facility Improvements

As part of the review of the 2010 GWRMP Update, several additional operational and minor facility improvements were identified as potential opportunities to quickly enhance recharge within the Chino Basin. These enhancements are generally broken down into the following categories.

4.1.4.1 Internal Berms

- San Sevaine Basin – construction of internal berms within basin 5 would enable a larger portion of the basin floor to be wet, therefore increasing stormwater capture and recharge.
- College Heights Basins – the construction of internal berms (E-W) within basins will better spread recharge within the basin and is anticipated to reduce the potential of site seepage to the west.

4.1.4.2 Basin Rehabilitation

- Etiwanda Debris Basin – less than expected infiltration rates have been observed. Ripping of the basin and rebuilding of an internal berm would enhance capture and recharge.

4.1.4.3 Conveyance Improvements

- Jurupa Basin – the pump station at Jurupa Basin currently has only one pump that supplies a maximum delivery of 10 cfs of imported or stormwater to RP-3. The facility was constructed with an empty bay for a second pump. Installation of the second pump would enable the facility to capture all flows from the San Sevaine channel.
- Montclair Basins – as part of the CBFIP, it was originally planned to automate the inlet gate into Montclair Basin No. 1 as well as to construct an inlet from the San Antonio channel into Montclair Basin Nos. 2 or 3. These improvements would enable the Montclair Basin to make inlet adjustments remotely and ensure that diversion could remain in effect during maintenance activities.

In addition to the abovementioned operational and minor facility improvements, the following projects have been identified as viable opportunities to promote recharge with only minor improvements.

- Wineville Basin¹⁵ – as outlined in detail within the 2010 GWRMP Update, Wineville Basin is a very large basin with outstanding conveyance infrastructure (flow through

¹⁵ The Wineville Basin project was identified in the 2010 RMPU. The project described herein is part of reduced project that was described as “proof of concept” project to assess the infiltration characteristics and feasibility of



stormwater basin with upstream recycled water and imported water turnout facilities). It is proposed that as a short term improvement, a dirt berm be installed in this basin to promote water storage and recharge.

- Princeton Basin – this basin is a flow through basin that currently receives water released from 8th Street Basins prior to being recaptured at Ely Basin. Enhancement of this site would include minor grading and rehabilitation and would help relieve the heavy hydraulic loading to Ely Basin.

The Wineville Basin and Princeton Basin projects, mentioned above, are only two examples of numerous additional potential recharge basins within the service area. There are additional recharge basins that were not a part of the original eighteen CBFIP basins that have been identified by individual parties (i.e. recharge basins in Fontana). These additional stormwater retention basins are not owned by any of the existing parties to the Four-Party Agreement; however, these additional recharge opportunities will be pursued with the required coordination and agreements, if determined feasible. There are presently no estimates of increased storm or supplemental recharge capacity from the implementation of these projects.

4.1.5 Impact of Anticipated Changes in the Draft Title 22 Rules for Groundwater Recharge with Recycled Water

The California Department of Public Health (CDPH) is responsible for the development of regulations for the use of recycled water for groundwater recharge. The CDPH works with the local Regional Water Quality Control Board (RWQCB) to issue site-specific permits. The IEUA and Watermaster currently have 13 sites that are permitted through the RWQCB (Order No. R8-2007-0039) for groundwater recharge of recycled water.

In 2010, Senate Bill 918 was enacted, which required the CDPH to adopt uniform water recycling criteria for groundwater recharge (using recycled water) by December 31, 2013. Following the release of new proposed recycled water groundwater recharge regulations, the CDPH initiated a series of workshops in late 2011. Key changes to the proposed regulations included additional monitoring (type and frequency), diluent water characterization, and travel time determination.

Based on these proposed changes, the primary change of concern that could affect recharge capabilities for new recharge projects is the diluent water characterization. The new regulations infer that stormwater will be regulated to meet MCLs. If MCLs are not met, the water cannot be used as diluent water when calculating the allowable recycled water contribution for that specific basin, hence reducing potential recycled water deliveries.

It is not expected that the requirements within the proposed regulations would affect the IEUA/Watermaster, as they are operating under an existing Order. In the event that the CDPH or the RWQCB identifies components of the Order that do not adequately meet

the project identified in the 2010RMPU. The suggestion herein is that the proof of concept project could be the final project.

public health targets, portions of all of the new regulations could be imposed on the IEUA/Watermaster.

4.2 Other Recharge/Storage Management Methods

4.2.1 In-Lieu Recharge

In-lieu recharge occurs when a water purveyor with production rights in the Chino Basin elects to use supplemental water (typically imported water) in-lieu of pumping Chino Basin groundwater. The unproduced Chino Basin groundwater is reclassified as supplemental water pursuant to the Judgment and can be used to satisfy a replenishment obligation by an equal amount. In-lieu recharge has proven to be a more feasible form of recharging the Chino Basin than constructing recharge basins or aquifer storage and recovery (ASR) wells. However, it typically requires economic incentives that are not always available to entice participation.

4.2.2 Existing In-lieu Recharge Capacity

The in-lieu recharge capacities estimated during the Dry Year Yield Program Expansion in 2008 range from 25,000 to 40,000 acre-ft/yr (Black & Veatch, 2008). The only other major Chino Basin groundwater producer that also receives imported water is the Fontana Water Company (FWC). Based on FWC imported water capacity, Chino Basin groundwater production capacity, and historical demands, it is estimated that another 5,000 to 10,000 acre-ft/yr of in-lieu potential could theoretically be added. This would give a total of 30,000 to 50,000 acre-ft/yr of estimated in-lieu potential for the Chino Basin.

4.2.3 Historical In-lieu Recharge

The Chino Basin has taken imported water in-lieu of groundwater production through a number of conjunctive use programs provided by Metropolitan (i.e. Replenishment, Cyclic, Trust Storage/Forbearance, and Dry Year Yield). All four programs have provided water to the Chino Basin in years when Metropolitan has surplus supplies; this water is then pumped out at a later date when Metropolitan has limited supplies. Each program has slightly different supply costs and incentives, but all programs increase local supplies to the Chino Basin that can be used in times of imported water shortages. Since 1978, an estimated 350,000 AF of imported water has come into the Chino Basin through in-lieu methods.

4.2.4 Increase in In-lieu Recharge Capacity from Operational and Minor Facility Improvements

As described above, historically there are several programs that Chino Basin parties have participated in that have brought surplus water into the basin via in-lieu. However, the parties have other local resources (i.e. groundwater, surface water, desalter water, and recycled water) that provide additional opportunities to bring surplus water into the basin through in-lieu methods. Below are few examples of potential in-lieu opportunities within the Chino Basin.

- Potable Water Interconnections – between the JCSD and the City of Ontario, the CVWD, and the Fontana Water Company (FWC).¹⁶ Existing or constructed potable water interconnections between agencies (i.e. the CVWD, Ontario, the FWC, and the JCSD) can be utilized to deliver surplus surface water, other groundwater, or imported water in-lieu of Chino Basin groundwater production. This would achieve replenishment and improve the balance of recharge and discharge in management zones of concern by decreasing the JCSD’s groundwater production.
- Desalter Production Reallocation – i.e. more to the JCSD. Desalter production could be reallocated to the JCSD, from any other CDA agency, in-lieu of Chino Basin groundwater production, which would achieve replenishment and improve the balance of recharge and discharge in the JCSD area.
- Metropolitan Improvements – i.e. Riverside/Corona feeder. The Riverside/Corona Feeder could supply treated SWP water to the JCSD in-lieu of groundwater production, which would achieve replenishment and improve the balance of recharge and discharge in the JCSD area.

4.3 Existing ASR Capacity

ASR wells are usually wells that function as injection and recovery wells. Water treated to drinking water standards is injected into an aquifer when surplus water is available and recovered later when needed. The only existing ASR wells in the Chino Basin are owned and operated by Monte Vista Water District (MVWD). Typically, the MVWD can recharge up to 3,500 acre-ft/yr (can be as high as 5,400 acre-ft/yr, depending on maintenance schedules) of treated SWP water by injection at its wells—4, 30, 32, and 33 (ASR project)—and subsequently recover most this water within the same year. Injection has generally occurred in the seven-month period of October through April, and recovery has generally occurred in the five-month period of May through September. Table 4-5 lists the MVWD ASR wells and their respective injection and extraction capacities.

Through the RMPU process, four additional ASR projects were identified that could be used to increase the supplemental water recharge capacity of the Chino Basin, to provide Watermaster additional recharge capacity during the rainy season, and to provide Watermaster with another tool to balance recharge and discharge pursuant to the Peace Agreement.

These ASR projects would include the conversion of existing production wells or the construction of new wells within each service area. These facilities would be owned and operated by the individual agencies. These projects would not only provide additional water supply but increase the supplemental water recharge capacity of the Chino Basin and reduce

¹⁶ In-lieu recharge requires that a party have a supplemental supply and possession of groundwater production rights. The Fontana Water Company’s share of operating safe yield is about .009 percent and is likely too small to affect significant in-lieu recharge. However, an interconnection with the JCSD could be used for in-lieu recharge by the JCSD forgoing the production of some of its production rights and would provide significant benefits to the JCSD.

the groundwater level impacts of reoperation in each service area. In addition, they will provide Watermaster with more wintertime recharge capacity when its recharge basins are being used to recharge stormwater. Table 4-6 shows the existing and potential ASR injection capacities.

4.4 Total Supplemental Recharge Capacity

The 2010 RMPU evaluated the frequency of storms and runoff into recharge facilities that also recharge imported water and determined that the supplemental water recharge capacity of the existing spreading basins is about 99,000 acre-ft/yr but is limited to about 83,100 acre-ft/yr due to turnout limitations on the Rialto Pipeline. Existing ASR capacity for supplemental water recharge is about 3,500 acre-ft/yr. The total wet-water recharge capacity (supplemental water recharge capacity in spreading basins + ASR recharge capacity) is 86,600 acre-ft yr. In-lieu recharge capacity ranges from about 25,000 to 40,000 acre-ft/yr. In-lieu recharge can be used to improve the balance of recharge and discharge in the basin. The total supplemental water recharge capacity (supplemental water recharge capacity in spreading basins + ASR recharge capacity + in-lieu capacity) ranges from 111,600 to 126,600 acre-ft yr.

Section 5 – Recharge Resulting from MS4 Permits



Section 6 – Recharge Options to Improve Yield and Assure Sustainability



Section 7 – Evaluation Criteria

Section 8 – Recommended Recharge Master Plan Update Options



Section 9 – Recommended Schedule and Financing Plan



Section 10 – References



Appendix A

**Projected Groundwater Elevation Time Series
for Selected Wells for Scenarios 1 and 3e**

Appendix B

**Projected Groundwater Elevation Time Series for
JCSD Wells for Scenarios 1, 1A-1D, 3 and 3A-3D**

RECHARGE MASTER PLAN UPDATE

***Appendices A and B to the Final Draft are the Tables
and Figures for sections 1-4***

CAN BE FOUND ON OUR FTP SITE ON

MONDAY, MAY 7, 2012

ON THE FOLLOWING LINK:

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MEETINGS, PACKAGES, AND AGENDAS

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20120510 RECHARGE MASTER PLAN UPDATE

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Appendix C

Stakeholder Comments on Sections 1 through 4 and Responses

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COMMENTS AND RESPONSES

C.1 CITY OF CHINO (DAVE CROSLLEY)

Comment Number	Page Reference	Comment	Response
1	Section 2, top of page 22 and to Table 2-3	I thought I should touch base with you on one circumstance to make certain there is no misunderstanding. Refer to the top of page 22 and to Table 2-3, where projected Ag and Appropriator demands are described. The numbers described for Chino are correct ... we do plan to produce as described. However, because we supply a large amount of water to Ag folks, the WM accounting and assessment process regards Chino's production as having been produced by the Ag Pool. In other words, the summarized assessment package will not readily support the numbers (at least for Chino) in Table 2-3. One must dive deep into the assessment package back-up data to understand that water reported in the assessment package as having been produced by the Ag Pool was actually produced by Chino wells. (I think you already know this.)	Thank you for your comment. Table 2-3 shows actual and projected actual production. The fact that the City may provide recycled water to members of the agricultural pool in-lieu of the agricultural pool member's production of groundwater is not accounted for in Table 2-3 or Scenarios 1 through 4.

P223

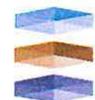


COMMENTS AND RESPONSES

C.2 CITY OF CHINO HILLS (MIKE MAESTAS)

Comment Number	Page Reference in the December Draft	Comment	Response								
1	Appendix A, Table A1 and associated tables and charts	<p>Following is a list of our wells and the pump setting elevations to be used for your matrix. For sustainability. Please apply the pump setting elevations plus 20-feet. Thank you.</p> <table data-bbox="661 695 955 828"> <tr> <td>Well 1A</td> <td>383</td> </tr> <tr> <td>Well 7A/7B</td> <td>443</td> </tr> <tr> <td>Well 15</td> <td>383</td> </tr> <tr> <td>Well 17</td> <td>172</td> </tr> </table>	Well 1A	383	Well 7A/7B	443	Well 15	383	Well 17	172	Thank you. The tables, charts and text have been updated to reflect this information.
Well 1A	383										
Well 7A/7B	443										
Well 15	383										
Well 17	172										

P224



C.3 CHINO DESALTER AUTHORITY (BRIAN DICKINSON)

Comment Number	Page Reference	Comment	Response
1	Appendix A, Table A1 and associated tables and charts	Today we had a TAC meeting to discuss our well sustainability criteria which was originally submitted to Wildermuth Environmental. Through group discussion we came to a consensus that the CDA criteria should be set at top of pump plus 40-feet.	Thank you. The tables, charts and text have been updated to reflect this information.

P225



COMMENTS AND RESPONSES

C.4 JURUPA COMMUNITY SERVICES DISTRICT (THOMAS HARDER AND COMPANY)

Comment Number	Page Reference	Comment	Response
1	Section 1 general comment	This section essentially duplicates Chapter 2 of the 2010 Recharge Master Plan. We appreciate the addition of the Watermaster Board directive from the December 15, 2011 Board meeting.	Comment noted. The intent of Section 1 is to present a complete introduction including the original intent of the 2007 Court Order regarding the 2010 Recharge Master Plan Update and the decisions and actions that led the Watermaster and the IEUA to the current effort.
2	Page 12, second paragraph.	This paragraph refers to groundwater elevation contour maps for fall 2000 and fall 2010. However, Figures 2-1a and 2-1b are labeled as spring 2000 and spring 2010, respectively.	Thank you for the observation. The text was revised to use spring instead of fall.
3	Figures 2-1a and 2-1b.	I recommend showing a groundwater flow direction arrow on these figures to illustrate the flow direction.	Comment noted.
4	Page 20, first full paragraph	It appears the reference to Figure 2-7 should be Figure 2-8 Storage in the Chino Basin.	Thank you for the observation. The text was revised.
5	Page 23	This section becomes the basis for basin operation scenarios analyzed with the groundwater flow model. However, it is not obvious which scenarios are being described and where. I suggest subheadings before the paragraphs that describe the scenarios so we have an easy reference. I would like the subheadings to clearly label the	Thank you for the observation. Headings were added. Text clarifying the location and magnitude of replenishment and recharge were added to Section 3.

P226



P227

Comment Number	Page Reference	Comment	Response
		<p>scenario with descriptive information as appropriate (e.g. Scenario 1 – Baseline Scenario).</p> <p>I also recommend a summary table of the basin operation scenarios. Although Tables 2-4 through 2-7 provide great numerical detail of the scenarios, it would be beneficial to have a brief synopsis of each scenario on a single table.</p> <p>Somewhere in the description of scenarios, there needs to be a description of assumptions regarding artificial recharge amounts and distribution in the basin through the planning period (scenario-specific if appropriate).</p>	
6	Page 26, third paragraph	It appears the reference to Figure 2-8 should be Figure 2-9.	Thank you for the observation. The text was revised.
7	Page 27, second bullet near the bottom of the page	I recommend revising the first sentence of this bullet to read, "For the Chino Basin as a whole, no new recharge facilities or new sources of replenishment water will be required to meet future replenishment obligations, as required by the Judgment."	Comment noted.
8	Page 29, first paragraph, last sentence	This sentence is unclear.	Thank you for the observation. The figure number was changed from 2-9 to 2-10.



Comment Number	Page Reference	Comment	Response
9	Page 29, second paragraph	It is my understanding that the Metropolitan Water District (MWD) rate increase will be 5 percent in 2012/13, not 7.5 percent.	Thank you for the observation. The text was revised. The Metropolitan Board approved this lesser rate increase after this text was prepared.
10	Page 29, third paragraph	The last sentence appears to reference the wrong table (should be Table 2-10, not 2-11).	Thank you for the observation. The text was revised.
11	Page 29, bullet at the end of page	No. 5 is unclear.	The maximum infiltration rate occurs just post cleaning. A footnote has been added to make this clearer.
12	Page 30, Number 7	"...2012/12 10-yr Capital Improvement Program:" Should this be 2012/22?	Thank you for the observation. The text was revised.
13	Page 30, last bullet, Number 2	The reference should be to infiltration rates <0.5 ft/day.	Thank you for the observation. The text was revised.
14	Page 32, second paragraph, first bullet	Scenarios 1 and 3 are analyzed and presented in the report. However, Scenario 4, which results in the greatest decrease in groundwater storage at the end of the planning period (see Table 2-7) is not addressed or analyzed. It was my understanding that the four scenarios represented the "book-ends" of potential production sensitivity. If we are not going to analyze and present the worst-case scenario, then we should provide an explanation.	The stakeholders in the Watermaster-IEUA Steering Committee process agreed, without dissent, that Scenarios 1 and 3 would be used to bookend the production and replenishment projections. Text has been added to make this clearer.
15	Page 33,	Revise the last sentence to read "At some JCSD	The text of the report was revised in response to this

P228



Comment Number	Page Reference	Comment	Response
	<p>third paragraph under "Basin Response to Updated Groundwater Production and Replenishment."</p>	<p>wells, the groundwater elevation falls below the sustainability metric provided by the JCSD and the pumps cannot be lowered further because they are already in the bottom of the wells."</p>	<p>Thank you for the observation. The text has been revised to incorporate this refinement.</p>
<p>16</p>	<p>Series of bullets starting on page 33 and running through 35</p>	<p>Pgs. 33 through 35 bullets. This section is confusing. I suggest simplifying the discussion based on Figures 3-6a and 3-6b.</p> <p>It is noted from Figures 3-6a and 3-6b that groundwater levels are projected to decline throughout most of the basin for both scenarios. It is further noted that sustainability metrics are exceeded in various places of Ontario and Fontana in both scenarios. This needs to be more closely scrutinized when evaluating the option of relocating JCSD pumping in other parts of the basin.</p> <p>It is also noted that groundwater levels rise in the Pomona/Monte Vista Water District area in Scenario 3. Are the artificial recharge assumptions for this scenario different from those of Scenario 1 (see above comment regarding Pg. 23)?</p>	<p>Comment note. As to your specific question (and as stated above in response to comment number 5, text was added to describe the location and magnitude of replenishment and recharge. The algorithm used to establish the location and rate of recharge is consistent among all scenarios although the location and rate of recharge varies among the scenarios.</p>

P229



COMMENTS AND RESPONSES

Comment Number	Page Reference	Comment	Response
	Page 35, bullet near bottom of the page	The last bullet references Chino Basin Desalter Authority (CDA) wells. However, it is noted that the CDA has developed new sustainability metrics that may increase the number of wells shown here.	We received revised sustainability metrics from the CDA on April 25, 2012 which was after the draft on which you are commenting. Text was revised as appropriate.
17	Page 35, last paragraph	Pg. 35, last paragraph. Revise 2nd sentence to read "Because the saturated thickness is thin in the JCSD well field and many of their pumps are already near the bottoms of the wells, it would be difficult, and in some cases impossible, to lower the pumping equipment to assure sustainable production."	Thank you for the observation. The text has been revised to incorporate this refinement.
18	Page 36, last paragraph, third sentence	As discussed above, supplying JCSD with groundwater pumped from another part of the basin may not be advised or even feasible.	It's not clear what discussion "above" the commenter is referring to. The advisability and feasibility of producing groundwater elsewhere in the basin and conveying that water to JCSD may be an important management option and it will be addressed in Section 6 and subsequent sections of this report,
19	Page 37, last bullet	This statement is unclear.	Comment noted
20	Page 37, last paragraph	The sensitivity analysis does not address relocating production away from the JCSD well field because this production was not replaced elsewhere in the model during the scenario. If it was, please provide a description of the distribution of replacement production.	Forbearance by the JCSD was simulated by reducing production in the JCSD well field only. The location in the Chino Basin of the replacement production will be evaluated in Section 6 and subsequent sections of this report, The modeling results clearly show that most of the sustainable

P230



COMMENTS AND RESPONSES

P231

Comment Number	Page Reference	Comment	Response
			production challenge faced by the JCSD is due to the location and density of the JCSD wells and the magnitude production at the JCSD wells.
21	Page 38, last paragraph, second to last sentence	This sentence is unclear. Furthermore, the inference that Aquifer Storage and Recovery (ASR) wells were evaluated in the sensitivity analysis is not true. It is my understanding that scenarios involved reducing JCSD production or increasing recharge in Wineville Basin, not injecting water at specific locations designated as ASR wells. Further, injecting at a rate that is half of JCSD's production (approximately 9,000 acre-ft/yr) may not be feasible or cost effective. At this point, ASR wells should only be mentioned as one option of an overall solution.	Thank you for the observation. . The text has been revised for clarity by replacing the phrase "fifty-percent of the total recharge" to "fifty-percent of JCSD production". The basis of the suggestion that recharge at the JCSD wells annually with up to fifty percent of the annual JCSD production comes from the fifty-percent forbearance simulations (Scenarios 1C and 3C, with fifty-percent forbearance of projected JCSD production). It is appropriate to include ASR in this section as a possible alternative that should be explored in Section 6 and subsequent sections of this report.
22	Page 47, first bullet	Suggest adding Fontana Water Company as a potential interconnection party.	Thank you for the observation. As titled, this subsection discusses in-lieu recharge. In-lieu recharge requires that a party have a supplemental supply and possession of groundwater production rights. The Fontana Water Company's share of operating safe yield is about .009 percent and is likely too small to affect significant in-lieu recharge. However an interconnection with the JCSD could be used for in-lieu recharge by the JCSD forgoing production of some of its production rights provide significant benefits to the JCSD.



Comment Number	Page Reference	Comment	Response
23	Page 47, second bullet	It appears that the intent of this is reallocation of desalter production and not an increase in overall desalter production. I suggest deleting the word "Additional" from the first sentence.	Thank you for the observation. The text has been revised to incorporate this refinement.
24	Section 6 Outline	Although it was suggested at the last Recharge Master Plan Steering Committee to address Section 6 after the June Court submittal, I recommend that we include in the submittal an outline of Section 6 that identifies concepts that are being considered for the implementation plan. The concepts submitted at the last meeting are a good start. I would like to reorder the topics to include 2010 Recharge Master Plan Update Phases I through III projects first as this was the directive of the Court. This list should also include the option of recharge using ASR wells.	Comment noted.
25	Section 6 Outline	Another topic that should also be included among the options is an evaluation of the possible redistribution of CDA pumping.	Comment noted.

P232



COMMENTS AND RESPONSES

C.5 MONTE VISTA WATER DISTRICT (MARK KINSEY AND JUSTIN SCOTT-COE)

Comment Number	Page Reference	Comment	Response
1	none	In general, we note that the results of the RMPU analysis demonstrate more than adequate capacity to support the long-term recharge and replenishment obligations of the parties to the Chino Basin Judgment. This is a success story for collaborative groundwater basin management and something in which all parties to the Judgment should collectively take great pride. The RMPU also demonstrates that the long-term issue faced by the Chino Basin is not inadequate recharge capacity but the need to secure additional sources of replenishment and recharge water.	Thank you. Comment noted.
2		We note that “sustainability” is a term employed repeatedly in this document. “Sustainability” is not a term that appears in the Judgment or Peace Agreements. Its specific use appears to have been introduced into the Watermaster process through Wildermuth’s modeling work for well pumping parameters, e.g. “sustainability metrics.” We would prefer that the term be used in this specific context only and not used more generally, as it potentially recharacterizes the parties’ obligations under the Judgment and Peace Agreements (e.g., support of sustained groundwater pumping by individual	Comment noted. Sustainability as used in the report refers only to the ability to sustain production at a well at a desired amount. It has no nexus to the Judgment or the Peace Agreements. The sustainability metrics are defined and explained in two places in the draft report and are currently highlighted in yellow. Groundwater production at wells is presumed to be sustainable if the groundwater level at the well is greater than the sustainability metric. Sustainability metrics are defined for each well by well owner. If the groundwater level falls below the sustainability

P233



Comment Number	Page Reference	Comment	Response
		parties rather than balancing the recharge and discharge within subareas of the basin). Instead, we request that descriptions of the general goals for the RMPU use terms such as "long-term hydrologic balance" which are defined and consistently used in the Judgment and Peace Agreements.	metric, the owner will either lower their pumping equipment in their well or will have to reduce production.
3		We would recommend, when discussing the specific solutions for subareas of the basin that are out of long-term hydrologic balance, that the RMPU look at past successful efforts to achieve balance in other subareas of the basin. We would suggest that MZ1 offers such a model of addressing significant issues of production constraints in a collaborative and cost-effective manner.	Comment noted. This will be addressed in Section 6 and subsequent sections of this report.
4		As mentioned above, the RMPU demonstrates that sufficient recharge capacity exists basin-wide to meet our collective replenishment and recharge obligations. We believe that increasing storm water capture in MZ3 is one of the potential approaches to addressing the long-term hydrologic imbalance in that basin subarea. A secondary benefit of such an approach is to increase new yield being introduced into the basin. Based on preliminary work already completed it would cost the parties several million dollars to implement these projects. To encourage all parties to participate in funding storm water recharge improvements, we recommend that firm	Comment noted. This concept will be considered in Section 6 and subsequent sections of this report.

P234



P235

Comment Number	Page Reference	Comment	Response
		new yield estimates be determined for each project and that these estimates not be adjusted downward during the period of repayment.	
5		Figure 2-6e shows significant groundwater recharge into MZ5 from the Santa Ana River and the City of Riverside WWTP (through the river). It is our understanding that one of purposes of installing desalter wells in MZ4, MZ3, and MZ2 is to induce inflow from the river into the basin. If this is the case, why is no recharge from the river reflected in Figures 2-6d, 2-6-c, and 2-6b for the period following the installation of these wells?	The recharge “bars” shown in each of the Figures 2-6a through 2-6e are specific to recharge through the surface of the management zone. Santa Ana River water recharge occurs in MZ5 through the streambed only in MZ5.
6		On page 20, the RMPU incorrectly presents carryover water as stored water. Under the Judgment, these are completely separate categories of water. We request that carryover water be excluded from the description of stored water on page 20 and the calculations of past, current, and projected future stored water in Tables 2-1 and 2-2 and Figures 2-8 (incorrectly labeled Figure 2-7 on page 20) and 2-9.	Thank you for the observation. The intent was to describe the amount of water in storage and the text, tables and charts were reviewed to remove the term “stored water”.
7		On pages 23 and 31, the RMPU cites prior studies by Wildermuth projecting a reduction of safe yield from its current 140,000 AFY to 130,000 AFY by 2035. We request that the RMPU discuss how its recommendations for increasing recharge would	Model projections based on historical and future groundwater management plans suggest that increasing recharge will not materially change the projected decline in safe yield. This concept will be discussed in Section 6 and subsequent sections of



COMMENTS AND RESPONSES

Comment Number	Page Reference	Comment	Response
		impact these projected reductions.	this report
8		On page 21, last paragraph, second sentence, we request that the sentence be rewritten to read as follows: "Several appropriators have demonstrated that, given increased replenishment, power, and assessment costs, it is currently or will soon be more economical to purchase Metropolitan water directly than to produce groundwater in excess of their production rights."	Thank you for the observation. The text has been revised to incorporate this refinement.
9		On page 41, second paragraph, last sentence, we request that the sentence be rewritten to read as follows: "As evident in these figures, the MZ1 recharge requirement of 6,500 acre-ft/yr has been met on an average if not on an annual basis, and in recent years recharge within MZ3 has increased."	Thank you for the observation. The text has been revised to incorporate this refinement.
10		On page 43, fourth paragraph, first sentence, we request that the sentence be rewritten to read as follows: "Watermaster has an obligation under the Judgment to provide replenishment water for overproduction in the prior year." (You may want to add a citation to paragraph 45 of the Judgment; no other citation should be required.)	Thank you for the observation. The text has been revised to incorporate this refinement.
11		On page 44, first full paragraph, second sentence, we request that the sentence be rewritten to read as follows: "Instead, it is recharged into the basin and subsequently assigned to certain appropriator	Thank you for the observation. The text has been revised to incorporate this refinement.

P236



Comment Number	Page Reference	Comment	Response
		parties' supplemental storage accounts, thereby potentially increasing the appropriators' production rights and reducing their future replenishment liabilities."	
12		On page 47, fifth full paragraph, fourth sentence, we request that the word "Typically" be added to the beginning of the sentence.	Thank you for the observation. The text has been revised to incorporate this refinement.
13		On Table 4-5, please note that these wells are owned by MVWD (except for Well 33 which is, as already noted, co-owned by City of Chino).	Comment noted. Table 4-5 contains a footnote that makes this statement.
14		On Figures 4-1 and 4-2, please add a footnote that explains that past and existing recharge levels in MZ1 are contractually required under Peace II and address a long-term hydrological imbalance that had historically occurred in this subarea of the basin.	Thank you for the observation. The text has been revised to incorporate this refinement.
15		Section 5 of the RMPU has not yet been drafted, but will seek to answer questions regarding ownership of new yield generated through the capture storm and urban runoff water from projects associated with MS4 permit compliance. We believe this is an appropriate conversation to have at this time, and that it needs to be addressed within the context of the net safe yield of the basin. Specifically, land use changes (both past and on-going) since the Judgment will have an impact on	Comment noted.

P237



Comment Number	Page Reference	Comment	Response
		basin safe yield; seemingly any new yield associated with MS4 projects should first be contributed to addressing the reduction in safe yield associated with changes in land use practices.	
16		In Section 6, we would recommend that two additional alternatives to address production sustainability challenges be considered: namely, the relocation of CDA wells in order to stop their interference with JCSD wells, and/or the reduction in CDA well production if doing so would not impact hydraulic control. There might be an opportunity for the latter alternative to be accomplished in a way that will benefit all parties, both in helping to achieve JCSD's production goals and reducing the region's collective cost associated with desalter operations.	Comment noted.

P238



COMMENTS AND RESPONSES

C.1 CITY OF CHINO (DAVE CROSLLEY)

Comment Number	Page Reference	Comment	Response
1	Section 2, top of page 22 and to Table 2-3	I thought I should touch base with you on one circumstance to make certain there is no misunderstanding. Refer to the top of page 22 and to Table 2-3, where projected Ag and Appropriator demands are described. The numbers described for Chino are correct ... we do plan to produce as described. However, because we supply a large amount of water to Ag folks, the WM accounting and assessment process regards Chino's production as having been produced by the Ag Pool. In other words, the summarized assessment package will not readily support the numbers (at least for Chino) in Table 2-3. One must dive deep into the assessment package back-up data to understand that water reported in the assessment package as having been produced by the Ag Pool was actually produced by Chino wells. (I think you already know this.)	Thank you for your comment. Table 2-3 shows actual and projected actual production. The fact that the City may provide recycled water to members of the agricultural pool in-lieu of the agricultural pool member's production of groundwater is not accounted for in Table 2-3 or Scenarios 1 through 4.

P239



COMMENTS AND RESPONSES

C.2 CITY OF CHINO HILLS (MIKE MAESTAS)

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1	Appendix A, Table A1 and associated tables and charts	<p>Following is a list of our wells and the pump setting elevations to be used for your matrix. For sustainability. Please apply the pump setting elevations plus 20-feet. Thank you.</p> <table data-bbox="653 691 953 824"> <tr> <td>Well 1A</td> <td>383</td> </tr> <tr> <td>Well 7A/7B</td> <td>443</td> </tr> <tr> <td>Well 15</td> <td>383</td> </tr> <tr> <td>Well 17</td> <td>172</td> </tr> </table>	Well 1A	383	Well 7A/7B	443	Well 15	383	Well 17	172	Thank you. The tables, charts and text have been updated to reflect this information.
Well 1A	383										
Well 7A/7B	443										
Well 15	383										
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P240



COMMENTS AND RESPONSES

C.3 CHINO DESALTER AUTHORITY (BRIAN DICKINSON)

Comment Number	Page Reference	Comment	Response
1	Appendix A, Table A1 and associated tables and charts	Today we had a TAC meeting to discuss our well sustainability criteria which was originally submitted to Wildermuth Environmental. Through group discussion we came to a consensus that the CDA criteria should be set at top of pump plus 40-feet.	Thank you. The tables, charts and text have been updated to reflect this information.

P241



COMMENTS AND RESPONSES

C.4 JURUPA COMMUNITY SERVICES DISTRICT (THOMAS HARDER AND COMPANY)

Comment Number	Page Reference	Comment	Response
1	Section 1 general comment	This section essentially duplicates Chapter 2 of the 2010 Recharge Master Plan. We appreciate the addition of the Watermaster Board directive from the December 15, 2011 Board meeting.	Comment noted. The intent of Section 1 is to present a complete introduction including the original intent of the 2007 Court Order regarding the 2010 Recharge Master Plan Update and the decisions and actions that led the Watermaster and the IEUA to the current effort.
2	Page 12, second paragraph.	This paragraph refers to groundwater elevation contour maps for fall 2000 and fall 2010. However, Figures 2-1a and 2-1b are labeled as spring 2000 and spring 2010, respectively.	Thank you for the observation. The text was revised to use spring instead of fall.
3	Figures 2-1a and 2-1b.	I recommend showing a groundwater flow direction arrow on these figures to illustrate the flow direction.	Comment noted.
4	Page 20, first full paragraph	It appears the reference to Figure 2-7 should be Figure 2-8 Storage in the Chino Basin.	Thank you for the observation. The text was revised.
5	Page 23	This section becomes the basis for basin operation scenarios analyzed with the groundwater flow model. However, it is not obvious which scenarios are being described and where. I suggest subheadings before the paragraphs that describe the scenarios so we have an easy reference. I would like the subheadings to clearly label the	Thank you for the observation. Headings were added. Text clarifying the location and magnitude of replenishment and recharge were added to Section 3.

P242



P243

Comment Number	Page Reference	Comment	Response
		<p>scenario with descriptive information as appropriate (e.g. Scenario 1 – Baseline Scenario).</p> <p>I also recommend a summary table of the basin operation scenarios. Although Tables 2-4 through 2-7 provide great numerical detail of the scenarios, it would be beneficial to have a brief synopsis of each scenario on a single table.</p> <p>Somewhere in the description of scenarios, there needs to be a description of assumptions regarding artificial recharge amounts and distribution in the basin through the planning period (scenario-specific if appropriate).</p>	
6	Page 26, third paragraph	It appears the reference to Figure 2-8 should be Figure 2-9.	Thank you for the observation. The text was revised.
7	Page 27, second bullet near the bottom of the page	I recommend revising the first sentence of this bullet to read, "For the Chino Basin as a whole, no new recharge facilities or new sources of replenishment water will be required to meet future replenishment obligations, as required by the Judgment."	Comment noted.
8	Page 29, first paragraph, last sentence	This sentence is unclear.	Thank you for the observation. The figure number was changed from 2-9 to 2-10.



Comment Number	Page Reference	Comment	Response
9	Page 29, second paragraph	It is my understanding that the Metropolitan Water District (MWD) rate increase will be 5 percent in 2012/13, not 7.5 percent.	Thank you for the observation. The text was revised. The Metropolitan Board approved this lesser rate increase after this text was prepared.
10	Page 29, third paragraph	The last sentence appears to reference the wrong table (should be Table 2-10, not 2-11).	Thank you for the observation. The text was revised.
11	Page 29, bullet at the end of page	No. 5 is unclear.	The maximum infiltration rate occurs just post cleaning. A footnote has been added to make this clearer.
12	Page 30, Number 7	"...2012/12 10-yr Capital Improvement Program." Should this be 2012/22?	Comment appreciated and text revised
13	Page 30, last bullet, Number 2	The reference should be to infiltration rates <0.5 ft/day.	Thank you for the observation. The text was revised.
14	Page 32, second paragraph, first bullet	Scenarios 1 and 3 are analyzed and presented in the report. However, Scenario 4, which results in the greatest decrease in groundwater storage at the end of the planning period (see Table 2-7) is not addressed or analyzed. It was my understanding that the four scenarios represented the "book-ends" of potential production sensitivity. If we are not going to analyze and present the worst-case scenario, then we should provide an explanation.	The stakeholders in the Watermaster-IEUA Steering Committee process agreed, without dissention, that Scenarios 1 and 3 would be used to bookend the production and replenishment projections. Text has been added to make this clearer.
15	Page 33,	Revise the last sentence to read "At some JCSD	The text of the report was revised in response to this

P244



COMMENTS AND RESPONSES

Comment Number	Page Reference	Comment	Response
	<p>third paragraph under "Basin Response to Updated Groundwater Production and Replenishment."</p>	<p>wells, the groundwater elevation falls below the sustainability metric provided by the JCSD and the pumps cannot be lowered further because they are already in the bottom of the wells."</p>	<p>Thank you for the observation. The text has been revised to incorporate this refinement.</p>
<p>16</p>	<p>Series of bullets starting on page 33 and running through 35</p>	<p>Pgs. 33 through 35 bullets. This section is confusing. I suggest simplifying the discussion based on Figures 3-6a and 3-6b.</p> <p>It is noted from Figures 3-6a and 3-6b that groundwater levels are projected to decline throughout most of the basin for both scenarios. It is further noted that sustainability metrics are exceeded in various places of Ontario and Fontana in both scenarios. This needs to be more closely scrutinized when evaluating the option of relocating JCSD pumping in other parts of the basin.</p> <p>It is also noted that groundwater levels rise in the Pomona/Monte Vista Water District area in Scenario 3. Are the artificial recharge assumptions for this scenario different from those of Scenario 1 (see above comment regarding Pg. 23)?</p>	<p>Comment note. As to your specific question (and as stated above in response to comment number 5, text was added to describe the location and magnitude of replenishment and recharge. The algorithm used to establish the location and rate of recharge is consistent among all scenarios although the location and rate of recharge varies among the scenarios.</p>

P245



COMMENTS AND RESPONSES

Comment Number	Page Reference	Comment	Response
	Page 35, bullet near bottom of the page	The last bullet references Chino Basin Desalter Authority (CDA) wells. However, it is noted that the CDA has developed new sustainability metrics that may increase the number of wells shown here.	We received revised sustainability metrics from the CDA on April 25, 2012 which was after the draft on which you are commenting. Text was revised as appropriate.
17	Page 35, last paragraph	Pg. 35, last paragraph. Revise 2nd sentence to read "Because the saturated thickness is thin in the JCSD well field and many of their pumps are already near the bottoms of the wells, it would be difficult, and in some cases impossible, to lower the pumping equipment to assure sustainable production."	Thank you for the observation. The text has been revised to incorporate this refinement.
18	Page 36, last paragraph, third sentence	As discussed above, supplying JCSD with groundwater pumped from another part of the basin may not be advised or even feasible.	It's not clear what discussion "above" the commenter is referring to. The advisability and feasibility of producing groundwater elsewhere in the basin and conveying that water to JCSD may be an important management option and it will be addressed in Section 6 and subsequent sections of this report,
19	Page 37, last bullet	This statement is unclear.	Comment noted
20	Page 37, last paragraph	The sensitivity analysis does not address relocating production away from the JCSD well field because this production was not replaced elsewhere in the model during the scenario. If it was, please provide a description of the distribution of replacement production.	Forbearance by the JCSD was simulated by reducing production in the JCSD well field only. The location in the Chino Basin of the replacement production will be evaluated in Section 6 and subsequent sections of this report, The modeling results clearly show that most of the sustainable production challenge faced by the JCSD is due to

P246



P247

Comment Number	Page Reference	Comment	Response
			the location and density of the JCSD wells and the magnitude production at the JCSD wells.
21	Page 38, last paragraph, second to last sentence	This sentence is unclear. Furthermore, the inference that Aquifer Storage and Recovery (ASR) wells were evaluated in the sensitivity analysis is not true. It is my understanding that scenarios involved reducing JCSD production or increasing recharge in Wineville Basin, not injecting water at specific locations designated as ASR wells. Further, injecting at a rate that is half of JCSD's production (approximately 9,000 acre-ft/yr) may not be feasible or cost effective. At this point, ASR wells should only be mentioned as one option of an overall solution.	Thank you for the observation. . The text has been revised for clarity by replacing the phrase "fifty-percent of the total recharge" to "fifty-percent of JCSD production". The basis of the suggestion that recharge at the JCSD wells annually with up to fifty percent of the annual JCSD production comes from the fifty-percent forbearance simulations (Scenarios 1C and 3C, with fifty-percent forbearance of projected JCSD production). It is appropriate to include ASR in this section as a possible alternative that should be explored in Section 6 and subsequent sections of this report.
22	Page 47, first bullet	Suggest adding Fontana Water Company as a potential interconnection party.	Thank you for the observation. As titled, this subsection discusses in-lieu recharge. In-lieu recharge requires that a party have a supplemental supply and possession of groundwater production rights. The Fontana Water Company's share of operating safe yield is about .009 percent and is likely too small to affect significant in-lieu recharge. However an interconnection with the JCSD could be used for in-lieu recharge by the JCSD forgoing production of some of its production rights provide significant benefits to the JCSD.
23	Page 47, second	It appears that the intent of this is reallocation of desalter production and not an increase in overall	Thank you for the observation. The text has been



Comment Number	Page Reference	Comment	Response
	bullet	desalter production. I suggest deleting the word "Additional" from the first sentence.	revised to incorporate this refinement.
24	Section 6 Outline	Although it was suggested at the last Recharge Master Plan Steering Committee to address Section 6 after the June Court submittal, I recommend that we include in the submittal an outline of Section 6 that identifies concepts that are being considered for the implementation plan. The concepts submitted at the last meeting are a good start. I would like to reorder the topics to include 2010 Recharge Master Plan Update Phases I through III projects first as this was the directive of the Court. This list should also include the option of recharge using ASR wells.	Comment noted.
25	Section 6 Outline	Another topic that should also be included among the options is an evaluation of the possible redistribution of CDA pumping.	Comment noted.

P248



COMMENTS AND RESPONSES

C.5 MONTE VISTA WATER DISTRICT (MARK KINSEY AND JUSTIN SCOTT-COE)

Comment Number	Page Reference	Comment	Response
1	none	In general, we note that the results of the RMPU analysis demonstrate more than adequate capacity to support the long-term recharge and replenishment obligations of the parties to the Chino Basin Judgment. This is a success story for collaborative groundwater basin management and something in which all parties to the Judgment should collectively take great pride. The RMPU also demonstrates that the long-term issue faced by the Chino Basin is not inadequate recharge capacity but the need to secure additional sources of replenishment and recharge water.	Thank you. Comment noted.
2		We note that “sustainability” is a term employed repeatedly in this document. “Sustainability” is not a term that appears in the Judgment or Peace Agreements. Its specific use appears to have been introduced into the Watermaster process through Wildermuth’s modeling work for well pumping parameters, e.g. “sustainability metrics.” We would prefer that the term be used in this specific context only and not used more generally, as it potentially recharacterizes the parties’ obligations under the Judgment and Peace Agreements (e.g., support of sustained groundwater pumping by individual	Comment noted. Sustainability as used in the report refers only to the ability to sustain production at a well at a desired amount. It has no nexus to the Judgment or the Peace Agreements. The sustainability metrics are defined and explained in two places in the draft report and are currently highlighted in yellow. Groundwater production at wells is presumed to be sustainable if the groundwater level at the well is greater than the sustainability metric. Sustainability metrics are defined for each well by well owner. If the groundwater level falls below the sustainability

P249



P250

Comment Number	Page Reference	Comment	Response
		parties rather than balancing the recharge and discharge within subareas of the basin). Instead, we request that descriptions of the general goals for the RMPU use terms such as "long-term hydrologic balance" which are defined and consistently used in the Judgment and Peace Agreements.	metric, the owner will either lower their pumping equipment in their well or will have to reduce production.
3		We would recommend, when discussing the specific solutions for subareas of the basin that are out of long-term hydrologic balance, that the RMPU look at past successful efforts to achieve balance in other subareas of the basin. We would suggest that MZ1 offers such a model of addressing significant issues of production constraints in a collaborative and cost-effective manner.	Comment noted. This will be addressed in Section 6 and subsequent sections of this report.
3.		Changes in the Chino Basin groundwater levels: discussion highlights the effect since 2002 of Chino 1 and 2 desalters in maintaining hydraulic control. I would suggest adding "the Chino Basin proposed the Hydraulic Control program and it was approved for implementation by the RWQCB and that OCWD supported the actions of the RWQCB and did not oppose the action."	Thank you for the observation. The text was revised in the subsection entitled Groundwater Level Changes Across the Basin to incorporate these thoughts.
5		As mentioned above, the RMPU demonstrates that sufficient recharge capacity exists basin-wide to meet our collective replenishment and recharge obligations. We believe that increasing storm water capture in MZ3 is one of the potential approaches to	Comment noted. This concept will be considered in Section 6 and subsequent sections of this report.



P251

Comment Number	Page Reference	Comment	Response
		<p>addressing the long-term hydrologic imbalance in that basin subarea. A secondary benefit of such an approach is to increase new yield being introduced into the basin. Based on preliminary work already completed it would cost the parties several million dollars to implement these projects. To encourage all parties to participate in funding storm water recharge improvements, we recommend that firm new yield estimates be determined for each project and that these estimates not be adjusted downward during the period of repayment.</p>	
6		<p>Figure 2-6e shows significant groundwater recharge into MZ5 from the Santa Ana River and the City of Riverside WWTP (through the river). It is our understanding that one of purposes of installing desalter wells in MZ4, MZ3, and MZ2 is to induce inflow from the river into the basin. If this is the case, why is no recharge from the river reflected in Figures 2-6d, 2-6-c, and 2-6b for the period following the installation of these wells?</p>	<p>The recharge “bars” shown in each of the Figures 2-6a through 2-6e are specific to recharge through the surface of the management zone. Santa Ana River water recharge occurs in MZ5 through the streambed only in MZ5.</p>
7		<p>On page 20, the RMPU incorrectly presents carryover water as stored water. Under the Judgment, these are completely separate categories of water. We request that carryover water be excluded from the description of stored water on page 20 and the calculations of past, current, and projected future stored water in Tables</p>	<p>Thank you for the observation. The intent was to describe the amount of water in storage and the text, tables and charts were reviewed to remove the term “stored water”.</p>



P252

Comment Number	Page Reference	Comment	Response
		2-1 and 2-2 and Figures 2-8 (incorrectly labeled Figure 2-7 on page 20) and 2-9.	
8		On pages 23 and 31, the RMPU cites prior studies by Wildermuth projecting a reduction of safe yield from its current 140,000 AFY to 130,000 AFY by 2035. We request that the RMPU discuss how its recommendations for increasing recharge would impact these projected reductions.	Model projections based on historical and future groundwater management plans suggest that increasing recharge will not materially change the projected decline in safe yield. This concept will be discussed in Section 6 and subsequent sections of this report
9		On page 21, last paragraph, second sentence, we request that the sentence be rewritten to read as follows: "Several appropriators have demonstrated that, given increased replenishment, power, and assessment costs, it is currently or will soon be more economical to purchase Metropolitan water directly than to produce groundwater in excess of their production rights."	Thank you for the observation. The text has been revised to incorporate this refinement.
10		On page 41, second paragraph, last sentence, we request that the sentence be rewritten to read as follows: "As evident in these figures, the MZ1 recharge requirement of 6,500 acre-ft/yr has been met on an average if not on an annual basis, and in recent years recharge within MZ3 has increased."	Thank you for the observation. The text has been revised to incorporate this refinement.
11		On page 43, fourth paragraph, first sentence, we request that the sentence be rewritten to read as follows: "Watermaster has an obligation under the Judgment to provide replenishment water for	Thank you for the observation. The text has been revised to incorporate this refinement.



P253

Comment Number	Page Reference	Comment	Response
		overproduction in the prior year.” (You may want to add a citation to paragraph 45 of the Judgment; no other citation should be required.)	
12		On page 44, first full paragraph, second sentence, we request that the sentence be rewritten to read as follows: “Instead, it is recharged into the basin and subsequently assigned to certain appropriator parties’ supplemental storage accounts, thereby potentially increasing the appropriators’ production rights and reducing their future replenishment liabilities.”	Thank you for the observation. The text has been revised to incorporate this refinement.
13		On page 47, fifth full paragraph, fourth sentence, we request that the word “Typically” be added to the beginning of the sentence.	Thank you for the observation. The text has been revised to incorporate this refinement.
14		On Table 4-5, please note that these wells are owned by MVWD (except for Well 33 which is, as already noted, co-owned by City of Chino).	Comment noted. Table 4-5 contains a footnote that makes this statement.
15		On Figures 4-1 and 4-2, please add a footnote that explains that past and existing recharge levels in MZ1 are contractually required under Peace II and address a long-term hydrological imbalance that had historically occurred in this subarea of the basin.	Thank you for the observation. The text has been revised to incorporate this refinement.
16		Section 5 of the RMPU has not yet been drafted, but will seek to answer questions regarding	Comment noted.



Comment Number	Page Reference	Comment	Response
		<p>ownership of new yield generated through the capture storm and urban runoff water from projects associated with MS4 permit compliance. We believe this is an appropriate conversation to have at this time, and that it needs to be addressed within the context of the net safe yield of the basin. Specifically, land use changes (both past and on-going) since the Judgment will have an impact on basin safe yield; seemingly any new yield associated with MS4 projects should first be contributed to addressing the reduction in safe yield associated with changes in land use practices.</p>	
17		<p>In Section 6, we would recommend that two additional alternatives to address production sustainability challenges be considered: namely, the relocation of CDA wells in order to stop their interference with JCSD wells, and/or the reduction in CDA well production if doing so would not impact hydraulic control. There might be an opportunity for the latter alternative to be accomplished in a way that will benefit all parties, both in helping to achieve JCSD's production goals and reducing the region's collective cost associated with desalter operations.</p>	Comment noted.

P254



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9 SUPERIOR COURT OF THE STATE OF CALIFORNIA
10 FOR THE COUNTY OF SAN BERNARDINO

11 CHINO BASIN MUNICIPAL WATER
12 DISTRICT,
13 Plaintiff,
14 v.
15 CITY OF CHINO, et al.,
16 Defendant.

Case No. RCV 51010

[Assigned for All Purposes to the
Honorable STANFORD E. REICHERT]

**RECHARGE MASTER PLAN STATUS
REPORT**

Hearing Date: NA
Hearing Time: NA
Dept: C-1

19 Watermaster submits this status report pursuant to the Court's October 8, 2010 and
20 December 16, 2011 Orders. Watermaster does not believe that any party objects to this Status
21 Report or the actions described herein and consequently, respectfully requests that the Court's
22 receipt of the Report not require a hearing. However, if any party should file an objection,
23 Watermaster will be pleased to present the Status Report and respond to any questions the Court
24 may have.

25 **I. Background of the Status Report Requirement**

26 In its December 21, 2007 Order approving the Peace II Measures, the Court required
27 Watermaster to satisfy a number of conditions subsequent. The last of these, condition
28

1 subsequent number eight, required Watermaster to update its Recharge Master Plan (RMP). In
2 broad terms, the purpose of the RMP is to articulate the manner in which Watermaster will fulfill
3 its responsibilities under the Judgment to ensure that groundwater production from the Chino
4 Basin in excess of the Safe Yield is replenished in accordance with the Physical Solution. This
5 requires that the RMP make projections concerning anticipated production of groundwater from
6 the Basin, the availability of imported water supplies, and the facilities necessary to make use of
7 those imported supplies. In addition, Watermaster's discretion with regard to the manner in
8 which recharge activities are conducted is constrained by commitments made in the Peace I and
9 Peace II Agreements, and implementation of the RMP recommendations must satisfy these
10 commitments.

11 On June 30, 2010, Watermaster submitted its updated Recharge Master Plan in
12 compliance with condition subsequent number eight. However, due to intervening state
13 legislation enacted subsequent to the Court's December 2007 Order, a delay was required. The
14 legislation extended the time for completion of 2010 Urban Water Management Plans (UWMPs),
15 which would provide important information about the projected Basin production by members of
16 the Appropriative Pool. This information was critical to the RMP and, because this information
17 was not yet available in June 2010, the Inland Empire Utilities Agency (IEUA) was not in a
18 position to approve the updated RMP as required by the Peace II Agreement.

19 On this basis, in its October 8, 2010 Order approving the updated RMP, the Court made
20 the following orders:

21 (3) Watermaster is hereby ordered to convene the committee described in item 3 of
22 section 7.1 of the updated RMP to develop the monitoring, reporting, and accounting practices
23 that will be required to estimate local project stormwater recharge and new yield.

24 (4) Watermaster is hereby ordered to conduct further analyses as described in section
25 7.2 of the updated RMP of the Phase I through III projects to refine the projects, to develop a
26 financing plan, and to develop an implementation plan.

27 (5) By December 17, 2011, six months following completion of the parties' UWMPs,
28 Watermaster will report to the Court on any changes to the 2010 RMP necessitated by

1 information received through the UWMPs. In this report, Watermaster will also report on
2 progress made under items (3) and (4) above, and will report on the status of IEUA's approval of
3 the RMP. (October 8, 2010 Order, 4:9-18.)

4 **II. Extension of December 17, 2011 Deadline**

5 On December 12, 2011 Watermaster filed its *Ex Parte Motion to Request a 180-Day*
6 *Extension of Time re Filing of Recharge Master Plan Status Report*. The Court granted this
7 request on December 16, 2011.

8 Prior to the Court's consideration of the requested extension, the Watermaster Board met
9 and considered the update of the RMP. On December 15, 2011 the Board set the ambitious goal
10 of completing the update to the RMP and an implementation and funding plan within the
11 following year.

12 **III. Update Status**

13 Using updated estimates of stakeholders' groundwater production and projections of
14 replenishment obligations, Watermaster and the parties have evaluated changed circumstances
15 (legislative, regulatory, etc.) that were not addressed in the 2010 RMP Update and how these
16 changes affect the RMP. For this purpose, a Recharge Master Plan Update Steering Committee
17 has been convened. This Committee is currently meeting every two weeks and includes
18 stakeholders, inclusive of IEUA as required by the Peace II Agreement. The evaluation by the
19 Committee has incorporated updated groundwater production estimates and replenishment
20 obligation projections, calculations of water in storage, and information regarding the projected
21 availability of replenishment water. Based on this evaluation, the Committee has selected agreed
22 upon bookend projected future scenarios for recharge planning.

23 Using these scenarios, Watermaster's hydrologists have undertaken modeling in order to
24 project recharge needs within the Basin, based on the modeled future groundwater levels,
25 estimated safe yield, and the balance of recharge and discharge within the Basin. This analysis is
26 predicated on the updated pumping and replenishment projections, estimates of the locations and
27 amounts of recharge required for sustainability, and potential production forbearance.

28 As the modeling to this point has been based on the existing locations and capabilities of

1 existing recharge facilities, the Committee has also had conducted an inventory of existing
2 recharge facilities, which includes the characterization of recharge basins, recharge capacities and
3 the factors controlling recharge performance. Other factors that have also been included in the
4 analysis include the evaluation of impacts due to changes in recycled water recharge regulations
5 on Watermaster's ability to recharge the same, the analysis of actual storm water recharge at
6 existing facilities, storm water available for recharge at each facility, and what could be done to
7 increase recharge at each, as well as the evaluation of availability of and ability to recharge
8 supplemental water, and the possibility of in-lieu recharge within the Basin. The analysis done to
9 this point is included in Chapters 1-4 of the present administrative draft of the RMP Update.
10 These chapters have been approved by the Appropriative, Overlying (Agricultural) and Overlying
11 (Non-Agricultural) Pools, the Advisory Committee and the Watermaster Board as the
12 administrative draft.

13 In order to finalize the RMP Update, the parties will next indentify the possible recharge
14 mechanisms available to meet current and projected recharge and replenishment needs. This will
15 include the analysis of potential recharge associated with Municipal Separate Storm Sewer
16 Systems (MS4s), the identification of areas within the Basin with the potential for production
17 sustainability challenges and other water management challenges that can be addressed by
18 recharge or production management, the identification of options ensuring production
19 sustainability through the term of Peace Agreements, including increased recharge at existing
20 facilities, new recharge facilities, new recharge sources, adjustment in production patterns, etc.
21 The Committee will also develop the monitoring, reporting, and accounting practices that will be
22 required to estimate local project stormwater recharge and new yield.

23 After the identification of the potential recharge options, the parties will agree upon the
24 methods and criteria that will be used to evaluate each of them. Using these agreed upon methods
25 and criteria, Watermaster's consultants will conduct engineering and economic analyses of each.
26 Based on these analyses, the parties will review and recommend implementation of the selected
27 options, and develop recommended financing and implementation plans for these options.

28 Because IEUA is an active participant in the process of developing the RMP Update,

1 Watermaster reasonably anticipates that IEUA will be more readily disposed to approve the
2 updated plan once it is completed.

3 Consequently, Watermaster is of the opinion that, with the process described above, the
4 Committee is on schedule to complete the RMP Update within the timeframe presented in the
5 2010 Recharge Master Plan Update and believes progress will continue to be made consistent
6 with the ambitious goal established by the Watermaster Board in its December 15, 2011 action.
7

8 Dated: June __, 2012

BROWNSTEIN HYATT FARBER SCHRECK, LLP

9
10 By: _____
11 SCOTT S. SLATER
12 BRADLEY J. HERREMA
13 ATTORNEYS FOR CHINO BASIN
14 WATERMASTER
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CHINO BASIN WATERMASTER

II. BUSINESS ITEM

C. RE-ALLOCATION OF WEST VENTURE DEVELOPMENT SAFE YIELD





CHINO BASIN WATERMASTER

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STAFF REPORT

DATE: May 10, 2012
TO: Pool Members
SUBJECT: Allocation of West Venture Development Company's Safe Yield

SUMMARY

Issue – Disposition of West Venture Development's ("West Venture") share of Safe Yield. The status of West Venture's share of Safe Yield under the Judgment has been the subject of prior discussions by the Overlying (Non-Agricultural) Pool. The Overlying (Non-Agricultural) Pool has expressed an intention to distribute the water among the existing members of the Pool, based on West Venture's possible abandonment of its share of the Safe Yield. Specifically, the Overlying (Non-Agricultural) Pool has requested that West Venture's Safe Yield of 15.657 Acre-Feet be re-allocated to the Current members of Overlying (Non-Agricultural) Pool Pro-Rata in accordance with their respective shares of Safe Yield. However, the City of Chino contends that it is the rightful recipient of the Safe Yield attributable to West Venture. The City of Chino has indicated that it may request to intervene into the Overlying Non-Agricultural Pool for the purpose of acquiring the entirety of the West Venture's Safe Yield but there is no intervention pending at this time.

Recommendation – Continue Pool Discussion Towards Resolution of Disposition of West Venture's Safe Yield.

Financial Impact - Legal expenses associated with pursuing a Court determination if the parties to the Judgment are unable to consensually resolve the disposition of the West Venture Development's Safe Yield.

BACKGROUND

Watermaster Staff has not undertaken an extensive independent investigation of the underlying facts. However, the relevant facts appear to be as follows. The water rights (portion of Safe Yield) in question derive from Red Star Fertilizer, which was an original party to the Judgment and a member of the Overlying (Non-Agricultural) Pool with 15.657 acre-feet of Safe Yield. Red Star Fertilizer was acquired by Anaheim Citrus, which was subsequently acquired by West Venture in 1987. West Venture subdivided the property and subsequently sold the lots. At some point in the subdivision process, West Venture capped the well on the property and ceased production from the well. Watermaster accounting records show that there has been no groundwater pumped from the property after 1988-1989 water year.

On June 11, 1991, Anaheim Citrus, predecessor to West Venture, sent a letter to counsel for the Watermaster (at that time, the Chino Basin Municipal Water District) inquiring as to the process for abandonment of its rights. Subsequently, West Venture, the successor in interest to the original Red Star rights, sent a letter to Watermaster, dated July 30, 1991, indicating it had no further use of its water rights, as a home had been constructed over the well site and that West Venture was willing to abandon its rights to the Overlying (Non-Agricultural) Pool. West Venture sent a subsequent letter on September 25, 1992, saying the "subject well and attached water rights have been abandoned."

An October 9, 1992 letter to Watermaster followed, which stated,

" ... 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 ... ".

Finally, West Venture's Vice President sent a subsequent letter on December 29, 1994, indicating that it would not be paying any Watermaster assessments or charges since it no longer owned the property.

ISSUES

West Venture's actions in regard to its share of the Safe Yield have raised the questions of whether West Venture abandoned its share of the Safe Yield and what should be the disposition of that portion of the Safe Yield – either through abandonment of the right or a result of the subdivision and sale of the property.

Watermaster, in its accounting of rights within the Basin, has not to date allocated the West Venture rights to a party other than West Venture. Watermaster has assisted the interested parties in gathering background information regarding West Venture's share of the Safe Yield, but has not evaluated their positions as to the disposition of those rights.

PRESENT SITUATION

The issue of reallocation of the West Venture's rights was brought before all the Pools in December 2011. The Appropriate Pool approved unanimously to not proceed with this item until they further analyzed the potential disposition. Conversely, the Overlying (Non-Agricultural) Pool unanimously approved to proceed with re-allocation of West Venture Development Company's Safe Yield of 15.657 acre-feet to the current Parties of the Overlying (Non-Agricultural) Pool pro-rata to their respective Safe Yield, with Notice to be provided to the property owners that purchased the property to give them an opportunity to appear, object. The proposed disposition would be followed by an application by Watermaster and/or the Overlying (Non-Agricultural) Pool to obtain Court direction. Further the Overlying (Non-Agricultural) Pool directed its representatives to support its recommendation at the Advisory Committee and Watermaster Board meeting after the Appropriate Pool were to take action on this item.¹

The Overlying (Non-Agricultural) Pool's proposed disposition of the West Venture rights is predicated on the effectiveness of West Venture's July 30, 1991 letter in abandoning the rights. Paragraph 61 of the Judgment addresses the mechanisms for abandonment of rights, by either filing the form with Watermaster or upon direction from the Court.

"Loss, whether by abandonment, forfeiture or otherwise, of any right herein adjudicated shall be accomplished only (1) by a written election by the owner of the right filed with Watermaster, or (2) by order of the Court upon noticed motion and after hearing."

¹ The Overlying (Agricultural) Pool took no action on the item at its December 2011 meeting and subsequently the item was not placed on the Advisory Committee or Board agendas

As described above, the City of Chino has expressed its intention to move to intervene into the Overlying (Non-Agricultural) Pool, on the basis that the West Venture rights should be allocated to the City, based on its ownership of lands comprising City streets dedicated to the City through the subdivision of the West Venture property. The City's position is further described in the attached letter and legal opinion submitted to Watermaster. The City's position is based on the view that West Venture was unable to abandon the water rights as they had been disposed of through the subdivision and sale of the lots composing the former Red Star Fertilizer property.

RECOMMENDATION

At present, the positions of the Overlying (Non-Agricultural) Pool and the City of Chino regarding the disposition of the West Venture rights are in conflict. It is apparent that even in the event of exhaustive research as may be required, in the event the parties are not able to come to agreement, direction from the Court will be required so as to extinguish potentially competing claims. Consequently, staff recommends continuing dialogue among the Pools toward a mutual resolution.

Actions:

May 10, 2012 Appropriative Pool –
May 10, 2012 Non-Agricultural Pool –
May 10, 2012 Agricultural Pool –
May 17, 2012 Advisory Committee –
May 24, 2012 Watermaster Board

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April 19, 2012

Ken Jeske
Interim Chief Executive Officer
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Subject: Overlying Water Rights Appurtenant to Land in City of Chino Subdivision No. 13638-1 (West Venture)

The positions of the City of Chino with respect to disposition of the subject Overlying rights: (1) to the City of Chino, who has provided water service to that subdivision for the last 23 years; (2) to the members of the Non-Agricultural Pool, as recently requested; and (3) in accordance with an order of the court in an appropriate proceeding, as requested in 1992 by West Venture Development Company, the former owner of the subdivided land; are discussed in detail in the attached City Attorney opinion, and summarized here.

(1) Chino Ownership and Agency Exercise of Overlying Non-Agricultural Water Rights

- A. Chino currently owns 22% of the 8.84 acres of land within this subdivision, as street right of way, and the overlying water rights appurtenant to such land;
- B. Additionally, Chino will be entitled to exercise such appurtenant rights as an assignee pursuant to execution of Watermaster-approved Form 10 Agency Agreements by the City and owners of lots within such subdivision.

The City of Chino therefore is entitled immediately to intervene as a member of the Overlying Non-Agricultural Pool.

(2) Non-overlying Non-Agricultural Pool Members

Any Transfer to the members of the Non-Agricultural Pool that do not overlie the subject acreage developed by West Venture would create a Material Physical Injury to the Basin, by doubling the extraction of water from the Basin pursuant to the same right for use on the overlying land to which it is appurtenant and also for use on non-overlying land. Therefore, it would be prohibited.

(3) Future Court Order Regarding Disposition

The 1992 request of West Venture Development Company acknowledged the ownership of such rights by the lot owners in that subdivision, and conditioned its request for Transfer of its overlying rights to the appurtenant land within the

subdivision upon Watermaster securing a court order protecting the lot owners' rights in a proceeding commenced by the Watermaster. No such court order has been secured, and no such proceeding has occurred. Watermaster should complete the required administrative proceeding to secure such a court order. However, the Transfer of such rights to any party other than the City of Chino would constitute a Material Physical Injury to the Basin by its increase in the total production of water from the Basin pursuant to the existing declared rights, without addition to those rights. Therefore, it is prohibited.

Should you have any questions regarding this summarization or the attached detailed description, please contact me at (909) 591-9823.

Sincerely,
David Crosley, P.E.
Water & Environmental Manager

Attachment – City Attorney Opinion

Facts

Exhibit "D" of the 1978 Judgment stated that Red Star Fertilizer owned 8.84 acres of land, with a 15.657 acre-foot annual share of the basin Safe Yield. Red Star Fertilizer was acquired by Anaheim Citrus Products, which in turn was acquired by West Venture Development Company ("West Venture") in 1987.

This land thereafter was subdivided by West Venture, the well previously providing service to that land was capped, and water service to these lots has been provided by the City continuously since then, in the amount of 27 acre-feet per year. West Venture advised Watermaster by letter in 1991 that it agreed to abandon its overlying water rights appurtenant to the subdivided land *"to be re-allocated to the remaining Pool members in proportion to their decreed rights."* However, this was revised later by another letter from West Venture to Watermaster dated October 9, 1992, stating:

"However, in view of the fact that the overlying water rights are appurtenant to the lots sold to others¹, this agreement by the company should not be read in any way as adversely impacting the rights of those lot purchasers. 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."
(emphasis added)

To date, however, while the direction of West Venture was clear, no such order of the court has been obtained, and no such proceedings have been commenced by Watermaster.

Judgment

Section 8 of the original Judgment provided that *"All overlying rights are appurtenant to the land and cannot be assigned or conveyed separate or apart therefrom."*

However, Section 6 of Exhibit "G" of this original Judgment, creating the Overlying (Non-Agricultural) Pool Pooling Plan, also provided that:

"Rights herein decreed are appurtenant to the land and are only assignable with the land for overlying use thereon; provided, however, that any appropriator who may, directly or indirectly, undertake to

¹ There was neither an affirmative grant of those water rights to these lots owners, nor a reservation to the seller. However, in the absence of any specific assignment of such rights to the purchasers of these subdivided lots, or reservation of those rights by the seller, the overlying rights incident to this land were conveyed to the lot owners together with that land. California Water Law & Policy, Ch. 3, Part D, Sections 3.16-3.21 (Matthew Bender), Scott S. Slater.

provide water service to such overlying lands may, by an appropriate agency agreement on a form approved by Watermaster², exercise said overlying right to the extent, but only to the extent necessary to provide water service to said overlying lands." (emphasis added)³

Section II. C. 6. of the Plaintiff's 1978 Post Trial Memorandum consistently stated:

"The overlying rights of the Non-Agricultural Pool may be well exercised ultimately by municipal systems of parties within the Appropriative Pool. Inasmuch as the overlying right by its nature is appurtenant to the land and cannot be transferred, provision is made for an appropriator to enter into and approve an agency agreement to produce water for delivery to the overlying land pursuant to its overlying right." (emphasis added)

Section 2.18 of the Overlying (Non-Agricultural) Pool Committee Rules and Regulations further stated:

"2.18 Assignment. The rights pertaining to this pool are appurtenant to the land and are only assignable with the land for overlying use thereon; provided, however, that any Appropriator who may, directly or indirectly, undertake to provide water service to such overlying lands may, by an appropriate agency agreement on a form approved by Watermaster, exercise said overlying right to the extent, but only to the extent necessary to provide water service to said overlying lands." (emphasis added)

Thus, it is abundantly clear that the parties to the Judgment contemplated the provision of water service to overlying land by city and county appropriators, under circumstances such as subdivision of such land for its future development, as in the case of this West Venture subdivision.

To our knowledge, while service has been provided to these subdivided lots by the City of Chino municipal water system continuously over the last 23 years since approval of this subdivision, no agency agreement has been entered into by the City appropriator. However, since there is no time limit within which such an agency agreement must be entered into, such an agreement could be entered into now with the owners of those subdivided lots. The City itself also acquired ownership of 22% of the area of the subdivision for street right of way purposes,

² See Form 10 in Appendix 1 of the Watermaster Rules and Regulations, which also contains the provision that *"To be valid, ... this form must be signed by the Non-Agricultural Pool Party and the Appropriative Pool Party."* However, approval of this form is a purely discretionary action of Watermaster, without any limiting criteria in otherwise applicable legal documentation. Therefore, it can be changed by Watermaster.

³ Section 4.4 (b) of the 2000 Peace Agreement also consented to the modification of Paragraph 6 of Exhibit "G" of the Judgment to contain this identical language.

for which water has been served thereafter for landscaping and other street maintenance purposes, and for which no such agreement would be required.

Additional Transfer Rights

Paragraph 8 of the Judgment was amended in 2000 to add the following additional right to Transfer Overlying (Non-Agricultural) Pool water rights:

“All overlying rights are appurtenant to the land and cannot be assigned or conveyed separate or apart therefrom for the term of the Peace Agreement except that the members of the Overlying (Non-Agricultural) Pool shall have the right to Transfer or lease their quantified production rights (i) within the Overlying (Non-Agricultural) Pool; or (ii) to Watermaster in conformance with the procedures described in the Peace Agreement between the Parties therein, dated June 29, 2000; or (iii) in accordance with the Overlying (Non-Agricultural) Pool Pooling Plan set forth in Exhibit ‘G’.”⁴

As stated previously, that Pooling Plan provides in Section 6 that any appropriator who may, directly or indirectly, undertake to provide water service to such overlying lands may, by an appropriate agency agreement on a form approved by Watermaster, exercise said overlying right to the extent, but only to the extent necessary to provide water service to said overlying lands. Thus, the City of Chino is entitled to exercise such rights if it enters into such an agency agreement.

Section 5.3 of that Peace Agreement describes the required procedures to Transfer or lease rights to Watermaster initially as a requirement for a party to the Judgment to make application to Watermaster to Transfer water as provided in the Judgment. Subsection (b) (i) then requires notice to be given to all parties to the Judgment prior to approving the Transfer. Subsection (b) (iv) then requires Watermaster to hold a public hearing in the event that any party to the Judgment objects to a proposed Transfer and submits evidence that there may be Material Physical Injury to any party to the Judgment or to the Basin. Subsections (a) and (b) (ii) thereafter require a determination by Watermaster that the Transfer does not result in any Material Physical Injury to any party to the Judgment or the Basin. Finally, Subsection (e) then also authorizes Watermaster to approve the proposed additional Transfer (1) to other members of the Non-Agricultural Overlying Pool, or (2) to Watermaster for the limited purposes of Replenishment or a Storage and Recovery Program.

The term “*Transfer*,” as used in this provision is a term of art, defined in Section 1.1 (xx) of the June 2000 Peace Agreement as:

⁴ This language also is included in Section 4.4 (b) of the 2000 Peace Agreement, and in the Restated Judgment.

“...the assignment, lease, or sale of a right to Produce water to another Producer within the Chino Basin or to another person or entity for use outside the Basin in conformance with the Judgment, whether the Transfer is of a temporary or permanent nature.”

However, this term also is defined in Section 1.1 (ai) of the June 2001 Watermaster Rules and Regulations in a different manner, to exclude assignments by members of the Non-Agricultural or Agricultural Overlying Pools, as follows:

“‘Transfer’ means the assignment (excepting an assignment by a member of the Non-Agricultural Pool or the Agricultural overlying Pool), lease, or sale of a right to Produce water to another Producer within the Chino Basin or to another person or entity for use outside the Basin upon the person’s intervention in conformance with the Judgment. [Peace Agreement § 1.1 (xx).]”

If the broader definition of Transfer in the 2000 Peace Agreement is controlling, the No Material Physical Injury criteria for the City of Chino production of the Non-Agricultural Overlying water rights appurtenant to the land within the West Venture subdivision would be applicable. However, if the more restrictive definition in the June 2001 Watermaster Rules and Regulations is controlling, it would not. Based on Section 10.1 of the 2000 Peace Agreement⁵ and the relative legal priority of Watermaster documentation stated in Section 1.3 of the June 2001 Watermaster Rules and Regulations⁶, the Peace Agreement definition would be controlling. Therefore, no Material Physical Injury may be caused.

Condition of No Material Physical Injury

Section 10.10 of the Watermaster Rules and Regulations requires Watermaster to prepare a written summary and an analysis (which shall include an analysis of the potential for Material Physical Injury⁷) of the Application and provide copies and advance notice of the date of Watermaster’s scheduled consideration and possible action on any pending Applications.

⁵ *“Upon execution of this Agreement [2000 Peace Agreement], any and all existing agreements or contracts between the Parties concerning the precise subject matter of this Agreement are hereby rescinded to the extent that they conflict with express terms herein.”*

⁶ Section 1.3 states in material part that *“In the event of a conflict between these Rules and Regulations and the Judgment or the Peace Agreement, the Judgment and/or the Peace Agreement shall prevail. In the event of a conflict between the Peace Agreement and the Judgment, the Judgment shall control.”* The restated Judgment contains no definition of Transfer, therefore the definition in Section 1.1 (xx) of the 2000 Peace Agreement would control.

⁷ *“Material Physical Injury”* is defined in Section 1.1 (y) of the 2000 Peace Agreement, and Section 1.1 (uu) of the 2001 Watermaster Rules and Regulations, as *“...injury that is attributable to the...management, movement or Production of water....”* *“Production”* is defined in Section 1.1 (kk) of the Peace Agreement and Section 1.1 (ooo) of these Rules & Regs as *“...the annual quantity...of water Produced from the Chino Basin.”* *“Produced”* is defined in Section 1.1 (ii) of the 2000 Peace Agreement and Section 1.1 (mmm) of the 2001 Watermaster Rules & Regs as *“...to pump or extract groundwater from the Chino Basin:...”*

Section 10.11 further requires all such Applications to be considered by the Pool Committees, and thereafter by the Advisory Committee at least 21 days after the last of the three Pool Committee meetings to consider the matter.

No specific form of Application is required, but the letter from West Venture dated October 9, 1992 might constitute such an Application. However, no process to approve any such additional Transfer has been implemented so far.

A Transfer for use of overlying water rights on non-overlying land would constitute a *Material Physical Injury* if the same quantity of water continues to be used on the subdivided overlying lands to which they are appurtenant, as well as additionally used on other non-overlying land to which they are not appurtenant. This would result in a two-fold increase in the production and consumption of total adjudicated basin water rights.

Thus, this conclusion also would be warranted whether or not such use of rights constitutes a "Transfer" of such rights.

City Intervention into Overlying (Non-Agricultural) Pool

Section 43 (b) of the Restated Judgment provides: "*Overlying (Non-Agricultural) Pool* The second pool shall consist of overlying producers who produce water for industrial or commercial purposes. The initial members of the pool are listed in Exhibit 'D'." ⁸

Section 4.4 of the 2007 Peace II Agreement further specifically provides: "*Non-Agricultural Pool Intervention*. The Parties acknowledge and agree that any Party to the Judgment shall have the right to purchase Non-Agricultural overlying property within the Basin and appurtenant water rights and to intervene in the Non-Agricultural Pool."

The City of Chino is a Party to the Judgment. Therefore, it is entitled to purchase Non-Agricultural overlying property and its appurtenant water rights, which it has done for its street rights of way in this subdivision, and intervene in the Non-Agricultural Pool, without regard to the purposes for which such water is used. However, while the City is not required to produce this water for industrial or commercial purposes under the 2007 Peace II Agreement, some of its water used for street and landscaping maintenance purposes would be classified as industrial or commercial purposes.

⁸ It is worth noting, for interpretation perspective, that not all of the listed members use their water rights exclusively for industrial or commercial purposes, e.g. County of San Bernardino (Airport), City of Ontario, and Swan Lake Mobil Home Park. Those purposes also include governmental and other purposes, like those of the City of Chino.

The City of Chino, therefore, is entitled to intervene in the Overlying (Non-Agricultural) Pool.



CHINO BASIN WATERMASTER

II. BUSINESS ITEM

D. WATERMASTER BUDGET TRANSFERS AND BUDGET AMENDMENTS





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: May 10, 2012
TO: Pool Members
SUBJECT: FY2011/2012 Budget Transfers and Budget Amendment

SUMMARY

Issue – Budget Transfers and Budget Amendment requests between Watermaster accounts.

Recommendation – Staff recommends approval of the Budget Transfer Form T-12-05-01 and the Budget Amendment Form A-12-05-01 as presented.

Financial Impact – The Budget Transfer is a reallocation of approved budgeted funds while the Amendment is appropriating unbudgeted revenue of \$51,197 which has not been previously allocated or appropriated to a project or expense category.

BACKGROUND:

Utilizing the Watermaster's accounting software (QuickBooks Enterprise Solutions 9.0), on a continuing basis the Watermaster staff reviews the budget vs. actual reports and ensures that adequate budget and funds are maintained. Watermaster also provides monthly financial reports to keep all members apprised of the actual and projected total expenses for the current fiscal year. Watermaster also provides a process for reallocating budget to other expense categories to provide continued funding, or amending the approved budget to ensure the categories are funded properly.

BUDGET TRANSFERS:

With regards to the process of budget transfers, the following information is provided:

The Chino Basin Watermaster budget has four main budget categories:

- General & Administrative Expenses
- Optimal Basin Management Program Expenses
- Project Expenditures
- Other Income/Expenses

The CEO has authority to transfer funds within the main budget categories up to \$25,000 without Board approval. However, to allow for full transparency in the process, the Pools, Advisory Committee, and the Board will be informed of all budget transfers less than \$25,000.

Budget transfers greater than \$25,000 *within the same categories* must be formally approved by the Pools, the Advisory Committee, and then by the Board.

If there are insufficient funds within same category, the CEO may propose a transfer from one main category to another. All budget transfers from one main category to another, regardless of the amount, require approval by the Pools, the Advisory Committee, and then by the Board.

All budget transfers are processed in and recorded in the accounting system.

BUDGET AMENDMENT:

If there are no budgeted funds available to transfer to the line item, the CEO will submit a Budget Amendment request to the Pools, Advisory Committee, and then to the Board for approval.

All budget amendments will be presented to the Pools, Advisory Committee, and the Board for formal approval. The budget amendment should indicate the anticipated source of funding for the approved increase.

All budget amendments are processed in and recorded in the accounting system.

DISCUSSION:

UNBUDGETED REVENUE:

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 1st 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).

In February 2012, Budget Amendment A-12-02-01 was approved and appropriated the amount of \$211,580, leaving a balance of un-appropriated MWD funds of \$83,197. In March 2012, Budget Amendment A-12-03-01 was approved and appropriated the amount of \$32,000, leaving a balance of un-appropriated MWD funds of \$51,197.

BUDGET TRANSFER AND BUDGET AMENDMENT:

The attached forms T-12-05-01 and A-12-05-01 are provided as documentation to clearly show which general ledger accounts are being reduced and which general ledger accounts are being increased. Budget Transfer T-12-05-01 is reallocating existing approved budget dollars between categories as needed. The Budget Transfer T-12-02-01 is a zero based document, which means the reductions and additions within the general ledger accounts equal. There is no change to the overall budget as a result of Budget Transfer T-12-05-01 and no new funds or assessments are required.

Budget Amendment A-12-05-01 appropriates the remaining balance of the MWD funds, discussed above, of \$51,197. With this Budget Amendment, the un-appropriated funds balance is \$0. The Budget Amendment amount of \$51,197 will fund the following: (1) the testing of several remaining wells in the Plume area of \$5,000; (2) additional costs related to the In-Line Meter Maintenance Program of \$6,197; (3) the new funding of the Prado Basin Habitat Monitoring Program of \$20,000; and (4) the new funding to determine the state of hydraulic control in the Chino Creek Well Field (CCWF) of \$20,000.

Actions:

May 10, 2012 Appropriative Pool –
May 10, 2012 Non-Agricultural Pool –
May 10, 2012 Agricultural Pool –
May 17, 2012 Advisory Committee –
May 24, 2012 Watermaster Board –



**CHINO BASIN WATERMASTER
 BUDGET TRANSFERS**

ATTACHMENT #T-12-05-01

To: **All Parties**

T-12-05-01

From: Joseph S. Joswiak, CFO Date: May 10, 2012

Describe reason for the transfer between budget categories here: To transfer funds to cover anticipated cost overages per the Wildermuth Environmental, Inc. ECAC (Estimated Cost At Completion) report dated April 17, 2012, along with known adjustments required in Watermaster accounts referenced below.

Budgetary account reduction		
<i>Line Item Description</i>	<i>Account Number</i>	<i>Amount</i>
OBMP Engineering Services	6906	\$ (34,581)
Production Monitoring - WM Staff	7101.1	\$ (9,000)
Groundwater Quality Monitoring - WM Staff	7103.1	\$ (15,000)
Groundwater Level Monitoring - WM Staff	7104.1	\$ (25,000)
Ground Level Monitoring - Contracted Serv.	7107.6	\$ (41,000)
Hydraulic Control - Engineering	7108.3	\$ (20,000)
Recharge and Well - Engineering	7109.3	\$ (4,464)
		\$ -
		\$ -

Budgetary account addition		
OBMP - WM Staff	6901	\$ 7,000
OBMP - Watermaster Model Update	6906.1	\$ 7,554
In-Line Meter - Maintenance & Repair	7102.7	\$ 20,000
Groundwater Quality - Engineering	7103.3	\$ 5,634
Groundwater Level - Engineering	7104.3	\$ 38,000
PE 6&7 - WM Staff (Plume)	7501.1	\$ 22,000
Comprehensive Recharge - Implementation	7202.3	\$ 48,857
		\$ -
		\$ -
		\$ -

Should be zero

Transfer Procedure	Finance Use Only
1. Staff brings the transfer request to the Appropriate Pool for information purposes if the transfer is under \$25,000. Transfers over \$25,000 within the same budget category require Pools, Advisory Committee and Board approval. Transfers between budget categories, regardless of amount must be approved by the Pools, Advisory Committee and Board	Date Board Approved _____
2. Once the form has been completed by the CFO, and approved by the board if required, the Chief Financial Officer will prepare and process the budget transfer in the accounting system.	Finance Log # _____
3. A log will be maintained by the CFO detailing the transfer.	Date Posted _____
4. A fiscal year file will also be kept to hold all budget amendment forms for auditor review.	Posted By _____
	Approved by _____
	Date approved _____

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ATTACHMENT A-12-05-01

**CHINO BASIN WATERMASTER
 BUDGET AMENDMENT**

To: **All Parties**

Fiscal Year 2011-2012

From: Joseph S. Joswiak, CFO Date: _____

May 10, 2012

Describe reason for the budget amendment here: The Watermaster approved FY 2011/2012 budget does not include several projects that have recently been identified. One project is the Prado Basin Habitat Monitoring Program for \$20,000. Another project is to determine the state of hydraulic control in the Chino Creek Well Field (CCWF) of \$20,000. There also remains several wells in the Plume area that need testing at the cost of \$5,000. The remaining funds of \$6,197 are needed for additional costs related with the In-Line Meter Maintenance program. The remaining MWD unappropriated revenue of \$51,197 will be allocated to these accounts listed below, thereby eliminating the remaining balance of \$51,197.

Expenditure Amendment

<i>Line Item Description</i>	<i>Account Number</i>	<i>Original Budget</i>	<i>Amended Budget</i>	<i>Amendment Amount</i>
PE 6&7-Contracted Services (Plume)	7503	\$37,790	\$42,790	\$5,000
Hydraulic Control - Prado Basin	7108.7	\$0	\$20,000	\$20,000
In-Line Meter Maintenance	7102.5	\$8,000	\$14,197	\$6,197
Hydraulic Control - Engineering	7108.3	\$246,956	\$266,956	\$20,000
TOTAL:				\$ 51,197

Revenue Source

<i>Line Item Description</i>	<i>Account Number</i>	<i>Original Budget</i>	<i>Amended Budget</i>	<i>Amendment Amount</i>
Cooperative Agreement - MWD	4040	\$51,197	\$0	(\$51,197)
TOTAL:				\$ (51,197)

Amendment Procedure

1. Staff takes amendment requests to the Pools, Advisory Committee & Board for approval.
2. The Chief Financial Officer will prepare and process the budget entry.
4. A log will be maintained by the Finance Department detailing the adjustment.
5. A fiscal year file will also be kept to hold all budget amendment forms for auditor review.

Finance Use Only

Date Board Approved _____
 Entered into System By _____
 Finance Log # _____
 Date Posted _____
 Approved By _____
 Date Approved _____

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CHINO BASIN WATERMASTER

IV. INFORMATION

1. Cash Disbursements for April 2012



CHINO BASIN WATERMASTER
Cash Disbursements For The Month as of
April 30, 2012

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	04/02/2012	15924	ARROWHEAD MOUNTAIN SPRING WATER	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	03/28/2012	0023230253		Office Water Bottle - March 2012	6031.7 · Other Office Supplies	11.84
TOTAL						11.84
Bill Pmt -Check	04/02/2012	15925	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	03/27/2012	1394905143		Medical Insurance Premium - April 2012	60182.1 · Medical Insurance	5,665.88
TOTAL						5,665.88
Bill Pmt -Check	04/02/2012	15926	CALPERS 457 PLAN	Payroll and Taxes for 03/04/12-03/17/12	1012 · Bank of America Gen'l Ckg	
General Journal	03/17/2012	03/17/2012	CALPERS 457 PLAN	457 Employee Deductions for 03/04/12-03/17/12	2000 · Accounts Payable	2,653.60
TOTAL						2,653.60
Bill Pmt -Check	04/02/2012	15927	DC LAW	17809	1012 · Bank of America Gen'l Ckg	
Bill	03/17/2012	17809		Ag Pool Legal Services - 17809	8467 · Ag Legal & Technical Services	617.50
TOTAL						617.50
Bill Pmt -Check	04/02/2012	15928	DIRECTV	019447404	1012 · Bank of America Gen'l Ckg	
Bill	03/17/2012	019447404		Service for 3/19/12 - 4/18/12	6031.7 · Other Office Supplies	92.99
TOTAL						92.99
Bill Pmt -Check	04/02/2012	15929	GUARANTEED JANITORIAL SERVICE, INC.	1-28957	1012 · Bank of America Gen'l Ckg	
Bill	03/17/2012	1-28957		Janitorial Service - March 2012	6024 · Building Repair & Maintenance	865.00
TOTAL						865.00
Bill Pmt -Check	04/02/2012	15930	MCCALL'S METER SALES & SERVICE	22194	1012 · Bank of America Gen'l Ckg	
Bill	03/28/2012	22194		22194	7102.5 · In-line Meter-Computer	612.86
				22194	7102.7 · In-line Meter	11,744.21
TOTAL						12,357.07
Bill Pmt -Check	04/02/2012	15931	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	03/17/2012	03/17/2012	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 03/04/12-03/17/12	2000 · Accounts Payable	8,078.09
TOTAL						8,078.09
Bill Pmt -Check	04/02/2012	15932	STANDARD INSURANCE CO.	Policy # 00-640888-0009	1012 · Bank of America Gen'l Ckg	
Bill	03/17/2012	00640888-0009		Policy # 00-640888-0009	60191 · Life & Disab.Ins Benefits	525.66
TOTAL						525.66
Bill Pmt -Check	04/02/2012	15933	STAPLES BUSINESS ADVANTAGE	8021357001	1012 · Bank of America Gen'l Ckg	

P279

CHINO BASIN WATERMASTER
Cash Disbursements For The Month as of
April 30, 2012

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	03/17/2012	8021357001		Copy paper	6031.1 · Copy Paper	249.95
				Miscellaneous office supplies	6031.7 · Other Office Supplies	33.91
TOTAL						283.86
Bill Pmt -Check	04/02/2012	15934	STATE COMPENSATION INSURANCE FUND	1970970-11	1012 · Bank of America Gen'l Ckg	
Bill	03/27/2012	1970970-11		Workers Comp Insurance - March 2012	60183 · Worker's Comp Insurance	1,332.81
TOTAL						1,332.81
Bill Pmt -Check	04/02/2012	15935	UNITED HEALTHCARE	0027187680	1012 · Bank of America Gen'l Ckg	
Bill	03/17/2012	0027187680		Dental Insurance Premium - April 2012	60182.2 · Dental & Vision Ins	695.95
TOTAL						695.95
Bill Pmt -Check	04/02/2012	15936	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	03/28/2012	001017890001		Vision Insurance Premium - April 2012	60182.2 · Dental & Vision Ins	26.71
TOTAL						26.71
Bill Pmt -Check	04/05/2012	15937	APPLIED COMPUTER TECHNOLOGIES	2051	1012 · Bank of America Gen'l Ckg	
Bill	03/29/2012	2051		Database Services - March 2012	6052.2 · Applied Computer Technol	3,056.60
TOTAL						3,056.60
Bill Pmt -Check	04/05/2012	15938	BOWCOCK, ROBERT	Meeting Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/15/2012	3/15 Advisory Comm		3/15/12 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	03/22/2012	3/22 Board Mtg		3/22/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	04/05/2012	15939	CURATALO, JAMES	3/22/12 Board Meeting	1012 · Bank of America Gen'l Ckg	
Bill	03/22/2012	3/22 Board Mtg		3/22/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	04/05/2012	15940	DE BOOM, NATHAN	AG Pool Member Meeting Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/08/2012	3/08 Ag Pool Mtg		3/08/12 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	04/05/2012	15941	DELUXE BUSINESS FORMS & SUPPLIES	2023754480	1012 · Bank of America Gen'l Ckg	
Bill	03/23/2012	2023754480		Check stock and envelope reorder	6031.7 · Other Office Supplies	687.80
TOTAL						687.80
Bill Pmt -Check	04/05/2012	15942	DGO AUTO DETAILING		1012 · Bank of America Gen'l Ckg	
Bill	03/30/2012			Wash 4 trucks on 3/29/12	6177 · Vehicle Repairs & Maintenance	100.00

P280

CHINO BASIN WATERMASTER
Cash Disbursements For The Month as of
April 30, 2012

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						100.00
Bill Pmt -Check	04/05/2012	15943	DURRINGTON, GLEN	AG Pool Member Meeting Compensation	1012 · Bank of America Gen'l Ckg	
Bill	03/08/2012	3/08 Ag Pool Meeting		3/08/12 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	04/05/2012	15944	ELIE, STEVEN	3/22/12 Board Meeting	1012 · Bank of America Gen'l Ckg	
Bill	03/22/2012	3/22 Board Mtg		3/22/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	04/05/2012	15945	FEENSTRA, BOB	3/08/12 Ag Pool Meeting	1012 · Bank of America Gen'l Ckg	
Bill	03/01/2012	3/08 Ag Pool Mtg		3/08/12 Ag Pool Meeting	8411 · Compensation	25.00
				3/08/12 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	04/05/2012	15946	FOREVER YOUNG PORTRAITURE	03222012	1012 · Bank of America Gen'l Ckg	
Bill	03/29/2012	03222012		Board, Pool, Advisory pictures for website	6312 · Meeting Expenses	150.00
TOTAL						150.00
Bill Pmt -Check	04/05/2012	15947	HALL, PETE*		1012 · Bank of America Gen'l Ckg	
Bill	03/01/2012	3/01 RMPU Mtg		3/01/12 RMPU Meeting	8411 · Compensation	25.00
				AG Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	03/08/2012	3/08 Ag Pool Mtg		3/08/12 Ag Pool Meeting	8411 · Compensation	25.00
				AG Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	03/15/2012	3/15 Advisory Comm		3/15/12 Advisory Committee Meeting	8411 · Compensation	25.00
				AG Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	03/15/2012	3/15 RMPU Mtg		3/15/12 RMPU Meeting	8411 · Compensation	25.00
				AG Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	03/22/2012	3/22 Board Mtg		3/22/12 Board Meeting	8411 · Compensation	25.00
				AG Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
Bill	03/22/2012	3/22 Land Subsidence		3/22/12 Land Subsidence Meeting	8411 · Compensation	25.00
				AG Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						750.00
Bill Pmt -Check	04/05/2012	15948	HSBC BUSINESS SOLUTIONS	7003-7309-1000-2744	1012 · Bank of America Gen'l Ckg	
Bill	03/28/2012	7003730910002744		Miscellaneous office supplies	6031.7 · Other Office Supplies	589.40
TOTAL						589.40
Bill Pmt -Check	04/05/2012	15949	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	

P281

CHINO BASIN WATERMASTER
Cash Disbursements For The Month as of
April 30, 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	03/08/2012	3/08 Ag Pool Mtg		3/08/12 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	04/05/2012	15950	INLAND EMPIRE UTILITIES AGENCY	90009563	1012 · Bank of America Gen'l Ckg	
Bill	04/01/2012	90009563		Pymnt 4 of 4 - Recharge O&M	7206 · Comp Recharge-O&M	180,656.82
TOTAL						180,656.82
Bill Pmt -Check	04/05/2012	15951	JAMES JOHNSTON	257	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2012	257		Website Consultant - March 2012	6052.3 · Website Consulting	930.00
TOTAL						930.00
Bill Pmt -Check	04/05/2012	15952	KRUGER, W. C. "BILL"		1012 · Bank of America Gen'l Ckg	
Bill	03/01/2012	3/01 RMPU Mtg		3/01/12 RMPU Meeting	6311 · Board Member Compensation	125.00
Bill	03/22/2012	3/22 Board Mtg		3/22/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	04/05/2012	15953	KUHN, BOB		1012 · Bank of America Gen'l Ckg	
Bill	03/05/2012	3/05 Admin Mtg		3/05/12 Administrative Meeting	6311 · Board Member Compensation	125.00
Bill	03/15/2012	3/15 Advisory Comm		3/15/12 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	03/22/2012	3/22 Board Mtg		3/22/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	04/05/2012	15954	LANTZ, PAULA		1012 · Bank of America Gen'l Ckg	
Bill	03/08/2012	3/08 Appro Pool Mtg		3/08/12 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	03/15/2012	3/15 Advisory Comm		3/15/12 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	03/22/2012	3/22 Board Mtg		3/22/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	04/05/2012	15955	MIJAC ALARM	315976	1012 · Bank of America Gen'l Ckg	
Bill	04/01/2012	315976		Office alarm monitoring from 4/01/12 - 6/30/12	6026 · Security Services	147.00
TOTAL						147.00
Bill Pmt -Check	04/05/2012	15956	MWH LABORATORIES	L0082777	1012 · Bank of America Gen'l Ckg	
Bill	03/28/2012	L0082777		L0082777	7503 · PE6&7-Contract Svcs (Plume)	2,692.00
TOTAL						2,692.00
Bill Pmt -Check	04/05/2012	15957	PARK PLACE COMPUTER SOLUTIONS, INC.	461	1012 · Bank of America Gen'l Ckg	
Bill	03/30/2012	461		IT Services - March 2012	6052.1 · Park Place Comp Solutn	1,500.00
TOTAL						1,500.00

P282

CHINO BASIN WATERMASTER
Cash Disbursements For The Month as of
April 30, 2012

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	04/05/2012	15958	PAYCHEX	2012032900	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2012	2012032900		Payroll Services - March 2012	6012 · Payroll Services	253.62
TOTAL						253.62
Bill Pmt -Check	04/05/2012	15959	PIERSON, JEFFREY		1012 · Bank of America Gen'l Ckg	
Bill	03/08/2012	3/08 Ag Pool Mtg		3/08/12 Ag Pool Meeting	8411 · Compensation	25.00
				3/08/12 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	03/15/2012	3/15 Advisory Comm		3/15/12 Advisory Committee Meeting	8411 · Compensation	25.00
				3/15/12 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	03/22/2012	3/22 Board Meeting		3/22/12 Board Meeting	8411 · Compensation	25.00
				3/22/12 Board Meeting	8470 · Ag Meeting Attend -Special	100.00
TOTAL						375.00
Bill Pmt -Check	04/05/2012	15960	PUMP CHECK	4618	1012 · Bank of America Gen'l Ckg	
Bill	03/29/2012	4618		4618	7102.5 · In-line Meter-Computer	383.48
TOTAL						383.48
Bill Pmt -Check	04/05/2012	15961	UNION 76	300-732-989	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2012	300732989		Vehicle fuel - March 2012	6175 · Vehicle Fuel	168.97
TOTAL						168.97
Bill Pmt -Check	04/05/2012	15962	VANDEN HEUVEL, GEOFFREY	6311	1012 · Bank of America Gen'l Ckg	
Bill	03/08/2012	3/08 Ag Pool Mtg		3/08/12 Ag Pool Meeting	6311 · Board Member Compensation	125.00
Bill	03/22/2012	3/22 Board Mtg		3/22/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	04/05/2012	15963	VANDEN HEUVEL, ROB	AG POOL MEMBER COMPENSATION	1012 · Bank of America Gen'l Ckg	
Bill	03/08/2012	3/08 Ag Pool Mtg		3/08/12 Ag Pool Meeting	8411 · Compensation	25.00
				AG Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	04/05/2012	15964	VERIZON		1012 · Bank of America Gen'l Ckg	
Bill	03/28/2012	012519116950792103		Office telephone lines, long distance, fax	6022 · Telephone	510.22
Bill	03/30/2012	012561121521714508		012561121521714508	7405 · PE4-Other Expense	174.49
TOTAL						684.71
Bill Pmt -Check	04/05/2012	15965	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	04/02/2012	08-K2 213849		Trash Service for April 2012	6024 · Building Repair & Maintenance	106.53
TOTAL						106.53

P
283
TOTAL

CHINO BASIN WATERMASTER
Cash Disbursements For The Month as of
April 30, 2012

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	04/05/2012	15966	CALPERS 457 PLAN	Payroll and Taxes for 03/18/12-03/31/12	1012 · Bank of America Gen'l Ckg	
General Journal	03/31/2012	03/31/2012	CALPERS 457 PLAN	457 Employee Deductions for 03/18/12-03/31/12	2000 · Accounts Payable	2,803.60
TOTAL						2,803.60
Bill Pmt -Check	04/05/2012	15967	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	03/31/2012	03/31/2012	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 03/18/12-03/31/12	2000 · Accounts Payable	8,086.11
TOTAL						8,086.11
General Journal	04/14/2012	04/14/2012	Payroll and Taxes for 04/01/12-04/14/12	Payroll and Taxes for 04/01/12-04/14/12	1012 · Bank of America Gen'l Ckg	
				Payroll Taxes for 04/01/12-04/14/12	1012 · Bank of America Gen'l Ckg	12,646.33
				Direct Deposits for 04/01/12-04/14/12	1012 · Bank of America Gen'l Ckg	30,016.96
TOTAL						42,663.29
Bill Pmt -Check	04/19/2012	15968	ACWA SERVICES CORPORATION	00198	1012 · Bank of America Gen'l Ckg	
Bill	04/05/2012	01198		Prepayment - May 2012	1409 · Prepaid Life, BAD&D & LTD	133.39
				Life Insurance Premiums - April 2012	60191 · Life & Disab.Ins Benefits	160.18
TOTAL						293.57
Bill Pmt -Check	04/19/2012	15969	AMERICAN GROUND WATER TRUST	Support for Program: Jan. 2012 - Dec. 2012	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2012	4038		Support for Program: Jan. 2012 - Dec. 2012	6111 · Membership Dues	250.00
TOTAL						250.00
Bill Pmt -Check	04/19/2012	15970	GREAT AMERICA LEASING CORP.	12094750	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2012	12094750		Monthly invoice	6043.1 · Ricoh Lease Fee	2,788.53
				Usage for Black Copies	6043.2 · Ricoh Usage & Maintenance Fee	276.56
				Usage for Color Copies	6043.2 · Ricoh Usage & Maintenance Fee	540.86
TOTAL						3,605.95
Bill Pmt -Check	04/19/2012	15971	SAFEGUARD DENTAL & VISION	4301155	1012 · Bank of America Gen'l Ckg	
Bill	03/30/2012	4301155		Vision Insurance Premium - April 2012	60182.2 · Dental & Vision Ins	8.23
TOTAL						8.23
Bill Pmt -Check	04/19/2012	15972	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2012	XXXX-XXXX-XXXX-9341		Registration fee-Nakano-Webcast	6191 · Conferences - General	100.00
				Lunch for 3/22/12 Board Meeting	6312 · Meeting Expenses	306.55
TOTAL						406.55
Bill Pmt -Check	04/19/2012	15973	COMPUTER NETWORK		1012 · Bank of America Gen'l Ckg	
Bill	03/31/2012	83672		Replacement monitor	6055 · Computer Hardware	191.18

TOTAL
PP284

CHINO BASIN WATERMASTER
Cash Disbursements For The Month as of
April 30, 2012

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	03/31/2012	83702		Replacement battery for Danni	6055 · Computer Hardware	134.69
Bill	03/31/2012	83701		Acrobat software for Gerry's system	6054 · Computer Software	377.13
Bill	03/31/2012	83946		Replacement workstation for Gerry	6055 · Computer Hardware	1,346.88
Bill	04/16/2012	84087		Mic kit for polycom in Boardroom	6055 · Computer Hardware	269.38
TOTAL						2,319.26
Bill Pmt -Check	04/19/2012	15974	CORELOGIC INFORMATION SOLUTIONS	80470876	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2012	80470876		80470876	7103.7 · Grdwtr Qual-Computer Svc	62.50
				80470876	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	04/19/2012	15975	CUCAMONGA VALLEY WATER DISTRICT	Lease Due May 1, 2012	1012 · Bank of America Gen'l Ckg	
Bill	04/16/2012			Lease Due May 1, 2012	1422 · Prepaid Rent	5,984.00
TOTAL						5,984.00
Bill Pmt -Check	04/19/2012	15976	EGOSCUE LAW GROUP	10035	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2012	10035		Ag Pool Legal Service - March 2012	8467 · Ag Legal & Technical Services	7,122.50
TOTAL						7,122.50
Bill Pmt -Check	04/19/2012	15977	GUARANTEED JANITORIAL SERVICE, INC.	1-29007	1012 · Bank of America Gen'l Ckg	
Bill	04/17/2012	1-29007		Jantorial service - April 2012	6024 · Building Repair & Maintenance	865.00
TOTAL						865.00
Bill Pmt -Check	04/19/2012	15978	LEGAL SHIELD	111802	1012 · Bank of America Gen'l Ckg	
Bill	04/17/2012	111802		Employee deductions - April 2012	60194 · Other Employee Insurance	25.90
TOTAL						25.90
Bill Pmt -Check	04/19/2012	15979	PITNEY BOWES CREDIT CORPORATION	6684246	1012 · Bank of America Gen'l Ckg	
Bill	04/17/2012	6684246		Quarterly leasing charge	6044 · Postage Meter Lease	546.30
TOTAL						546.30
Bill Pmt -Check	04/19/2012	15980	PREMIERE GLOBAL SERVICES	10984472	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2012	10984472		Agenda call on 2/28/12	8312 · Meeting Expenses	14.54
				Agenda call on 2/28/12	8412 · Meeting Expenses	14.53
				Agenda call on 2/28/12	8512 · Meeting Expense	14.53
				Non-Ag pool meeting call on 3/08/12	8512 · Meeting Expense	94.92
				RMPU review call on 3/13/12	7204 · Comp Recharge-Supplies	6.63
				Service fee	6022 · Telephone	14.95
				Service fee	6022 · Telephone	3.35
TOTAL						163.45

PP285

CHINO BASIN WATERMASTER
Cash Disbursements For The Month as of
April 30, 2012

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	04/19/2012	15981	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2012				60182.4 · Retiree Medical	136.61
TOTAL						136.61
Bill Pmt -Check	04/19/2012	15982	VERIZON BUSINESS	68135194	1012 · Bank of America Gen'l Ckg	
Bill	04/17/2012	68135194		68135194	6053 · Internet Expense	1,558.87
TOTAL						1,558.87
Bill Pmt -Check	04/19/2012	15983	VERIZON WIRELESS	1072181982	1012 · Bank of America Gen'l Ckg	
Bill	04/17/2012	1072181982		Wireless monthly service	6022 · Telephone	324.14
TOTAL						324.14
Bill Pmt -Check	04/19/2012	15984	WESTERN DENTAL SERVICES, INC.	002483	1012 · Bank of America Gen'l Ckg	
Bill	04/17/2012	002483		Dental Insurance Premium - May 2012	60182.2 · Dental & Vision Ins	28.88
TOTAL						28.88
Bill Pmt -Check	04/19/2012	15985	AWWA	VOID:	1012 · Bank of America Gen'l Ckg	
Bill Pmt -Check	04/19/2012	15986	CHINO HILLS, CITY OF*	4	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2012	4		4	7107.6 · Grd Level-Contract Svcs	1,426.25
TOTAL						1,426.25
Bill Pmt -Check	04/19/2012	15987	GEOTECHNICAL SERVICES	14949	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2012	14949		14949	7104.6 · Grdwtr Level-Supplies	450.17
TOTAL						450.17
Bill Pmt -Check	04/19/2012	15988	MIJAC ALARM	2634	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2012	2634		Alarm monitoring from 3/01/12-5/31/12	6026 · Security Services	396.00
TOTAL						396.00
Bill Pmt -Check	04/19/2012	15989	PETTY CASH	2397-2411	1012 · Bank of America Gen'l Ckg	
Bill	04/17/2012			Purchase mousepad, batteries, card reader	6031.7 · Other Office Supplies	44.54
				Cakes and supplies for office birthdays	6141.1 · Meeting Supplies	59.37
				Purchase gas for field truck	6175 · Vehicle Fuel	40.00
				Supplies-Advisory Committee mtgs on 1/19, 2/15	6212 · Meeting Expense	49.14
				Train fare-Maurizio-MWD Replenishmnt workshop	6909.1 · OBMP Meetings	33.00
				Supplies for 1/17 GRCC mtg	7204 · Comp Recharge-Supplies	15.50
				Supplies-Approp. Pool Mtgs on 1/12, 2/09, 3/08	8312 · Meeting Expenses	58.26

P 286

CHINO BASIN WATERMASTER
Cash Disbursements For The Month as of
April 30, 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>
TOTAL							299.81
	Bill Pmt -Check	04/24/2012	15990	CUCAMONGA VALLEY IAAP	April 25, 2012 Cucamonga Valley IAAP Mtging	1012 · Bank of America Gen'l Ckg	
	Bill	04/23/2012			Fee for Wilson & Molino - IAAP Holiday Meeting	6192 · Training & Seminars	50.00
TOTAL							50.00
	Bill Pmt -Check	04/24/2012	15991	GEOTECHNICAL SERVICES	VOID: 14949	1012 · Bank of America Gen'l Ckg	
TOTAL							
	Bill Pmt -Check	04/24/2012	15992	HOGAN LOVELLS	2650292	1012 · Bank of America Gen'l Ckg	
	Bill	03/31/2012	2650292		Non-Ag Pool Legal Services - March 2012	8567 · Non-Ag Legal Service	19,068.32
TOTAL							19,068.32
	Bill Pmt -Check	04/24/2012	15993	MWH LABORATORIES		1012 · Bank of America Gen'l Ckg	
	Bill	03/31/2012	L0079291		L0079291	7108.4 · Hydraulic Control-Lab Svcs	2,065.00
	Bill	03/31/2012	L0079292		L0079292	7108.4 · Hydraulic Control-Lab Svcs	615.00
	Bill	03/31/2012	L0079420		L0079420	7108.4 · Hydraulic Control-Lab Svcs	1,770.00
	Bill	03/31/2012	L0080702		L0080702	7108.4 · Hydraulic Control-Lab Svcs	1,532.00
	Bill	03/31/2012	L0080709		L0080709	7108.4 · Hydraulic Control-Lab Svcs	615.00
	Bill	03/31/2012	L0080710		L0080710	7108.4 · Hydraulic Control-Lab Svcs	2,065.00
	Bill	03/31/2012	L0080881		L0080881	7108.4 · Hydraulic Control-Lab Svcs	2,065.00
	Bill	03/31/2012	L0082868		L0082868	7108.4 · Hydraulic Control-Lab Svcs	615.00
	Bill	03/31/2012	L0082869		L0082869	7108.4 · Hydraulic Control-Lab Svcs	2,065.00
TOTAL							13,407.00
	Bill Pmt -Check	04/24/2012	15994	RAUCH COMMUNICATION CONSULTANTS, LLC	Arp-2012	1012 · Bank of America Gen'l Ckg	
	Bill	04/20/2012	Apr-2012		Progress Billing - Watermaster Annual Report	6061.3 · Rauch	1,372.50
TOTAL							1,372.50
	Bill Pmt -Check	04/24/2012	15995	SPECIALIZED SERVICES OF SO CAL	CPR Training for Office	1012 · Bank of America Gen'l Ckg	
	Bill	04/23/2012	CPR Training		CPR Training for Watermaster staff	6192 · Training & Seminars	400.00
TOTAL							400.00
	Bill Pmt -Check	04/24/2012	15996	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
	Bill	03/31/2012	2012064		2012064 - OBMP Engineering Services	6906 · OBMP Engineering Services	3,132.67
	Bill	03/31/2012	2012065		2012065 - OBMP Engineering Services	6906 · OBMP Engineering Services	2,155.00
	Bill	03/31/2012	2012066		2012066 - OBMP Engineering Services	6906 · OBMP Engineering Services	9,780.00
	Bill	03/31/2012	2012067		2012067 - Grdwtr Qual-Engineering	7103.3 · Grdwtr Qual-Engineering	1,007.50
	Bill	03/31/2012	2012068		2012068 - Grdwtr Level-Engineering	7104.3 · Grdwtr Level-Engineering	17,347.59
	Bill	03/31/2012	2012069		2012069 - Grd Level-Engineering	7107.2 · Grd Level-Engineering	2,326.25

P287

CHINO BASIN WATERMASTER
Cash Disbursements For The Month as of
April 30, 2012

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
				Neva Ridge	7107.6 · Grd Level-Contract Svcs	14,400.00
Bill	03/31/2012	2012070		2012070 - Grd Level-Engineering	7107.2 · Grd Level-Engineering	8,728.76
				Associated Engineeers	7107.6 · Grd Level-Contract Svcs	5,000.00
				Tom Dodson & Assoc.	7107.6 · Grd Level-Contract Svcs	3,500.00
Bill	03/31/2012	2012071		2012071 - Hydraulic Control-Engineering	7108.3 · Hydraulic Control-Engineering	8,859.86
Bill	03/31/2012	2012072		2012072 - Hydraulic Control-Engineering	7108.3 · Hydraulic Control-Engineering	1,231.03
Bill	03/31/2012	2012073		2012073 - Hydraulic Control-Engineering	7108.3 · Hydraulic Control-Engineering	40,508.75
Bill	03/31/2012	2012074		2012074 - PE3&5-Engineering	7303 · PE3&5-Engineering	1,485.26
Bill	03/31/2012	2012075		2012075 - PE4-Engineering	7402 · PE4-Engineering	5,823.74
Bill	03/31/2012	2012076		2012076 - Comp Recharge-Implementation	7202.3 · Comp Recharge-Implementation	29,680.75
Bill	03/31/2012	2012077		2012077 - OBMP - Watermaster Model Update	6906.1 · OBMP - Watermaster Model Update	37,540.50
TOTAL						192,507.66
Bill Pmt -Check	04/25/2012	15997	BROWNSTEIN HYATT FARBER SCHRECK		1012 · Bank of America Gen'l Ckg	
Bill	03/31/2012	500184		500184 - BHFS Legal - Appropriative Pool	8375 · BHFS Legal - Appropriative Pool	2,089.27
				500184 - BHFS Legal - Agricultural Pool	8475 · BHFS Legal - Agricultural Pool	2,020.65
				500184 - BHFS Legal - Non-Ag Pool	8575 · BHFS Legal - Non-Ag Pool	2,328.90
				500184 - BHFS Legal - Advisory Committee	8275 · BHFS Legal - Advisory Committee	447.66
				500184 - BHFS Legal - Board Meeting	8375 · BHFS Legal - Board Meeting	5,619.75
				500184 - BHFS Legal - Restated Judgment	6072 · BHFS Legal - Restated Judgment	3,559.50
				500184 - BHFS Legal - Miscellaneous	6078 · BHFS Legal - Miscellaneous	4,183.85
				500184 - Desalter/Hydraulic Control	6907.33 · Desalter/Hydraulic Control	825.30
				500184 - Paragraph 31 Motion	6907.35 · Paragraph 31 Motion	6,437.70
				500184 - Recharge Master Plan	6907.39 · Recharge Master Plan	4,187.70
Bill	03/31/2012	500185		500185 - Santa Ana River Water Rights	6907.34 · Santa Ana River Water Rights	1,918.35
Bill	03/31/2012	500186		500186 - Desalter/Hydraulic Control	6907.33 · Desalter/Hydraulic Control	105.30
Bill	03/31/2012	500187		500187 - Paragraph 31 Motion	6907.35 · Paragraph 31 Motion	24,944.52
TOTAL						58,668.45
Bill Pmt -Check	04/25/2012	15998	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	04/23/2012	1394905143		Medical Insurance Premium - May 2012	60182.1 · Medical Insurance	5,665.88
TOTAL						5,665.88
Bill Pmt -Check	04/25/2012	15999	CALPERS 457 PLAN	Payroll and Taxes for 04/01/12-04/14/12	1012 · Bank of America Gen'l Ckg	
General Journal	04/14/2012	4/14/2012	CALPERS 457 PLAN	457 Employee Deductions for 04/01/12-04/14/12	2000 · Accounts Payable	2,803.60
TOTAL						2,803.60
Bill Pmt -Check	04/25/2012	16000	DGO AUTO DETAILING		1012 · Bank of America Gen'l Ckg	
Bill	04/23/2012			Wash 4 trucks on 4/19/12	6177 · Vehicle Repairs & Maintenance	100.00
TOTAL						100.00

P288

CHINO BASIN WATERMASTER
Cash Disbursements For The Month as of
April 30, 2012

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	04/25/2012	16001	DIRECTV	019447404	1012 · Bank of America Gen'l Ckg	
Bill	04/23/2012	019447404		Monthly service for 4/19/12 - 5/18/12	6031.7 · Other Office Supplies	89.99
TOTAL						89.99
Bill Pmt -Check	04/25/2012	16002	EISENBERG AND HANCOCK, LLP	Appropriative Pool Legal Services	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2012	99-1		Appropriative Pool Legal Services: 99-1	8367 · Legal Service	2,666.30
Bill	03/31/2012	99-1		Appropriative Pool Legal Services: 99-1	8367 · Legal Service	9,975.00
TOTAL						12,641.30
Bill Pmt -Check	04/25/2012	16003	HORVITZ & LEVY, LLP	Appropriative Pool Legal Services	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2012	68624		Appropriative Pool Legal Services - 68624	8367 · Legal Service	20,831.13
Bill	03/31/2012	68383		Appropriative Pool Legal Services - 68383	8367 · Legal Service	45,327.65
TOTAL						66,158.78
Bill Pmt -Check	04/25/2012	16004	INLAND EMPIRE UTILITIES AGENCY	90009734	1012 · Bank of America Gen'l Ckg	
Bill	03/31/2012	90009734		90009734	8456 · IEUA Readiness To Serve	552.90
TOTAL						552.90
Bill Pmt -Check	04/25/2012	16005	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	04/14/2012	12/04/02	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 04/01/12-04/14/12	2000 · Accounts Payable	8,054.01
TOTAL						8,054.01
Bill Pmt -Check	04/25/2012	16006	STANDARD INSURANCE CO.	Policy # 00-640888-0009	1012 · Bank of America Gen'l Ckg	
Bill	04/25/2012	006408880009		Life Insurance - Policy # 00-640888-0009	60191 · Life & Disab.Ins Benefits	525.66
TOTAL						525.66
Bill Pmt -Check	04/25/2012	16007	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	
Bill	04/15/2012	IVC070000018401		Week ending 4/15/12	6017 · Temporary Services	213.76
TOTAL						213.76
Bill Pmt -Check	04/25/2012	16008	UNITED HEALTHCARE	0027499700	1012 · Bank of America Gen'l Ckg	
Bill	04/23/2012	0027499700		Dental Insurance Premium - May 2012	60182.2 · Dental & Vision Ins	643.52
TOTAL						643.52
Bill Pmt -Check	04/25/2012	16009	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	04/23/2012	001017890001		Vision Insurance Premium - May 2012	60182.2 · Dental & Vision Ins	26.71
TOTAL						26.71
Bill Pmt -Check	04/26/2012	16010	EL TORITO	Lunch for 4/26/12 Watermaster Board Meeting	1012 · Bank of America Gen'l Ckg	

P289

CHINO BASIN WATERMASTER
Cash Disbursements For The Month as of
April 30, 2012

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	04/26/2012			Lunch for 4/26/12 Watermaster Board Meeting	6312 - Meeting Expenses	369.35
TOTAL						369.35
					Total Disbursements:	692,022.72

P290