



# CHINO BASIN WATERMASTER



## NOTICE OF MEETINGS

**Thursday, June 14, 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, June 14, 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. – June 14, 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 May 10, 2012 *(Page 1)*

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of April 2012 *(Page 23)*
2. Watermaster VISA Check Detail for the month of April 2012 *(Page 37)*
3. Combining Schedule for the Period July 1, 2011 through April 30, 2012 *(Page 41)*
4. Treasurer's Report of Financial Affairs for the Period April 1, 2012 through April 30, 2012 *(Page 45)*
5. Budget vs. Actual Report for the Period July 1, 2011 through April 30, 2012 *(Page 49)*

**C. WATER TRANSACTION**

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 1,000,000 acre-feet of water from Santa Ana River Water Company (SARWC) to Jurupa Community Services District (JCSD). This purchase is made first from SARWC's Annual Production Right, with any additional from storage. Date of Application: May 29, 2012 *(Page 59)*
2. **Consider Approval for Notice of Sale or Transfer** – The lease and/or purchase of 782,000 acre-feet of water from San Antonio Water Company to the City of Ontario. This lease is made first from San Antonio's net under-production in Fiscal Year 2011-12, with any remainder to be recaptured from storage. Date of Application: June 1, 2012 *(Page 69)*

**II. BUSINESS ITEMS**

**A. MATERIAL PHYSICAL INJURY ANALYSIS**

Consider Approval to Receive and File Wildermuth Environmental Inc. Material Physical Injury Analysis for California Steel Industries Application for Local Storage Agreement *(Page 81)*

**B. INTERVENTION INTO THE OVERLYING NON-AGRICULTURAL POOL**

Review and Consider Action for the Intervention of the City of Chino into the Overlying Non-Agricultural Pool (Page 89)

**C. WEST VENTURE DEVELOPMENT WATER RIGHTS TRANSFER TO CITY OF CHINO**

**Review and Consider Action for Notice of Sale or Transfer** – The permanent transfer of 15.657 acre-feet of Non-Agricultural Pool safe yield from the former West Venture Development Company to the City of Chino. Date of Application: June 5, 2012 (Page 97)

**III. REPORTS/UPDATES**

**A. LEGAL REPORT**

- 1. Day Creek and San Sevaine Recharge Permit Time Extensions
- 2. Filings for the Recharge Master Plan Status Report and Motion for Order After Hearing on the Motion For Approval of the Watermaster Resolution 2010-04

**B. CEO REPORT**

- 1. Recharge and Storage Planning Progress

**IV. INFORMATION**

- 1. Cash Disbursements for May 2012 (Page 123)

**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, June 14, 2012	9:00 a.m.	Appropriative Pool Meeting
Thursday, June 14, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Mtg.
Thursday, June 14, 2012	1:30 p.m.	Agricultural Pool Meeting
Thursday, June 21, 2012	9:00 a.m.	Advisory Committee Meeting
Thursday, June 21, 2012	10:00 a.m.	CB RMPU Steering Comm. and Storage Mtg.
Thursday, June 28, 2012	11:00 a.m.	Watermaster Board Meeting

**Meeting Adjourn**

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

11:00 a.m. – June 14, 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 Conference Call Meeting held May 10, 2012 *(Page 13)*

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of April 2012 *(Page 23)*
2. Watermaster VISA Check Detail for the month of April 2012 *(Page 37)*
3. Combining Schedule for the Period July 1, 2011 through April 30, 2012 *(Page 41)*
4. Treasurer's Report of Financial Affairs for the Period April 1, 2012 through April 30, 2012 *(Page 45)*
5. Budget vs. Actual Report for the Period July 1, 2011 through April 30, 2012 *(Page 49)*

**C. WATER TRANSACTION**

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 1,000,000 acre-feet of water from Santa Ana River Water Company (SARWC) to Jurupa Community Services District (JCSD). This purchase is made first from SARWC's Annual Production Right, with any additional from storage. Date of Application: May 29, 2012 *(Page 59)*
2. **Consider Approval for Notice of Sale or Transfer** – The lease and/or purchase of 782,000 acre-feet of water from San Antonio Water Company to the City of Ontario. This lease is made first from San Antonio's net under-production in Fiscal Year 2011-12, with any remainder to be recaptured from storage. Date of Application: June 1, 2012 *(Page 69)*

**II. BUSINESS ITEMS**

**A. MATERIAL PHYSICAL INJURY ANALYSIS**

Consider Approval to Receive and File Wildermuth Environmental Inc. Material Physical Injury Analysis for California Steel Industries Application for Local Storage Agreement *(Page 81)*

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Review and Consider Action for the Intervention of the City of Chino into the Overlying Non-Agricultural Pool *(Page 89)*

**C. WEST VENTURE DEVELOPMENT WATER RIGHTS TRANSFER TO CITY OF CHINO**  
**Review and Consider Action for Notice of Sale or Transfer** – The permanent transfer of 15.657 acre-feet of Non-Agricultural Pool safe yield from the former West Venture Development Company to the City of Chino. Date of Application: June 5, 2012 (Page 97)

**III. REPORTS/UPDATES**

**A. LEGAL REPORT**

- 1. Day Creek and San Sevaine Recharge Permit Time Extensions
- 2. Filings for the Recharge Master Plan Status Report and Motion for Order After Hearing on the Motion For Approval of the Watermaster Resolution 2010-04
- 3. Report Regarding West Venture Development Rights
- 4. Report Regarding Possible Intervention of the City of Chino Into the Overlying Non-Agricultural Pool

**B. CEO REPORT**

- 1. Recharge and Storage Planning Progress

**IV. INFORMATION**

- 1. Cash Disbursements for May 2012 (Page 123)

**V. POOL MEMBER COMMENTS**

**VI. OTHER BUSINESS**

**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.

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Thursday, June 14, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Mtg.
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Thursday, June 21, 2012	9:00 a.m.	Advisory Committee Meeting
Thursday, June 21, 2012	10:00 a.m.	CB RMPU Steering Comm. and Storage Mtg.
Thursday, June 28, 2012	11:00 a.m.	Watermaster Board Meeting

**Meeting Adjourn**

**CHINO BASIN WATERMASTER  
AGRICULTURAL POOL MEETING**

1:30 p.m. – June 14, 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**

**AGENDA - ADDITIONS/REORDER**

**I. CONSENT CALENDAR**

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**A. MINUTES**

1. Minutes of the Agricultural Pool Meeting held May 10, 2012 *(Page 17)*

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of April 2012 *(Page 23)*
2. Watermaster VISA Check Detail for the month of April 2012 *(Page 37)*
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**C. WATER TRANSACTION**

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**II. BUSINESS ITEMS**

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**Review and Consider Action for Notice of Sale or Transfer** – The permanent transfer of 15.657 acre-feet of Non-Agricultural Pool safe yield from the former West Venture Development Company to the City of Chino. Date of Application: June 5, 2012 (Page 97)

**D. WATERMASTER RESTATED JUDGMENT**

Consider Approval of the Restated Judgment as the Official Copy of the Judgment (Page 119)

**E. OLD BUSINESS**

**III. REPORTS/UPDATES**

**A. LEGAL REPORT**

- 1. Day Creek and San Sevaine Recharge Permit Time Extensions
- 2. Filings for the Recharge Master Plan Status Report and Motion for Order After Hearing on the Motion For Approval of the Watermaster Resolution 2010-04

**B. CEO REPORT**

- 1. Recharge and Storage Planning Progress

**C. AGRICULTURAL LEGAL COUNSEL REPORT**

**IV. INFORMATION**

- 1. Cash Disbursements for May 2012 (Page 123)

**V. POOL MEMBER COMMENTS**

**VI. OTHER BUSINESS**

**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.

**VIII. FUTURE MEETINGS AT WATERMASTER**

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Thursday, June 21, 2012	10:00 a.m.	CB RMPU Steering Comm. and Storage Mtg.
Thursday, June 28, 2012	11:00 a.m.	Watermaster Board Meeting

**Meeting Adjourn**



# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Appropriative Pool Meeting held on May 10, 2012



***Draft Minutes***  
**CHINO BASIN WATERMASTER**  
**APPROPRIATIVE POOL MEETING**  
May 10, 2012

The Appropriative Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on May 10, 2012 at 9:00 a.m.

**APPROPRIATIVE POOL MEMBERS PRESENT**

Scott Burton, Chair	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
Sheri Rojo	Fontana Water Company
Josh Swift	Fontana Union Water Company
Robert Tock	Jurupa Community Services District
Geoff Kamansky	Niagara Bottling Company
Ben Lewis	Golden State Water Company
Charles Moorrees	Santa Antonio Water Company
J. Arnold Rodriguez	Santa Ana River Water Company

**Watermaster Board Members Present**

Bill Kruger	City of Chino Hills
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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
Tom Love	Inland Empire Utilities Agency
Ryan Shaw	Inland Empire Utilities Agency
Eunice Ulloa	Chino Basin Water Conservation District
Brian Dickenson	Chino Desalter Authority
Dennis Mejia	City of Ontario
Marsha Westropp	Orange County Water District

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

**AGENDA - ADDITIONS/REORDER**

There no agenda additions or reorders made to the agenda.

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

1. Minutes of the Appropriative Pool Meeting held April 12, 2012

**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 July 1, 2011 through March 31, 2012

**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
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

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

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

**II. BUSINESS ITEMS****A. WATERMASTER BUDGET**

Mr. Jeske introduced this item. Mr. Jeske stated there was a workshop held on the budget which was well attended. Mr. Joswiak stated the workshop was held on April 26, 2012 and the numbers being presented today came from those workshop discussions. Mr. Joswiak gave the FY 2012/2013 Budget presentation in detail.

Mr. Garibay inquired about the reserve money remaining unless the funds are fully exhausted. Mr. Joswiak stated the monies will remain there because of the new Reserve Policy. Mr. Kinsey stated the number is calculated annually.

Ms. Rojo inquired if the reserves budgeted are shown in the budget. Mr. Joswiak stated they are not in the budget. Ms. Rojo inquired about showing the reduced income in the miscellaneous income, which results in an increase in the assessments. Ms. Rojo referenced a slide from the presentation and inquired about several items. A discussion regarding Ms. Rojo's questions ensued. Mr. Joswiak stated that he and Ms. Rojo can get together after today's meeting to discuss the items she addressed.

Ms. Hoerning inquired if there was a special assessment done during the year would it show up – is that correct. Mr. Jeske stated yes, if there is a special assessment done. Mr. Jeske described some examples to show how Ms. Hoerning's question could be answered. Mr. Jeske stated the proposed budget still has a contingency reserve in it of \$871,425, and those are dollars that are included in the assessments but not appropriated; sometimes those are appropriated as they go along which is why you don't see it showing up. Mr. Jeske stated last year there was a higher reserve level and then instead of changing the assessment rate it was returned.

Ms. Rojo referenced page 133 of the meeting package regarding the total income and offered comment on the figures. Ms. Rojo stated it appears that those reductions are already factored in when we are seeing the \$6.6M of revenue. Mr. Joswiak stated yes, they are factored in and

offered further explanation to Ms. Rojo's comments. Ms. Rojo offered further comment on this matter. Mr. Jeske stated her comments are partly true and there are other factors that are added in. Mr. Jeske stated the picture that staff is presenting to you is that it is generally a status quo amount in terms of a total budget and it is certainly not going up. Mr. Jeske stated Watermaster does not set assessments at this time, staff is just trying to give you an early look at what they could be, and staff is telling you how much the assessment would change based on the fact that we are no longer going to be over-projecting interest income and we no longer have one-time monies coming in from a settlement. Mr. Jeske stated in prior years Watermaster used those one-time monies in to reducing the assessments; that's not a sustainable approach. Ms. Rojo offered further comment on revenue and assessments. Mr. Joswiak continued with the budget presentation.

Mr. Jeske offered comment on the budget and assessment numbers. Mr. Jeske stated we are not doing the assessments today, we are doing the budget for expenses, and that budget for expenses also sets the reserve levels under Watermaster's new Reserve Policy – those are the two things we are working on today. Mr. Jeske stated in October Watermaster will do the Assessment Package, which then puts that budget together with the pumping and any other revenues that we may or may not have, or changes that we may or may not have at that time, and that puts together the assessment for the next fiscal year.

Mr. Kinsey asked that Mr. Joswiak go back to the last slide and noted he understands what Ms. Rojo is saying in that the proposed budget is less than both the prior year's adopted budget and the amended budget. Mr. Kinsey offered further comment on why the assessments should be less. Mr. Joswiak stated for this fiscal year Watermaster is increasing production. A discussion regarding the assessment amounts ensued. Mr. Joswiak continued with the budget presentation.

Mr. Garibay asked that Mr. Joswiak go back a slide. Mr. Garibay inquired about the Non-Agricultural Pool administration and asked if one of the reasons for the budget dropping 15%+ was because they hold a lot of conference call meetings. Mr. Joswiak stated no that is not it; built into this \$101,000 there was \$75,000 of legal fees and the Non-Agricultural Pool basically assess themselves for whatever legal fees they need, similar to the Appropriative Pool. Mr. Joswiak stated if they or you choose to do a special assessment that is not in this budget.

Mr. Kinsey inquired about the basis for the 42% increase in Board expenses. Mr. Joswiak stated for this year there has been a lot of legal work that has been done on behalf of the Board. Mr. Kinsey inquired if staff anticipates that occurring again next year. Mr. Joswiak stated that is correct. Mr. Jeske stated we need to account accurately now on all categories. Mr. Jeske offered comment on controlling the budget; we are looking at things more closely and controlling things better through the process. Mr. Kinsey stated there are two major costs, engineering and legal services, and every year we would like to see those costs being brought under control. Mr. Kinsey stated we are not doing the amount of legal work which was done during the Peace Agreement days. Mr. Kinsey stated, as an example, when Watermaster holds its Recharge Master Plan Update (RMPU) workshops, it is not understood why legal counsel needs to sit in and listen on those calls unless there is a real critical topic; we must reduce expenses. Mr. Jeske offered comment on Mr. Kinsey's comments, on legal expenses, and he noted Watermaster is open to suggestions. Mr. Jeske stated because so many parties are involved in this operation legal opinions are needed at times, and with regard to the RMPU we will eventually need legal's input to structure some items into a legal context and legal will have a better understanding if they have heard the actual discussions which took place at those meetings; this will actually minimize costs later on down the road.

Mr. Tock stated with regard to the RMPU, he thinks this is a good idea to have legal participate in those meetings because the reports will be going to the court, and it is good that legal was there to hear the discussions and is at future meetings for a better understanding of the issues and Jurupa Community Services District (JCSD) encourages legal participation.

Chair Burton asked that Mr. Joswiak go back a slide and inquired about the Agricultural Pool attorney fees and inquired if there was a breakdown for those expenses. Mr. Joswiak stated that breakdown is provided in the meeting package. Mr. Joswiak provided a detailed breakdown of the Agricultural Pool legal fees, special projects, and compensation expenses. Chair Burton inquired about the Agricultural Pool legal fees from last year's work done, and this year's projected expenses for the Restated Judgment. Mr. Jeske discussed the Restated Judgment and the annotated Judgment. Mr. Jeske stated the next step would be the annotated version, which is on hold today and noted this is next year's budget which is planned for the next fiscal year. Mr. Jeske stated for the third portion which is after the annotated version, if there are discrepancies that are found, there would be an in-house legal opinion on those, and that part is on hold indefinitely. Chair Burton asked if there are monies set aside for next year's budget and Mr. Jeske stated yes, for the annotated version. Mr. Jeske stated the Agricultural Pool retained Mr. Dan McKinney, their former counsel, to participate in that, which is a good idea since he worked with all of the Pools and on the original Judgment. Mr. Jeske noted the Agricultural Pool did not come close to spending their authorized amount this year; they have only been authorizing expenditures when necessary. Mr. Jeske stated the Agricultural Pool asked to budget the same dollar amount as they did last year. Mr. Kinsey stated the Agricultural Pool made a commitment to the Appropriative Pool as part of the budgeting process last year that they will use the money wisely and only charge certain components, and they have clearly done that. Mr. Crosley inquired about the Agricultural Pool special projects in the budget and asked if they are identified projects. Mr. Jeske stated yes, they are identified in the budget and offered further comment on the Agricultural Pool budget. Mr. Joswiak continued with the budget presentation.

Mr. Garibay inquired about the in-line meters, if they are agricultural wells. Mr. Joswiak stated yes, they are.

Ms. Rojo inquired about the east side being monitored and does that mean when Wildermuth goes to do their reports and the subsidence is reported as a result to drawdown; is that now not going to be displayed for the MZ3 area and the east side of the basin? Mr. Wildermuth stated he is not sure exactly where that boundary is, but in some eastern half of the basin there will be a bright line where that data stops, so probably some large part of MZ3 will be excluded. Mr. Jeske noted the parties will get all the reports on groundwater levels and noted this is not a groundwater level study; this is a land surface subsidence matter and it has not been as much an issue on the east side. Mr. Jeske stated he has met with Jurupa and Mr. Tom Harder after we found out the satellite went down and they agreed that it's probably not necessary this year and they want to wait and see how the new satellite works and see the data that comes from that. A discussion regarding this topic ensued. Mr. Joswiak continued with the budget presentation.

Mr. Kinsey asked if Inland Empire Utilities Agency (IEUA) could explain the increase. Mr. Love stated the habitat monitoring, which is part of the mitigation measures for the Supplemental Environmental Impact Report for the desalter wells and hydraulic control, the monitoring had not started yet so this is just the initial implementation. Mr. Jeske stated what they are asking for is on the basin O&M and not the habitat monitoring. Mr. Jeske offered comment on the habitat costs and basin O&M. Mr. Kinsey inquired about how the regional program agencies determine the basis for the increased costs. Mr. Love stated the overall O&M budget for recharge is based on a yearly monitoring of every basins performance, and over time as those basins percolation rate degrades over time, a determination is made to go in and clean certain basins each individual year. Mr. Love stated that is primarily the basis of how we determine what the anticipated O&M budget; it's an anticipation of which basins we are going to need to spend some time or money on to clean those basins and restore the performance. A lengthy discussion regarding this matter and costs budgeted ensued. Mr. Kinsey offered comment on what is in the Peace II Agreement regarding this matter. Mr. Jeske offered a suggestion to help this situation out and asked that maybe IEUA do a presentation on the maintenance on the basins and the costs. Mr. Love stated IEUA could do that sort of presentation on this topic next month. Chair Burton inquired when the IEUA budget meeting is. Mr. Love stated it is this month. Mr. Love

stated there are other costs for using recycled water. Mr. Garibay offered observations on increased costs in O&M and spreading basins. Mr. Love remarked on Mr. Garibay's comments.

Mr. Love stated he noticed in the legal budget that there was approximately \$18,000 for legal expenses for the Prado Habitat and inquired about that service. Counsel Herrema stated there are 20 hours allocated, 40 hours total, for two attorneys to deal with that. Mr. Jeske offered comment on the legal review for the habitat needs.

Mr. Crosley inquired about the recharge basins O&M and what percent adjustment corresponds to the \$111,000. Mr. Joswiak stated he does not know exactly but it is approximately 17-18%. Mr. Joswiak continued with the budget presentation.

Mr. Tock stated there have been some really good comments and they lasted almost as long as the workshop. Mr. Tock stated on an administration note, at the workshop it was discussed about the preemptive water replenishment agreements and reconciling that transfer which is a finance issue and a volume of water issue, and JCSD would like to see that reconciliation. Mr. Joswiak stated he believes that has been done and he will look it up and resend it.

Mr. Jew inquired about the half million dollars budgeted for fringe benefits which is an increase of 8%. Mr. Joswiak stated that is increasing CalPERS costs and also the slight increase staff is predicting for medical; medical usually increases anywhere between 10-15%. Mr. Jew inquired if Watermaster is still covering 100% of the employee's portion. Mr. Joswiak stated that is correct.

Chair Burton asked if there were any more questions or comments and noted it is staff's recommendation to consider approval of the 2012/2013 budget.

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

***Moved to approve the Watermaster fiscal year 2012/2013 Budget, as presented***

## **B. CHINO BASIN WATERMASTER RECHARGE MASTER PLAN UPDATE FILING**

Mr. Jeske introduced the Recharge Master Plan Update (RMPU) item and he thanked all the parties who have been working diligently at the Steering Committee meetings for their comments. Mr. Jeske thanked Mr. Wildermuth for getting all the comments drafted. Mr. Jeske noted Watermaster is not planning on filing the entire sections 1-4 of the report with the court. Mr. Jeske stated what is being recommended is that this committee approves sections 1-4 and we have that data element put to rest so we can now concentrate on sections 5-9. Mr. Jeske stated staff and the parties know there is a lot of difficult work to be done through sections 5-9. Mr. Jeske stated if there is a need to put the whole report together at the end – the whole final report will be filed with the court. Mr. Jeske stated right now the court will just receive an update filing that gives the court an update on the progress to date; that is what the court requested. Mr. Jeske noted Watermaster has met all the schedules of that update and staff is recommending to approve sections 1-4 and to authorize the filing of the update with the court within the June timeline. Mr. Wildermuth gave the Recharge Master Plan Update presentation in detail. Mr. Jeske stated it came out of the Steering Committee to do a sensitivity type study. Mr. Jeske offered comment on the various scenarios.

Mr. Garibay offered comment on one of the slides presented. Mr. Wildermuth stated what we did was we went in and normalized them with some adjustments, and then we sent it out for review by the Appropriators and got some feedback. Mr. Wildermuth offered further comment on Mr. Garibay's comments. Mr. Wildermuth continued with the RMPU presentation.

Mr. Garibay inquired about replenishment obligations and noted that relative to the Judgment, replenishment deals with over pumping, declining levels, recycled, and noted replenishment obligation comes from over pumping. Mr. Garibay inquired as to what was meant by Mr. Wildermuth's statement of having sufficient spreading facilities and other related comments in the presentation. Mr. Wildermuth stated he thinks with the recycled water that appears to be

handled. Mr. Wildermuth offered further comment to answer Mr. Garibay's questions and comments.

Ms. Rojo inquired about the best effort claim and how that ties to the material physical harm, and if a party is actually harmed from the uneven balance of recharge and discharge because we are no longer putting it in balance because of the intentional drawdown. Mr. Jeske asked that counsel answer that question because of the term material physical injury Ms. Rojo brought up and offered comment on Ms. Rojo's question that he could answer. Ms. Rojo stated the words in that paragraph are a very strong and make a very powerful statement, and they are actually indicating that there are no new recharge facilities necessary period; however, we might want to do it because we have this best effort responsibility. Ms. Rojo stated she thinks that in this one regard, because of the amount of water in and the amount of water out, the recharge capacity is satisfied but she thinks that there are so many other elements that actually require it. Ms. Rojo stated there are best efforts that are written here but then you also have the material physical injury part of things. Mr. Jeske stated he thinks she is reading it a little differently. Mr. Jeske stated it says to meet future replenishment obligations not any basin balancing or water quality, it says replenishment obligations. Mr. Jeske stated that is why Mr. Wildermuth had the earlier charts and graphs which showed that the replenishment could be met essentially through the planning area through an efficient storage market, let alone the need to actually purchase water and put it in the ground. Mr. Jeske stated the second bullet point addresses what Ms. Rojo is talking about. Mr. Jeske stated he believes Ms. Rojo is mixing two concepts into one statement. Mr. Jeske offered further comment on this matter. Chair Burton inquired if Mr. Wildermuth will get to some of these questions further in the presentation and Mr. Wildermuth stated yes.

Mr. Tock stated before the presentation continues he has some questions on the first bullet. Mr. Tock inquired if in the first bullet it is based on the assumption of safe yield that has been set for ten years and that analysis would have to be redone as annual safe yield as re-determined at a lower level. Mr. Wildermuth stated the analysis that WEI did assumes that the safe yield drops to 130,000 by 2030. Mr. Tock stated then that is in the first bullet already. Mr. Wildermuth stated yes, and that first bullet comes from a requirement in an order by the court on the 2010 Recharge Master Plan Update. Mr. Wildermuth stated WEI had to demonstrate that we had enough recharge capacity to meet the Judgment obligations. Mr. Wildermuth offered further comment on other engineering work done for the Peace Agreement.

Mr. Tock stated our concern on the second bullet would be something similar in the sense of commitments made in the Peace II Agreement; not that there "may be" reasons – that "there are" facilities needed so it could be strengthened. Mr. Wildermuth stated this also does not preclude opportunistic activities if there are cost effective recharge projects that could be built for storm water or other supplemental water which is inexpensive that could be brought into the basin for recharge; it does not preclude doing any of those things. Mr. Jeske stated what we are talking about is a bullet point that is not contained in the plan; the second bullet point is the next section of the plan which still needs to be worked on. Mr. Jeske stated this is not something that is being submitted or approved. Mr. Wildermuth continued with the RMPU presentation.

Mr. Tock offered comment on the Hydraulic Control projects, which are the desalters and are impacted across the board. Mr. Wildermuth explained in more detail what he was trying to describe in his presentation.

Ms. Hoerning inquired as to one of Mr. Wildermuth's statements. Mr. Wildermuth stated what is happening is the aquifer is very thin compared to every place else in the basin and there is not a lot of recharge assets there, so if you put water in Wineville Basin that is some distance away, you can only put so much there, but all these wells are kind of grouped together and the aquifer is thin so there is a lot of interference. Mr. Wildermuth offered further comment to answer Ms. Hoerning's questions. A discussion between Mr. Wildermuth and Ms. Hoerning regarding this matter ensued.

Mr. Tock stated he did not understand Mr. Wildermuth's answer and asked that he go back in the slides. Mr. Tock offered comment on the Change in Groundwater Level in 2030 Scenario 1 slide. A discussion between Mr. Wildermuth and Mr. Tock ensued. Mr. Jeske stated there are a lot of issues to settle in sections 5-9, because today is for sections 1-4 where we are showing the issues that need to be done and we are doing the update, which is what we are required to do at this time for the court. Mr. Jeske stated reoperation was intended to make some water level changes and that was all part of the agreements and all part of the court orders and the Basin Plan Amendments; there are a lot of things that functioned off of that. Mr. Jeske offered comment on some of the interference issues, and on this matter. Mr. Wildermuth continued with the RMPU presentation.

Mr. Tock asked for clarification on what staff's recommendation is. Mr. Jeske stated the filing is in the package and that is what the court required. Mr. Tock stated he had a question for legal counsel on page 154 of the meeting package, which restates the motion made at the December 15, 2011 Watermaster Board meeting, and he noted the action which states a Board action and a Board direction. Mr. Tock inquired how we go from that directive; to have a plan done, to the Board setting an ambitious goal of completing the RMP Implementation Plan – how do we go from a directive to an editorial comment like “ambitious goal”? Counsel Herrema stated he reads the Board action as approving that it could take place but not as a direction in the manner that Mr. Tock is characterizing it. Counsel Herrema stated it has been articulated in the present update as a goal; there is no requirement from the court itself that it be done by that time. Mr. Tock stated we need to be true to the Board action in the filing wording. Counsel Herrema inquired if the wording in the filing needed be changed, and it could then be approved with that language change for ambitions goal be removed. A discussion regarding the language change ensued. Chair Burton inquired if Mr. Tock had alternative language he could provide. Mr. Tock stated yes, it is on page 154 quoted from the minutes.

Mr. Tock stated the second comment is that it is his understanding through this process that tasks 1-4 would be included in the update to the court and inquired as to why they would not be included. Mr. Tock referenced the discussions that took place starting on page 258 of the meeting package, which create a picture that is a little different than the modeling results are showing, which is why the judge should be given the updated studies. Mr. Tock stated he believes that was the understanding during the last meeting and there was no discussion on not including tasks 1-4 in the court filing. Mr. Jeske stated we never talked about it one way or the other. Mr. Jeske offered further comment on this matter. A discussion regarding the filing process and what should be included in that filing ensued. Mr. Tock reiterated his position on attaching the documents with the pleading to go to the court. Counsel Herrema stated he does not read the courts requirement for an update to include those documents themselves as part of the update. Counsel Herrema stated the update identifies the progress made and the fact that the parties have agreed on what has been done and are moving forward as outlined in the update. Counsel Herrema stated one reason not to give those chapters to the court at this time, is that it is not the full and final document; it is only a partial. Counsel Herrema stated while everyone is proposing to approve those chapters as the basis for moving forward, until the full document is final, he does not know that it is appropriate to give the court a partial document. Chair Burton stated there is a potential that in finalizing the last half of the report, you may have to go back to the first part and make changes. Counsel Herrema stated it is also a contextual issue as well. Mr. Jeske stated when the final report comes back to the court, the court is going to get the whole document and at that time the parties would want the court to issue an order, which would be included in the documents that the parties had all agreed on. Mr. Jeske stated at this point in time for a status report, you are not getting orders back from the court. Chair Burton stated there is a motion on the floor from the City of Chino and a second from Monte Vista Water District, and it sounds like Jurupa Community Services District would like to amend that motion; however, the maker of the motion has to concede that to Jurupa. Ms. Rojo asked for clarification, if this Committee is just approving this document because she, as well, did not know that. Ms. Rojo inquired to Mr. Tock if it was his intention to postpone this or what is he asking the maker of the motion to do. Mr. Tock stated there is merit in this and there are other avenues to

look at this at the Advisory Committee and, ultimately, at the Watermaster Board this month. Mr. Tock stated he has two comments to be heard, one is that JCSD would like the discussion regarding the board action language clarified; we take exception to the ambitious goal editorial and we would like to see it as approved by the Board, and then the conceptual question is to understand why we don't include sections 1-4 with the filing to the court. Mr. Tock stated his concern is the five-page pleading gives the judge no update on the analysis, only that it is done. Chair Burton stated for clarification he asked for questions or discussion before the motion was called for. Chair Burton stated the question is to the maker of the motion, Jurupa would like to remove the comment about ambitious goal. Mr. Crosley stated as to Mr. Tock's point, to reflect the language in the pleading is to reflect the language on page 154 of the agenda package – the maker of the motion has no objection to that language revision. Chair Burton stated the second point would be whether or not to submit sections 1-4 to the court. Mr. Crosley stated at the last workshop where this very subject was discussed, and there was consensus around the table, he thought, to file the pleading excluding the actual sections 1-4 material. Mr. Crosley stated there were more people in that workshop than are present here today. Mr. Crosley stated he will withdraw his motion if need be. Chair Burton stated from the City of Ontario's point of view, we are alright submitting the pleading without the sections but we are open to discussion.

Ms. Rojo stated she has a concern which is on the top of page 258 of the meeting package; it discusses the Committee who has conducted an inventory of existing recharge facilities which includes the characterization of recharge basins, recharge capacity, and factors controlling recharge performance. Ms. Rojo stated there were several basins that were identified by Fontana Water Company and the City of Fontana that are included in the Recharge Master Plan that were not evaluated. Ms. Rojo stated what was brought forward to the Committee was just a rehash of the CBFIP basins that were brought up ten years ago. Mr. Rojo stated she wanted to make sure we are not precluding basins that were not part of the CBFIP original project by the wording of this language. Counsel Herrema stated if this language is intended to reflect what was done and if it not accurate as to what was done, it can be changed; however, he does not understand the preclusion. Ms. Rojo offered further comment on her concerns. Mr. Tock stated, to clarify this better, turn to page 258 starting on line 8, the last 2 sentences were written in current tense and those are accurate, the question is when we talk about the analysis done to this point, and it's being processed or proved through the process here as the administrative draft. Mr. Tock stated knowing that we are going to file this after, and in anticipation of the Board meeting, would it not be more up to date to say the analysis for chapters 1-4 have been completed and approved at the Watermaster Board on May 24, 2012 and then is included. Mr. Tock offered further comment to better clarify his statement. Counsel Herrema stated the last sentence of that paragraph states these chapters have been approved by the Appropriative, Overlying Agricultural, and Overlying Non-Agricultural Pools, the Advisory Committee, and the Watermaster Board. A lengthy discussion regarding this matter ensued. Counsel Herrema stated if those chapters are filed they would become part of the record and counsel does not know if there is a value to having administrative draft chapters in the record. Chair Burton stated it is the City of Ontario's position that if we are not required to submit section 1-4, we would prefer to finalize the report before it is submitted as a formal record to the court. Ms. Hoerning stated the City of Upland would agree with the chair's statement. Mr. Jew stated Monte Vista Water District would also agree with the chair's statement. Chair Burton stated the motion on the table from the City of Chino, as amended, is to simply remove the wording ambitious goal and replace it with text consistent with the Watermaster Board's language from the December 15, 2011 action.

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

***Moved to approve sections 1-4 of the Recharge Master Plan Update and authorize counsel to file the update with the court after the removal of "ambitious goal" and make the pleading language consistent with the Watermaster Board language from the December 15, 2011 meeting, and to direct staff to continue working with the stakeholders and Recharge Master Plan Update Steering Committee on completing the remaining sections of the update, as presented***

**C. RE-ALLOCATION OF WEST VENTURE DEVELOPMENT SAFE YIELD**

Mr. Jeske recapped the West Venture Development item in detail. Mr. Jeske stated the Appropriative and Agricultural Pools took no action on this item and the Non-Agricultural Pool asked that they make a recommendation first. Mr. Jeske stated the City of Chino has submitted a letter backed up with attorney opinions; however, staff has not yet have received a direct request and they have indicated their city council will hear this on May 15, 2012. Mr. Jeske stated there is the potential for them to enter into the Non-Agricultural Pool. Mr. Jeske inquired if this Pool has any other comments on the disposition on this matter. Mr. Jeske stated a discussion needs to take place and maybe this item can continue for a month. Chair Burton inquired if we are we going to get a legal opinion on this, and Mr. Jeske stated probably not. Mr. Jeske stated it may have to be submitted to the judge to determine this action. Chair Burton inquired if there is any precedent in the past Watermaster activities that would reflect on this. Mr. Jeske stated there are a number of past actions and he offered some examples. Mr. Jeske stated an intervention or transfer of rights will need to go to the court. Chair Burton asked how Watermaster currently accounting for this. Mr. Jeske stated he does not believe Watermaster has been. Mr. Crosley stated the city has been providing water service to the subdivided property since that subdivision occurred, and prior to the time of the letter that West Venture actually sent to Watermaster requesting consideration for the property rights. Mr. Crosley stated that water demand is greater than the 15 acre-feet. Mr. Crosley stated the City of Chino council is going to consider this matter on May 15, 2012 and we have prepared the letter to request the intervention. Mr. Crosley stated the subdivision included street right-of-way, which the city owns, and that measurement is about 22% of the subject acreage; the city believes it is already a holder of at least that measure of overlying right. Mr. Crosley stated as to the disposition of the remaining 78%, as our documentation submitted suggests, that would either be determined by the Watermaster as going to Chino having assumed the service responsibility or Chino could enter into individual agreements with each of the other forty-two property owners, and execute transfer agreements for those rights.

Ms. Rojo stated in almost ten years she does not understand any longer the purpose of having the Non-Agricultural and having it separate from the Appropriative Pool. Ms. Rojo offered further comment on the separation of the two Pools. Ms. Rojo stated she thinks this should still be on the table to be looked at. Ms. Rojo stated in just reading the document it looks like the intention of the developer who bought the land was to get rid of their rights all together, but that they wanted to make sure that it did not negatively impact the homes that were built, meaning they wanted to make sure that those rights were kept to the homes that were built. Mr. Rojo stated to her it make sense that the water stays with the City of Chino, which means they would have to enter into Non-Agricultural Pool or whatever the next steps are going to be.

Ms. Hoerning questioned the sub-division matter. Mr. Crosley stated that is a legal detail that he did not bring with him. A discussion regarding this matter ensued. Mr. Jeske stated he thinks this will be the only time that this issue of abandoning water rights will come up. Chair Burton inquired if there are any other options as to the disposition of this water. Counsel Herrema stated this is something we have not explored to this point. Ms. Hoerning stated it seems like the City of Chino council needs to make a finding, because we do not know what their decision is going to be and we don't know what the Non-Agricultural Pool action is going to be. Counsel Herrema stated the Non-Agricultural Pool did not want to take action until the Appropriative Pool took action. Mr. Crosley stated the recommendation from staff is we are asking that the City Council approve the Chino's intervention into the Non-Agricultural Pool and that the corresponding overlying rights be assigned or transferred to the City of Chino. Chair Burton inquired if it makes sense for the Watermaster Pool process to take action on this item because the disposition of the water could not go to the City of Chino until they have intervened into the Non-Agricultural Pool – is that correct. Mr. Jeske stated that would be correct and that is why staff recommended tabling the discussion for a month. Mr. Crosley stated he had a questions regarding process. A lengthy discussion regarding the process, the motion, and this matter ensued.

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

***Moved to table discussions and agendize in June or after it comes back with the Intervention from the City of Chino, as presented***

#### **D. WATERMASTER BUDGET TRANSFERS AND BUDGET AMENDMENTS**

Mr. Jeske introduced this item in detail and noted this item starts on page 275 of the meeting package. Ms. Rojo stated she will make a motion to approve these items and noted these are not a one-time revenue, it was just unbudgeted revenue.

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

***Moved to approve the Watermaster Budget Transfer Form T-12-05-01 and Budget Amendment Form A-12-05-01, as presented***

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

#### **A. LEGAL REPORT**

1. Day Creek and San Sevaive Recharge Permit Time Extensions

Counsel Herrema stated this item is for an extension of time for the San Sevaive Project. Counsel Herrema stated Watermaster holds three separate diversion permits for putting the water to beneficial use. Counsel Herrema stated the San Sevaive permit expired in 2010 and, prior to the expiration, an extension for time was filed to make that permit application to beneficial use requirement coterminous with the other permits. Counsel Herrema stated he was in Sacramento two weeks ago on other business and he met with the State Board staff to discuss the classification of those facilities and they are going to issue another draft extension with some clarifications on the way the facilities are labeled. Counsel Herrema stated all the other terms are consistent with what is currently in the permit with the exception for the time for full beneficial use would be extended through 2057, which is the deadline under the most recent permit obtained by Watermaster in 2008.

3. Paragraph 31 Motion

Counsel Herrema stated this item is for the Paragraph 31 Motion. Counsel Herrema stated it was reported last month that the Watermaster Board conceptually approved a settlement at their March meeting. Counsel Herrema stated we are waiting on final language to move forward on that settlement. Counsel Herrema stated Watermaster has not yet signed on to the settlement because the final paper is not finished yet.

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

1. HCMP Monitoring Report

Mr. Wildermuth stated the HCMP report needs to be filed with the Regional Water Quality Control Board (RWQCB) every year. Mr. Wildermuth stated last summer Wildermuth prepared a proposal to the RWQCB that went through coupled with the Basin Plan Amendment, which means the next Hydraulic Control Monitoring report, after the one we just filed, will be in April of 2017 instead of April 2013. Mr. Wildermuth stated this will save Watermaster hundreds of thousands of dollars in having two reports every ten years instead of one report.

2. Groundwater Model Calibration Update

Mr. Wildermuth stated the schedule for the groundwater modeling calibration has been pushed out slightly to accommodate the modeling work that was done for the Recharge Master Plan Update. Mr. Wildermuth stated this will be coming back sometime in July, or possibly August, with the modeling calibration results. Mr. Wildermuth stated this is going to be used for resetting the safe yield; there are some hydrology things we are running down to make sure we do the best job we can.

3. Extensometer Progress

Mr. Wildermuth stated the new vertical extensometer is to be constructed in Chino Creek Well Field; the well has been constructed and we are developing it this week and equipping

it shortly thereafter. Mr. Wildermuth stated that will be on line and ready before the end of the fiscal year.

**C. CEO REPORT**

No comment was made.

**IV. INFORMATION**

1. Cash Disbursements for April 2012

No comment was made.

**V. POOL MEMBER COMMENTS**

Mr. Garibay wished all the mothers present today a Happy Mother's Day.

Mr. Jew offered comment on Watermaster picking up 100% share of CalPERS for the employees. Mr. Jew inquired if there was any thought for Watermaster to revisit the CalPERS benefits. Chair Burton stated he would have to defer that to the Watermaster CEO. Mr. Jeske stated he remembers that conversation, and noted staff is not receiving any COLA's. Mr. Jeske stated staff is not recommending any change because staff has no direction to make any change to the benefit plan or the compensation plan; none of this was proposed through the budget process. Mr. Jeske offered further comment on this matter. Mr. Crosley inquired if the Appropriative Pool chair, through participation in the Personnel Committee, can suggest that that Personnel Committee consider this subject, and who can call a meeting of the Personnel Committee. Mr. Jeske stated the Board chair can call a meeting of the Personnel Committee, or the Board as a total. Mr. Crosley offered further comment on this matter. Chair Burton inquired if this is something that Mr. Jew wanted to see happen. Mr. Jew stated potentially, yes.

**VI. OTHER BUSINESS**

No comment made on this item.

No confidential session was called.

**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

Chair Burton adjourned the Appropriative Pool meeting at 11:31 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 May 10, 2012



**Draft Minutes**  
**CHINO BASIN WATERMASTER**  
**NON-AGRICULTURAL POOL CONFERENCE CALL MEETING**  
May 10, 2012

The Non-Agricultural Pool Conference Call Meeting was held via conference call using the Chino Basin Watermaster conference call number on May 10, 2012 at 11:00 a.m.

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

Brian Geye, Vice-Chair	Auto Club Speedway
Bob Bowcock, Chair	Vulcan Materials Company (Calmat Division)
Dave Penrice	Aqua Capital Management LP
Dennis Poulsen, alternate	California Steel Industries
Tom O'Neill	Ontario City Non-Agricultural

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

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

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

**Watermaster Board Counsel Present at Watermaster**

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

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

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

Dave Crosley	City of Chino
Brian Dickenson	Chino Desalter Authority

Vice-Chair Geye called the Annual Non-Agricultural Pool Conference Call meeting to order at 11:10 a.m.

**ROLL CALL**

Ms. Wilson 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 April 12, 2012

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

***Moved to approve the April 12, 2012 Non-Agricultural Pool minutes with the two noted corrections***

**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 July 1, 2011 through March 31, 2012

*Motion by Aaron, 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 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

*Motion by Aaron, second by Bowcock, 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 BUDGET**

Mr. Joswiak gave the Watermaster Fiscal Year 2012/2013 Budget presentation.

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

***Moved to approve the Watermaster FY 2012/2013 Budget 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***

**Added Business Item: Legal Budget for the Non-Agricultural Pool**

Mr. Hubsch offered comment on the Paragraph 31 settlement. Mr. Bowcock offered comment on the Non-Agricultural Pool accounting for the Paragraph 31 activity, Non-Agricultural Pool reserves, and a Non-Agricultural special assessment.

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

***Moved to add this item to the agenda and take action to direct staff to pay the bills to the negative account in the Non-Agricultural Pool account until the Pool takes formal action to levy a special assessment to reimburse the account for the finalization of the Paragraph 31 motion activity***

**B. CHINO BASIN WATERMASTER RECHARGE MASTER PLAN UPDATE FILING**

Mr. Jeske presented this item. Mr. Wildermuth gave a presentation on this item.

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

***Moved to approve the final draft of sections 1-4 of the Chino Basin Recharge Master Plan Update and authorize it to be filed with the court with the same amendments made to the language that the Appropriative Pool made to the pleading, to direct staff to continue working with the stakeholders and the Recharge Master Plan Steering Committee on completing the remaining sections of the update, 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. RE-ALLOCATION OF WEST VENTURE DEVELOPMENT SAFE YIELD**

Mr. Jeske gave a report on this item.

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

***Moved to continue this item for one month***

**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

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

***Moved to approve the Budget Transfers and Budget Amendments, 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***

**III. REPORTS/UPDATES**

**A. LEGAL REPORT**

1. Day Creek and San Sevaine Recharge Permit Time Extensions  
Counsel Herrema gave a report on this item.

2. Paragraph 31 Appeal  
Counsel Herrema gave a report on this item.

**B. ENGINEERING REPORT**

1. HCMP Monitoring Report  
Mr. Wildermuth gave a report on this item.

2. Groundwater Model Calibration Update  
Mr. Wildermuth gave a report on this item.

3. Extensometer Progress  
Mr. Wildermuth gave a report on this item.

**C. CEO REPORT**

Mr. Jeske reported on the General Manager position.

**IV. INFORMATION**

1. Cash Disbursements for April 2012  
No comment was made on this item.

**V. POOL MEMBER COMMENTS**

No comment was made on this item.

**VI. OTHER BUSINESS**

No comment was made on this item.

**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, May 10, 2012	9:00 a.m.	Appropriative Pool Meeting
Thursday, May 10, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Mtg.
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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

Chair Bowcock adjourned the Agricultural Pool meeting at

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

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



# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Agricultural Pool Meeting held on May 10, 2012



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

*May 10, 2012*

The Agricultural Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on May 10, 2012 at 2:00 p.m.

**Agricultural Pool Members Present**

Bob Feenstra, Chair	Dairy
Nathan deBoom	Dairy
John Huitsing	Dairy
Rob Vanden Heuvel	Milk Producers Council
Glen Durrington	Crops
Pete Hall	State of California, CIM

**Watermaster Board Members Present**

Paul Hofer	Crops
Geoffrey Vanden Heuvel	Dairy

**Watermaster Staff Present**

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

**Watermaster Consultants Present**

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

**Others Present**

Tracy Egoscue	Egoscue Law Group
Dave Crosley	City of Chino
Gil Aldaco	City of Chino
Rick Reese	Amec
Bob Gluck	City of Ontario
Brian Dickenson	Chino Desalter Authority

Chair Feenstra called the Agricultural Pool meeting to order at 1:30 p.m.

**AGENDA - ADDITIONS/REORDER**

Chair Feenstra noted that he has had communication with Mr. Hall regarding the State representatives attending the Agricultural Pool meetings. Mr. Hall noted it will be several months before the new State representatives begin attending meetings.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Agricultural Pool Meeting held April 12, 2012

**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 July 1, 2011 through March 31, 2012

### 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
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

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

*Moved to approve Consent Calendar items A through C, with one noted change to the minutes, as presented*

## II. BUSINESS ITEMS

### A. WATERMASTER BUDGET

Chair Feenstra stated he has personally gone over the Agricultural Pool budget and the Watermaster budget with Mr. Joswiak. It was noted the budget presentation will be given in a condensed version since the chair has already gone through the budget in detail. Mr. Joswiak gave the budget fiscal year 2012/2013 presentation. Chair Feenstra inquired about the direct payment to Inland Empire Utilities Agency (IEUA). Mr. Joswiak stated that is the number that comes from IEUA and it could be higher or lower; however, he spoke with the IEUA CFO and she thinks the number presented in the budget will be close. Mr. Joswiak stated the Appropriative Pool and the Non-Agricultural Pool approved the budget today. Mr. Durrington inquired about the satellite. Mr. Wildermuth stated the concern addressed by the satellite imagery is subsidence, and he explained what the satellite does in greater detail. Chair Feenstra inquired how accurate the satellite is for what we use it for. Mr. Wildermuth stated it is very good and it gives us a complete spatial view.

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

*Moved to approve the Watermaster fiscal year 2012/2013 Budget, as presented*

### B. CHINO BASIN WATERMASTER RECHARGE MASTER PLAN UPDATE FILING

Mr. Jeske stated this is work that has been done by the Steering Committee. Mr. Jeske stated there is an amendment to the pleading which is in the meeting packet; make sure you received the revised pleading, which has changed since the Appropriative and Non-Agricultural Pool meetings. Mr. Jeske explained the small language changed made to the court filing in detail. Mr. Jeske stated there has been very good participation at the Committee meetings. Mr. Wildermuth stated the Steering Committee started meeting in the fall of 2011, and the committee began working on a scope and schedule. Mr. Wildermuth gave the Recharge Master Plan Update presentation on the draft sections 1-4 in detail. Chair Feenstra stated he attended the most recent workshop along with Mr. Hall and Mr. Pierson, and at the workshop there was a lot of great information provided. Mr. Durrington inquired what if Jurupa and the northern parts of the water table started using reclaimed water for shrubbery, would that not solve the problem. Mr. Jeske offered comment on Mr. Durrington's suggestion and stated anything that would reduce their projected pumping load would help, and if they were able to reduce that especially for dry weather pumping that would really help. Chair Feenstra stated if any developing takes place, it will take place at the east end of Ontario and if that development comes in then there will be a lot of recycled water requests. Mr. Jeske stated Jurupa currently does not receive that

particular recycled water and offered comment on this matter. Mr. Wildermuth also offered comment on this matter. Mr. Durrington stated they need to think ahead and put in recycled water lines now. Mr. Hofer inquired about a price break or quote that Wildermuth plugged into this chart that would change the demand of water. Mr. Wildermuth stated no, he did not, and noted that is not part of our scope. Mr. Jeske offered comment on the storage chart graph, the sensitivity analysis and bookends. Ms. Egoscue inquired about section 5 which is to come and asked that a brief description be given in light of what the determination will be. Mr. Jeske stated that will be kicked off next week and that has not been started yet with working on sections 1-4. Mr. Jeske stated there is a very small project and we are trying to quantify that and that same storage policy will indicate who gets the water. Mr. Jeske offered further comment on Ms. Egoscue's comments. Mr. Jeske stated as we move forward we will have to work with the Regional Board.

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

***Moved to approve sections 1-4, authorize counsel to file the revised pleading with the court, and Direct Staff to Continue Working the Stakeholders and Recharge Master Plan Update Steering Committee on Completing the Remaining Sections of the Update, as presented***

#### **C. RE-ALLOCATION OF WEST VENTURE DEVELOPMENT SAFE YIELD**

Mr. Jeske stated this is an item which has been continued from November or December 2011. Mr. Jeske stated West Venture Development is a successor to Red Star Fertilizer in the Non-Agricultural Pool; they have 15.657 acre-feet of water which they requested to essentially abandon the water and they suggested the water could be reapportioned amongst the pool after notifying all the current property owners and after action was taken by the court. Mr. Jeske stated the Non-Agricultural Pool approved this item; however, they asked to not take action until the Appropriative and Agricultural Pools took action. Mr. Jeske stated subsequently the property was subdivided and recorded, and the City of Chino is where it is located and they have all of the records. Mr. Jeske stated in the course of looking up the records the City of Chino reports that they are the owners of 22% of the property, and they have sent a letter which is in the meeting package. Mr. Jeske stated the City of Chino has indicated that they believe there is a potential they might intervene into the Non-Agricultural Pool and that they should have some, or all, of the water rights because they are serving all of the property. Mr. Jeske stated unfortunately they were not able to get that action before their City Council to authorize the form for intervention until May 15, 2012. Mr. Jeske stated the Appropriative and Non-Agricultural Pools asked this morning that this item be held for another month. Staff recommends this item be deferred for another month. Mr. Durrington stated it is approximately 16 acre-feet of water and has not been pumped for 25 years; does that water accumulate so that somebody has 600 acre-feet of water. Mr. Jeske stated the water has been unaccounted for, for this period of time and under Watermaster policy rules we only go back 4 years in our accounting principles for errors. Mr. Jeske stated this will probably never happen again for a party to ever abandon water rights. A lengthy discussion regarding this matter ensued. Chair Feenstra asked that he please be kept informed on this matter.

**Chair Feenstra stated to hold this item over until next month or whenever it is required.**

#### **D. WATERMASTER BUDGET TRANSFERS AND BUDGET AMENDMENTS**

Mr. Jeske stated this item is a two part item. Mr. Jeske stated this item starts on page 275 of the meeting package. Mr. Jeske reviewed this item in detail and noted there is no impact to the budget with this transfer.

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

***Moved to approve the Watermaster Budget Transfer Form T-12-05-01 and the Budget Amendment Form A-12-05-01, as presented***

**E. OLD BUSINESS**

Mr. Hall stated while he attending the Steering Committee meetings there were questions brought up about how long the Agricultural Pool is going to be around; what is Mr. Wildermuth's opinion on that question. Mr. Hall also stated a lot takes place at those meetings and more parties should attend. Chair Feenstra stated the Agricultural Pool will be around a very long time. Mr. Wildermuth stated the agricultural production never went away completely. Chair Feenstra stated this is bookmarked in the Peace Agreement and the Peace II Agreement. A discussion regarding agricultural development and production ensued.

Chair Feenstra spoke on the Restated Judgment and a recent phone call that Counsel Herrema made regarding the Restated Judgment. Counsel Herrema stated the reason for the call was to talk to your counsel on whether you wanted to have the Restated Judgment on the agenda today or to just have a discussion on it; Mr. McKinney was on vacation for that call. Chair Feenstra stated this committee needs to have a conference call with Mr. McKinney so that the sections can be gone through thoroughly and to make sure they are put together in a form that everybody can understand. Chair Feenstra stated the main concern is to protect the integrity of the Peace Agreement and the Peace II Agreement.

**III. REPORTS/UPDATES****A. LEGAL REPORT****1. Day Creek and San Sevaine Recharge Permit Time Extensions**

Counsel Herrema stated this item is for an extension of time for the San Sevaine Project. Counsel Herrema stated Watermaster holds three separate diversion permits for putting the water to beneficial use. Counsel Herrema stated the San Sevaine permit expired in 2010 and, prior to the expiration, an extension for time was filed for to make that permit application to beneficial use requirement coterminous with the other permits. Counsel Herrema stated he was in Sacramento two weeks ago on other business and he met with the State Board staff to discuss the classification of those facilities, and they are going to issue another draft extension with some clarifications on the way the facilities are labeled. Counsel Herrema stated all the other terms are consistent with what is currently in the permit with the exception for the time for full beneficial use would be extended through 2057, which is the deadline under the most recent permit obtained by Watermaster in 2008.

**3. Paragraph 31 Motion**

Counsel Herrema stated this item is for the Paragraph 31 Motion. Counsel Herrema stated it was reported last month that the Watermaster Board conceptually approved a settlement at their March meeting. Counsel Herrema stated we are waiting on final language to move forward on that settlement. Counsel Herrema stated Watermaster has not yet signed on to the settlement because the final paper is not finished.

**B. ENGINEERING REPORT****1. HCMP Monitoring Report**

Mr. Wildermuth stated the HCMP report needs to be filed with the Regional Water Quality Control Board (RWQCB) every year. Mr. Wildermuth stated last summer Wildermuth prepared a proposal to the RWQCB that went through coupled with the Basin Plan Amendment, which means the next Hydraulic Control Monitoring report after the one we just filed will be in April 2017 instead of April 2013. Mr. Wildermuth stated this will save Watermaster hundreds of thousands of dollars in having two reports every ten years instead of one report.

**2. Groundwater Model Calibration Update**

Mr. Wildermuth stated the schedule for the groundwater modeling calibration has been pushed out slightly to accommodate the modeling work that was done for the Recharge Master Plan Update. Mr. Wildermuth stated this will be coming back sometime in July or possibly August with the modeling calibration results. Mr. Wildermuth stated this is going to

be used for resetting the safe yield; there are some hydrology things we are running down to make sure we do the best job we can.

3. Extensometer Progress

Mr. Wildermuth stated, regarding the new vertical extensometer is to be constructed in Chino Creek Well Field, the well has been constructed and we are developing it this week and equipping it shortly thereafter. Mr. Wildermuth stated that will be on line and ready before the end of the fiscal year.

**C. CEO REPORT**

Mr. Jeske stated recruitment for the new GM for Watermaster has begun and a copy of the brochure is on the back table for review.

Added Comments:

Chair Feenstra asked that Mr. Joswiak come to the podium and noted his comments are on an item that has already been voted on. Chair Feenstra stated there was a slight minor increase in the assessments and inquired if there were any concerns voiced by the Appropriative Pool. Mr. Joswiak stated no.

Mr. Vanden Heuvel inquired about line item 8456 IEUA Readiness to Serve. Mr. Joswiak stated that is the bill that Watermaster receives from IEUA routinely. Ms. Maurizio stated that charge is based on the number of agricultural wells. Mr. Joswiak stated that bill comes directly from IEUA.

**D. AGRICULTURAL POOL LEGAL REPORT**

No comment was made.

**IV. INFORMATION**

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

**V. POOL MEMBER COMMENTS**

No comment was made.

**VI. OTHER BUSINESS**

No comment was made.

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

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

The confidential session concluded at 2:50 p.m.

There was no reportable action from the confidential session.

**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

Chair Feenstra adjourned the Agricultural Pool meeting at 2:50 p.m.

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

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



# CHINO BASIN WATERMASTER

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

### **B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of April 2012
2. Watermaster VISA Check Detail for the month of April 2012
3. Combining Schedule for the Period July 1, 2011 through April 30, 2012
4. Treasurer's Report of Financial Affairs for the Period April 1, 2012 through April 30, 2012
5. Budget vs. Actual Report for the Period July 1, 2011 through April 30, 2012

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

### **B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of April 2012
2. Watermaster VISA Check Detail for the month of April 2012
3. Combining Schedule for the Period July 1, 2011 through April 30, 2012
4. Treasurer's Report of Financial Affairs for the Period April 1, 2012 through April 30, 2012
5. Budget vs. Actual Report for the Period July 1, 2011 through April 30, 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:** June 14, 2012  
**TO:** Pool Members  
**SUBJECT:** Cash Disbursement Report – Financial Report B1

### SUMMARY

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

**Recommendation** – Staff recommends the Cash Disbursements for April 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 April 2012 were \$691,774.13. The most significant expenditures during the month were to Wildermuth Environmental, Inc. in the amount of \$192,507.66 (check number 15996 dated April 24, 2012); Inland Empire Utilities Agency in the amount of \$180,656.82 (check number 15950 dated April 5, 2012); and Horvitz & Levy, LLP. in the amount of \$66,158.78 (check number 16003 dated April 25, 2012).

### Actions:

- June 14, 2012 Appropriative Pool –
- June 14, 2012 Non-Agricultural Pool –
- June 14, 2012 Agricultural Pool –
- June 21, 2012 Advisory Committee –
- June 28, 2012 Watermaster Board –

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CHINO BASIN WATERMASTER  
Cash Disbursements For The Month as of  
April 2012

Financial Report - B1

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
P25 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	8024 · 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	

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month as of**  
**April 2012**

Financial Report - B1

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

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month as of  
April 2012

Financial Report - B1

TOTAL	Type	Date	Num	Name	Memo	Account	Paid Amount
							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	

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month as of**  
**April 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>
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

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**CHINO BASIN WATERMASTER**  
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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						<u>253.62</u>
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						<u>375.00</u>
Bill Pmt -Check	04/05/2012	15960	PUMP CHECK	4618	1012 · Bank of America Gen'l Ckg	
Bill	03/28/2012	4618		4618	7102.5 · In-line Meter-Computer	383.48
TOTAL						<u>383.48</u>
P29 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						<u>168.97</u>
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						<u>250.00</u>
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						<u>125.00</u>
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						<u>684.71</u>
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						<u>106.53</u>

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month as of**  
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	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						<u>2,803.60</u>
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						<u>8,086.11</u>
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						<u>42,663.29</u>
Check	04/16/2012	04/16/2012	Service Charge	Service Charge	1012 · Bank of America Gen'l Ckg	
				Service Charge	6031.7 · Other Office Supplies	185.65
TOTAL						<u>185.65</u>
P30 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						<u>293.57</u>
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						<u>250.00</u>
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						<u>3,605.95</u>
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						<u>8.23</u>
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

**CHINO BASIN WATERMASTER**  
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	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
TOTAL							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
	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	<u>269.38</u>
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	<u>62.50</u>
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							<u>5,984.00</u>
P31	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							<u>7,122.50</u>
	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							<u>865.00</u>
	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							<u>25.90</u>
	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							<u>546.30</u>
	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	<u>94.92</u>

**CHINO BASIN WATERMASTER**  
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Type	Date	Num	Name	Memo	Account	Paid Amount
				RMPU review call on 3/13/12	7204 · Comp Recharge-Supplies	6.83
				Service fee	6022 · Telephone	14.95
				Service fee	6022 · Telephone	3.35
TOTAL						<u>163.45</u>
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						<u>136.61</u>
Bill Pmt -Check	04/19/2012	15982	VERIZON BUSINESS	68135194	1012 · Bank of America Gen'l Ckg	
Bill	04/17/2012	88135194		68135194	6053 · Internet Expense	1,558.87
TOTAL						<u>1,558.87</u>
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						<u>324.14</u>
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						<u>28.88</u>
Bill Pmt -Check	04/19/2012	15985	AWWA	VOID:	1012 · Bank of America Gen'l Ckg	
TOTAL						
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						<u>1,426.25</u>
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						<u>450.17</u>
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						<u>396.00</u>
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

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TOTAL

**CHINO BASIN WATERMASTER**  
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Type	Date	Num	Name	Memo	Account	Paid Amount
				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
TOTAL						<u>299.81</u>
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						<u>50.00</u>
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						<u>19,068.32</u>
P33	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						<u>13,407.00</u>
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						<u>1,372.50</u>
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						<u>400.00</u>
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

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Type	Date	Num	Name	Memo	Account	Paid Amount
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
				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 Engioneers	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
<b>TOTAL</b>						<b>192,507.66</b>
<b>P34</b>						
Bill	04/25/2012	15997	<b>BROWNSTEIN HYATT FARBER SCHRECK</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
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	6275 · BHFS Legal - Advisory Committee	447.66
				500184 - BHFS Legal - Board Meeting	6375 · 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
<b>TOTAL</b>						<b>58,668.45</b>
Bill	04/25/2012	15998	<b>CALPERS</b>	<b>1394905143</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/23/2012	1394905143		Medical Insurance Premium - May 2012	60182.1 · Medical Insurance	5,665.88
<b>TOTAL</b>						<b>5,665.88</b>
Bill	04/25/2012	15999	<b>CALPERS 457 PLAN</b>	<b>Payroll and Taxes for 04/01/12-04/14/12</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
General Journal	04/14/2012	4/14/2012	<b>CALPERS 457 PLAN</b>	457 Employee Deductions for 04/01/12-04/14/12	2000 · Accounts Payable	2,803.60
<b>TOTAL</b>						<b>2,803.60</b>

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Type	Date	Num	Name	Memo	Account	Paid Amount
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
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
P35 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	

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month as of  
April 2012

Type	Date	Num	Name	Memo	Account	Paid Amount
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	
Bill	04/26/2012			Lunch for 4/26/12 Watermaster Board Meeting	6312 · Meeting Expenses	369.35
TOTAL						369.35
General Journal	04/30/2012	04/30/2012	Rcrd Paychex Charge For 04/30/12	Rcrd Paychex Charge For 04/30/12	1012 · Bank of America Gen'l Ckg	
				Rcrd Paychex Charge For 04/30/12	1012 · Bank of America Gen'l Ckg	151.36
TOTAL						151.36
General Journal	04/30/2012	04/30/2012	Wage Works Direct Debits - April 2012	Wage Works Direct Debits - April 2012	1012 · Bank of America Gen'l Ckg	
				Wage Works Direct Debits - April 2012	1012 · Bank of America Gen'l Ckg	-1,652.65
				Wage Works Direct Debits - April 2012	1012 · Bank of America Gen'l Ckg	495.40
				Wage Works Direct Debits - April 2012	1012 · Bank of America Gen'l Ckg	495.40
				Wage Works Direct Debits - April 2012	1012 · Bank of America Gen'l Ckg	76.25
TOTAL						-585.60
					<b>Total Disbursements:</b>	<b>691,774.13</b>

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# CHINO BASIN WATERMASTER

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

## STAFF REPORT

**DATE:** June 14, 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 April 2012.

**Recommendation** – Staff recommends the VISA Check Detail Report for April 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 April 2012 was \$406.55. The monthly charges for April 2012 were for routine and customary expenditures and properly documented with receipts.

### Actions:

- June 14, 2012 Appropriative Pool –
- June 14, 2012 Non-Agricultural Pool –
- June 14, 2012 Agricultural Pool –
- June 21, 2012 Advisory Committee –
- June 28, 2012 Watermaster Board –

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CHINO BASIN WATERMASTER  
 VISA Check Detail Report  
 April 2012

Type	Num	Date	Name	Memo	Account	Paid Amount
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					<b>Total Disbursements:</b>	<b>406.55</b>

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# CHINO BASIN WATERMASTER

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## STAFF REPORT

**DATE:** June 14, 2012  
**TO:** Pool Members  
**SUBJECT:** Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2011 through April 30, 2012 - Financial Report B3

### SUMMARY

**Issue** – Record of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2011 through April 30, 2012.

**Recommendation** – Staff recommends the Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2011 through April 30, 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 April 30, 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 have 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:

- June 14, 2012 Appropriative Pool –
- June 14, 2012 Non-Agricultural Pool –
- June 14, 2012 Agricultural Pool –
- June 21, 2012 Advisory Committee –
- June 28, 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 APRIL 30, 2012

Financial Report - B3

WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER OPERATIONS		EDUCATION FUNDS	GRAND TOTALS	BUDGET 2011-2012
		APPROPRIATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS			
<b>Administrative Revenues:</b>									
Administrative Assessments		5,919,372		252,359				6,171,730	\$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
<b>Total Revenues</b>	<b>705,777</b>	<b>5,930,802</b>	<b>1,358</b>	<b>252,772</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>6,890,710</b>	<b>6,976,767</b>
<b>Administrative &amp; Project Expenditures:</b>									
Watermaster Administration	532,460							532,460	577,107
Watermaster Board-Advisory Committee	155,272							155,272	155,297
Ag Pool Misc. Expense - Ag Fund			99					99	-
Pool Administration		122,954	140,897	109,192				373,043	618,797
Optimum Basin Mgmt Administration		1,160,595						1,160,595	1,279,496
OBMP Project Costs		3,548,610						3,548,610	4,139,706
Debt Service		371,271						371,271	450,964
Education Funds Use							375	375	375
Mutual Agency Project Costs								-	10,000
<b>Total Administrative/OBMP Expenses</b>	<b>687,732</b>	<b>5,080,476</b>	<b>122,954</b>	<b>140,897</b>	<b>109,192</b>	<b>-</b>	<b>375</b>	<b>6,141,726</b>	<b>7,231,742</b>
Net Administrative/OBMP Expenses	18,044	(5,080,476)							
Allocate Net Admin Expenses To Pools	(18,044)	(12,448)	(4,975)	(621)					
Allocate Net OBMP Expenses To Pools		4,709,205	3,248,531	1,298,497	162,177				
Allocate Debt Service to App Pool		371,271							
Agricultural Expense Transfer*		1,434,419	(1,434,419)						
<b>Total Expenses</b>	<b>5,164,727</b>	<b>99</b>	<b>270,747</b>	<b>-</b>	<b>-</b>	<b>375</b>	<b>6,141,726</b>	<b>7,231,742</b>	
<b>Net Administrative Income</b>		<b>766,075</b>	<b>1,259</b>	<b>(17,975)</b>	<b>-</b>	<b>-</b>	<b>(374)</b>	<b>748,984</b>	<b>(254,975)</b>
<b>Other Income/(Expense)</b>									
Replenishment Water Assessments					714,284			714,284	0
Non-Ag Stored Water Purchases		2,377,250						2,377,250	0
Interest Revenue					277			277	0
MWD Water Purchases					10,269,933			10,269,933	0
Non-Ag Stored Water Purchases		(2,201,349)						(2,201,349)	0
MWD Water Purchases					(10,269,932)			(10,269,932)	0
Groundwater Replenishment					(25,146)			(25,146)	0
Refund-Excess Reserves		(1,957,901)		(81,757)				(2,039,658)	0
Refund-Recharge Debt		(584,280)						(584,280)	0
<b>Net Other Income/(Expense)</b>		<b>(2,366,280)</b>	<b>-</b>	<b>(81,757)</b>	<b>689,417</b>	<b>-</b>	<b>-</b>	<b>(1,758,621)</b>	<b>0</b>
<b>Net Transfers To/(From) Reserves</b>	<b>(1,009,636)</b>	<b>(1,600,206)</b>	<b>1,259</b>	<b>(99,732)</b>	<b>689,417</b>	<b>-</b>	<b>(374)</b>	<b>(1,009,636)</b>	<b>(215,000)</b>
<b>Working Capital, July 1, 2011</b>	<b>0</b>	<b>6,922,600</b>	<b>475,807</b>	<b>282,721</b>	<b>35,379</b>	<b>158,251</b>	<b>630</b>	<b>7,875,387</b>	
<b>Working Capital, End Of Period</b>		<b>5,322,395</b>	<b>477,065</b>	<b>182,989</b>	<b>724,795</b>	<b>158,251</b>	<b>256</b>	<b>6,865,751</b>	<b>6,865,751</b>
<b>10/11 Assessable Production</b>		<b>78,410,414</b>	<b>31,342,082</b>	<b>3,914,499</b>				<b>113,666,995</b>	
<b>10/11 Production Percentages</b>		<b>68.983%</b>	<b>27.574%</b>	<b>3.444%</b>				<b>100.000%</b>	

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

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# CHINO BASIN WATERMASTER

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

## STAFF REPORT

**DATE:** June 14, 2012  
**TO:** Pool Members  
**SUBJECT:** Treasurer's Report of Financial Affairs for the Period April 1, 2012 through April 30, 2012 - Financial Report B4

### SUMMARY

**Issue** – Record of increases or decreases in the cash position, assets and liabilities of Watermaster for the Period of April 1, 2012 through April 30, 2012.

**Recommendation** – Staff recommends the Treasurer's Report of Financial Affairs for the Period April 1, 2012 through April 30, 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 April 1, 2012 through April 30, 2012 is provided to keep all members apprised of the total cash in banks (Bank of America, LAIF, and CalTRUST) 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) and/or CalTRUST, 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:

June 14, 2012 Appropriative Pool –  
June 14, 2012 Non-Agricultural Pool –  
June 14, 2012 Agricultural Pool –  
June 21, 2012 Advisory Committee –  
June 28, 2012 Watermaster Board –

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**CHINO BASIN WATERMASTER  
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD  
APRIL 1 THROUGH APRIL 30, 2012**

Financial Report - B4

**DEPOSITORIES:**

Cash on Hand - Petty Cash			\$	500
Bank of America				
Governmental Checking-Demand Deposits	\$	580,332		
Zero Balance Account - Payroll	\$	-		580,332
Local Agency Investment Fund - Sacramento				6,973,425
<b>TOTAL CASH IN BANKS AND ON HAND</b>			<b>\$</b>	<b>7,554,257</b>
TOTAL CASH IN BANKS AND ON HAND	4/30/2012			8,209,976
	3/31/2012			8,209,976
<b>PERIOD INCREASE (DECREASE)</b>			<b>\$</b>	<b>(655,719)</b>

**CHANGE IN CASH POSITION DUE TO:**

Decrease/(Increase) in Assets: Accounts Receivable			\$	4,601
Assessments Receivable				942
Prepaid Expenses, Deposits & Other Current Assets				59
(Decrease)/Increase in Liabilities: Accounts Payable				(67,904)
Accrued Payroll, Payroll Taxes & Other Current Liabilities				8,341
Transfer to/(from) Reserves				(601,759)
<b>PERIOD INCREASE (DECREASE)</b>			<b>\$</b>	<b>(655,719)</b>

**SUMMARY OF FINANCIAL TRANSACTIONS:**

	Petty Cash	Govt'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 3/31/2012	\$ 500	\$ 1,240,652	\$ -	\$ 6,968,824	\$ 8,209,976
Deposits	-	75,942	-	4,601	80,543
Transfers	-	(82,242)	82,242	-	-
Withdrawals/Checks	-	(654,020)	(82,242)	-	(736,262)
	\$ 500	\$ 580,332	\$ -	\$ 6,973,425	\$ 7,554,257
<b>PERIOD INCREASE OR (DECREASE)</b>	<b>\$ -</b>	<b>\$ (660,321)</b>	<b>\$ -</b>	<b>\$ 4,601</b>	<b>\$ (655,719)</b>

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**CHINO BASIN WATERMASTER  
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD  
APRIL 1 THROUGH APRIL 30, 2012**

**INVESTMENT TRANSACTIONS**

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
4/13/2012	Interest	L.A.I.F	\$ 4,601				

<b>TOTAL INVESTMENT TRANSACTIONS</b>	<b>\$ 4,601</b>	<b>-</b>
--------------------------------------	-----------------	----------

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

**INVESTMENT STATUS  
April 30, 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	\$ 6,973,425			
<b>TOTAL INVESTMENTS</b>	<b>\$ 6,973,425</b>			

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

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

Respectfully submitted,

Joseph S. Joswiak  
Chief Financial Officer  
Chino Basin Watermaster

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# CHINO BASIN WATERMASTER

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

## STAFF REPORT

**DATE:** June 14, 2012  
**TO:** Pool Members  
**SUBJECT:** Budget vs. Actual Report for the Period July 1, 2011 through April 30, 2012 - Financial Report - B5

### SUMMARY

**Issue** – Record of revenues and expenses of Watermaster for the Period of July 1, 2011 through April 30, 2012.

**Recommendation** – Staff recommends the Budget vs. Actual Report for the Period July 1, 2011 through April 30, 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 April 30, 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 were no Budget Amendments or Budget Transfers presented or proposed during the month of April. However, Budget Transfers totaling \$149,045 and a Budget Amendment of \$51,197 are scheduled for presentation and approval for the month of May to adjust several of the budget categories for variances between actual and budget.

Year-To-Date (YTD) for the ten months ending April 30, 2012, all but ten categories were at or below the projected budget. Overall, the (YTD) Actual Expenses were \$308,594 or 4.8% below the (YTD) Budgeted Expenses of \$6,450,320. The categories above budget were the Watermaster Legal Services (6070's) of \$12,786; Watermaster Board Expenses (6300's) of \$27,094; Non-Ag Pool Administration Expenses

(8500's) of \$5,947; Optimum Basin Management Plan Expenses (6900's) of \$65,825; In-Line Meter Installation Expenses (7102's) of \$13,294; Groundwater Level Monitoring Expenses (7104's) of \$12,847; Comprehensive Recharge Program Expenses (7200's) of \$75,351; Water Supply/Desalter (7300's) of \$1,373; Cooperative Efforts/Salt Management (7500's) of \$18,248; and Storage Management (7600's) of \$2,073.

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 April 30, 2012, the total (YTD) Watermaster salary expenses are \$70,098 or 5.5% above the (YTD) budgeted amount of \$1,275,050. The following details are provided:

	Jul '11 - Apr '12	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>WM Salary Expense</b>					
6011 · WM Staff Salaries	393,762.88	366,682.26	27,080.62	107.39%	441,032.00
6011.2 · WM Staff - Admin. Paid Leave	70,787.98	85,000.00	-14,212.02	83.28%	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	18,142.76	17,700.84	441.92	102.5%	21,241.00
6301 · Watermaster Board - WM Staff Salaries	26,614.36	24,930.00	1,684.36	106.76%	29,916.00
8301 · Appropriative Pool - WM Staff Salaries	25,558.81	23,708.34	1,850.47	107.81%	28,450.00
8401 · Agricultural Pool - WM Staff Salaries	21,839.53	20,779.16	1,060.37	105.1%	24,935.00
8501 · Non-Agricultural Pool - WM Staff Salaries	13,839.62	11,860.84	1,978.78	116.68%	14,233.00
6901 · OBMP - WM Staff Salaries	218,570.50	180,826.66	37,743.84	120.87%	216,992.00
7101.1 · Production Monitor - WM Staff Salaries	86,529.97	92,791.66	-6,261.69	93.25%	104,150.00
7102.1 · In-line Meter - WM Staff Salaries	7,548.53	8,635.84	-1,087.31	87.41%	10,363.00
7103.1 · Grdwater Quality - WM Staff Salaries	50,481.46	65,195.00	-14,713.54	77.43%	80,195.00
7104.1 · Grdwater Level - WM Staff Salaries	46,017.69	64,863.00	-18,845.31	70.95%	89,863.00
7105.1 · Sur Wtr Qual - WM Staff Salaries	567.23	2,493.34	-1,926.11	22.75%	2,992.00
7107.1 · Grd Level Monitoring - WM Staff Salaries	1,021.00	1,305.00	-284.00	78.24%	1,566.00
7108.1 · Hydraulic Control - WM Staff Salaries	7,107.50	6,060.84	1,046.66	117.27%	7,273.00
7201 · Comp Recharge - WM Staff Salaries	113,489.37	104,239.16	9,250.21	108.87%	125,087.00
7301 · PE3&5 - WM Staff Salaries	37,247.86	31,285.84	5,962.02	119.06%	37,543.00
7401 · PE4 - WM Staff Salaries	7,568.50	10,195.84	-2,627.34	74.23%	12,235.00
7501.1 · PE 6&7 - WM Staff Salaries (Plume)	21,965.42	0.00	21,965.42	100.0%	0.00
7501 · PE6&7 - WM Staff Salaries	3,596.90	2,493.34	1,103.56	144.26%	2,992.00
7601 · PE8&9 - WM Staff Salaries	40,247.79	37,852.50	2,395.29	106.33%	45,423.00
7701 · Inactive Well - WM Staff Salaries	0.00	413.00	-413.00	0.0%	413.00
<b>Subtotal WM Staff Costs</b>	<b>1,219,729.56</b>	<b>1,159,312.46</b>	<b>60,417.10</b>	<b>105.21%</b>	<b>1,416,894.00</b>
60185 · Vacation	60,600.12	44,133.70	16,466.42	137.31%	51,922.00
60186 · Sick Leave	25,454.15	34,425.00	-8,970.85	73.94%	41,310.00
60187 · Holidays	39,364.14	37,179.00	2,185.14	105.88%	41,310.00
<b>Subtotal WM Paid Leaves</b>	<b>125,418.41</b>	<b>115,737.70</b>	<b>9,680.71</b>	<b>108.36%</b>	<b>134,542.00</b>
<b>Total WM Salary Costs</b>	<b>1,345,147.97</b>	<b>1,275,050.16</b>	<b>70,097.81</b>	<b>105.5%</b>	<b>1,551,436.00</b>

The chart listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of April 30, 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 April 30, 2012, the BHFS expenses are \$77,971 or 15.5% above the (YTD) budgeted amount of \$502,543. The following details are provided:

	Jul '11 - Apr '12	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>6070 - Watermaster Legal Services</b>					
6071 - BHFS Legal - Court Coordination	0.00	32,583.34	-32,583.34	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	51,405.79	8,229.16	43,176.63	624.68%	9,875.00
6074 - BHFS Legal - Interagency Issues	7,666.65	28,583.34	-20,916.69	26.82%	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	6,042.72	0.00	6,042.72	100.0%	0.00
6078 - BHFS Legal - Miscellaneous	62,813.17	47,400.00	15,413.17	132.52%	56,880.00
<b>Total 6070 - Watermaster Legal Services</b>	<b>191,981.39</b>	<b>179,195.84</b>	<b>12,785.55</b>	<b>107.14%</b>	<b>202,555.00</b>
6275 - BHFS Legal - Advisory Committee	22,909.59	25,675.00	-2,765.41	89.23%	30,810.00
6375 - BHFS Legal - Board Meeting	62,783.48	40,025.00	22,758.48	156.86%	45,630.00
8375 - BHFS Legal - Appropriative Pool	18,010.50	17,775.00	235.50	101.33%	21,330.00
8475 - BHFS Legal - Agricultural Pool	16,100.83	25,675.00	-9,574.17	62.71%	30,810.00
8575 - BHFS Legal - Non-Ag Pool	17,164.89	7,900.00	9,264.89	217.28%	9,480.00
<b>Total BHFS Legal Services</b>	<b>136,969.29</b>	<b>117,050.00</b>	<b>19,919.29</b>	<b>117.02%</b>	<b>138,060.00</b>
<b>6907.3 - WM Legal Counsel</b>					
6907.30 - Peace II - CEQA	3,019.50	0.00	3,019.50	100.0%	0.00
6907.31 - S. Archibald Plume-Formerly OIA	6,642.00	20,520.84	-13,878.84	32.37%	24,625.00
6907.32 - Chino Airport Plume	10,358.70	21,395.84	-11,037.14	48.42%	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	9,615.67	20,937.50	-11,321.83	45.93%	25,125.00
6907.35 - Paragraph 31 Motion	100,534.31	39,200.00	61,334.31	256.47%	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	11,458.34	-11,458.34	0.0%	13,750.00
6907.39 - Recharge Master Plan	29,995.79	25,360.00	4,635.79	118.28%	25,360.00
6907.3 - WM Legal Counsel - Other	0.00	0.00	0.00	0.0%	0.00
<b>Total 6907.3 - WM Legal Counsel</b>	<b>251,564.01</b>	<b>206,297.52</b>	<b>45,266.49</b>	<b>121.94%</b>	<b>221,160.00</b>
<b>Total Brownstein, Hyatt, Farber, Schreck Costs</b>	<b>580,514.69</b>	<b>502,543.36</b>	<b>77,971.33</b>	<b>115.52%</b>	<b>561,775.00</b>

**OBMP Engineering Services and Legal Costs:**

Several individual line items within the 6900 (Optimum Basin Mgmt Program) are above the Year-To-Date (YTD) budget. These are the 6901 (WM Staff Salaries) of \$37,744 and the 6906.1 (OBMP Watermaster Model Update) of \$12,904. These overages totaling \$50,648 are a direct result of increased activities and allocating the budget in equal 1/12 portions throughout the fiscal year. The Year-To-Date (YTD) 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 \$92,963 while some other line item activities were below the budget \$47,696. Above the budget line items were the Peace II CEQA of \$3,020; the Desalter Negotiations of \$16,004; the Paragraph 31 Motion of \$61,334; the Santa Ana River Habitat of \$7,969; and the Recharge

Master Plan of \$4,636. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the South Archibald Plume (formerly the OIA Plume) of \$13,879; the Chino Airport Plume of \$11,037; the Santa Ana River Water Rights Application of \$11,322; and the Regional Water Quality Control Board of \$11,458. For the ten months ended April 30, 2012, the overall cumulative (YTD) budget was \$206,298 and the actual (BHFS) legal expenses totaled \$251,564 which resulted in an Over budget variance of \$45,266 or 21.9%.

The chart listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of April 30, 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 \$999,171 compared to a (YTD) budget of \$933,346 for an Over budget of \$65,825 or 7.0% as of April 30, 2012.

	Jul '11 - Apr '12	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>6900 · Optimum Basin Mgmt Plan</b>					
6901 · WM Staff Salaries	218,570.50	180,826.66	37,743.84	120.87%	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	336,914.48	324,010.00	12,904.48	103.98%	354,010.00
6906 · OBMP Engineering Services - Other	175,938.24	189,723.00	-13,784.76	92.73%	224,304.00
<b>Total 6906 · OBMP Engineering Services</b>	<b>512,852.72</b>	<b>513,733.00</b>	<b>-880.28</b>	<b>99.83%</b>	<b>578,314.00</b>
6907 · OBMP Legal Fees					
6907.3 · WM Legal Counsel					
6907.30 · Peace II - CEQA	3,019.50	0.00	3,019.50	100.0%	0.00
6907.31 · S. Archibald Plume-Formerly OIA	6,642.00	20,520.84	-13,878.84	32.37%	24,625.00
6907.32 · Chino Airport Plume	10,358.70	21,395.84	-11,037.14	48.42%	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	9,615.67	20,937.50	-11,321.83	45.93%	25,125.00
6907.35 · Paragraph 31 Motion	100,534.31	39,200.00	61,334.31	256.47%	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	11,458.34	-11,458.34	0.0%	13,750.00
6907.39 · Recharge Master Plan	29,995.79	25,360.00	4,635.79	118.28%	25,360.00
6907.3 · WM Legal Counsel - Other	0.00	0.00	0.00	0.0%	0.00
<b>Total 6907.3 · WM Legal Counsel</b>	<b>251,564.01</b>	<b>206,297.52</b>	<b>45,266.49</b>	<b>121.94%</b>	<b>221,160.00</b>
<b>Total 6907 · OBMP Legal Fees</b>	<b>251,564.01</b>	<b>206,297.52</b>	<b>45,266.49</b>	<b>121.94%</b>	<b>221,160.00</b>
6909 · OBMP Other Expenses					
6909.1 · OBMP Meetings	956.55	0.00	956.55	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	20,833.34	-20,833.34	0.0%	25,000.00
<b>Total 6909 · OBMP Other Expenses</b>	<b>4,528.55</b>	<b>20,833.34</b>	<b>-16,304.79</b>	<b>21.74%</b>	<b>25,000.00</b>
<b>Total 6900 · Optimum Basin Mgmt Plan</b>	<b>999,170.78</b>	<b>933,345.52</b>	<b>65,825.26</b>	<b>107.05%</b>	<b>1,053,121.00</b>

The OBMP Implementation Projects (accounts 7100's – 7700's) were (Under) budget as of April 30, 2012 except for several categories. Those categories over budget (YTD) were In-Line Meter Installation (7102's) over budget by the amount of \$13,294; Groundwater Level Monitoring (7104's) over budget by the amount of \$12,847; Comprehensive Recharge Program (7200's) over budget by the amount of

\$75,351; Water Supply/Desalter (7300's) over budget by the amount of \$1,373; Cooperative Efforts/Salt Management (7500's) over budget by the amount of \$18,248; and Storage Management (7600's) over budget by the amount of \$2,073.

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 Level 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 \$424,002 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 at budget levels.

Also within the Ground Level Monitoring category (7107) is account 7107.61 which captures the costs for the Chino Hills ASR project. This account is budgeted at \$134,000 for the 2011/2012 fiscal year. Currently, as of April 30, 2012 the account is below budget by \$84,000. At the close of the current fiscal year, any unused amounts of the \$134,000 within category 7107.61 will be carried over into the next fiscal year.

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. A majority of the excess funds of \$272,829 from this category has been appropriated 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 yet been appropriated. At the end of the current fiscal year, if the amount of \$79,693 has not been appropriated or allocated to a specific project, the amount will be carried over into the next fiscal year for use on Recharge Improvement Projects only.

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 April 30, 2012, the total (YTD) Engineering expenses are \$235,875 or 10.1% below the (YTD) budget amount of \$2,333,898. The following details are provided:

	Jul '11 - Apr '12	Budget	\$ Over Budget	% of Budget	Annual Budget
6906.1 · OBMP - Watermaster Model Update	336,914.48	324,010.00	12,904.48	103.98%	361,564.00
6906 · OBMP Engineering Services - Other	175,938.24	189,723.00	-13,784.76	92.73%	189,723.00
7103.3 · Grdwtr Qual-Engineering	96,887.00	84,390.00	12,497.00	114.81%	92,104.00
7103.5 · Grdwtr Qual-Lab Svcs	30,712.00	31,735.84	-1,023.84	96.77%	36,883.00
7104.3 · Grdwtr Level-Engineering	207,249.06	152,472.00	54,777.06	135.93%	210,518.00
7104.8 · Grdwtr Level-Contracted Serv	0.00	8,333.34	-8,333.34	0.0%	10,000.00
7104.9 · Grdwtr Level-Capital Equip	0.00	13,925.00	-13,925.00	0.0%	13,925.00
7107.2 · Grd Level-Engineering	219,742.29	138,695.84	81,046.45	158.44%	166,435.00
7107.3 · Grd Level-SAR Imagery	101,000.00	90,000.00	11,000.00	112.22%	120,000.00
7107.6 · Grd Level-Contract Svcs	138,503.71	75,612.50	62,891.21	183.18%	90,735.00
7107.61 · Grd Level-Chino Hills ASR	27,585.25	111,666.66	-84,081.41	24.7%	134,000.00
7107.7 · Grd Level-Extensometer Install	295,200.00	424,002.00	-128,802.00	69.62%	424,002.00
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	22,259.96	232,048.00	-209,788.04	9.59%	246,956.00
7108.4 · Hydraulic Control-Lab Svcs	109,710.00	142,374.16	-32,664.16	77.06%	170,849.00
7108.9 · Hydraulic Control-Contract Svcs	0.00	1,666.66	-1,666.66	0.0%	2,000.00
7109.3 · Recharge & Well - Engineering	0.00	2,232.00	-2,232.00	0.0%	2,232.00
7202.2 · Engineering Svc	0.00	8,600.00	-8,600.00	0.0%	10,320.00
7202.3 · Comp Recharge-Implementation	181,667.18	114,490.00	67,177.18	158.68%	171,347.00
7303 · PE3&5-Engineering - Other	36,221.00	36,221.00	0.00	100.0%	36,221.00
7402 · PE4-Engineering	45,330.26	46,122.00	-791.74	98.28%	50,122.00
7403 · PE4-Contract Svcs	0.00	8,333.34	-8,333.34	0.0%	10,000.00
7502 · PE6&7-Engineering	30,588.82	40,133.34	-9,544.52	76.22%	48,160.00
7503 · PE6&7-Contract Svcs (Plume)	42,514.00	37,790.00	4,724.00	112.5%	42,790.00
<b>Total Wildermuth Environmental, Inc. Costs</b>	<b>2,098,023.25</b>	<b>2,333,898.18</b>	<b>-235,874.93</b>	<b>89.89%</b>	<b>2,666,648.00</b>

**Other Income and Expense:**

In August 2011, Watermaster received two payments from the Metropolitan Water District. Metropolitan entered into agreements with Watermaster and other member agencies and partners for dry-year groundwater storage. Pursuant to Section VI of these agreements, Metropolitan committed to pay an annual administrative fee to one of the partners on each of the agreements for the 25-year term of the each agreement a) beginning on July 1<sup>st</sup> after the initial storage of water in each program, and b) with the set fee dollar amount escalating annually by the lesser of 2.5% or CPI. Watermaster received \$145,568.70 for the FY 2009/2010 payment (due July 1, 2010) and \$149,207.92 for the FY 2010/2011 payment (due July 1, 2011). The total amount received of \$294,776.62 was recorded to account 4040 (Cooperative Agreements).

A portion of the \$294,776.62 (the amount of \$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 appropriated in the month of May. The request for appropriation of these funds will be submitted and 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 April 2012. Looking ahead, the month of May should provide similar financial results. As stated earlier, Budget Transfers totaling \$149,045 and a Budget Amendment of \$51,197 are scheduled for presentation and approval for the month of May to adjust several of the budget categories for variances between actual and budget.

**Actions:**

- June 14, 2012 Appropriative Pool –
- June 14, 2012 Non-Agricultural Pool –
- June 14, 2012 Agricultural Pool –
- June 21, 2012 Advisory Committee –
- June 28, 2012 Watermaster Board –

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	1/12th of the Total Budget				10/12th (83%) of the Total Budget				100% of the Total Budget			
	For The Month of April 2012				Year-To-Date as of April 30, 2012				Fiscal Year End as of June 30, 2012			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
<b>Income</b>												
4010 · Local Agency Subsidies	0.00	0.00	0.00	0.0%	705,776.62	654,580.00	51,196.62	107.82%	705,776.62	705,777.00	-0.38	100.0%
4110 · Admin Asmnts-Approp Pool	75,000.02	75,000.00	0.02	100.0%	5,919,371.92	5,919,797.00	-425.08	99.99%	5,919,371.92	5,919,797.00	-425.08	99.99%
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	0.00	0.00	0.00	0.0%	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%
<b>Total Income</b>	<b>75,000.02</b>	<b>75,000.00</b>	<b>0.02</b>	<b>100.0%</b>	<b>6,890,710.14</b>	<b>6,939,264.50</b>	<b>-48,554.36</b>	<b>99.3%</b>	<b>6,917,528.54</b>	<b>7,027,964.00</b>	<b>-110,435.46</b>	<b>98.43%</b>
<b>Gross Profit</b>	<b>75,000.02</b>	<b>75,000.00</b>	<b>0.02</b>	<b>100.0%</b>	<b>6,890,710.14</b>	<b>6,939,264.50</b>	<b>-48,554.36</b>	<b>99.3%</b>	<b>6,917,528.54</b>	<b>7,027,964.00</b>	<b>-110,435.46</b>	<b>98.43%</b>
<b>Expense</b>												
6010 · Salary Costs	34,236.05	54,273.21	-20,037.16	63.08%	421,639.07	487,823.50	-66,184.43	86.43%	592,976.00	592,976.00	0.00	100.0%
6020 · Office Building Expense	7,924.76	9,268.00	-1,343.24	85.51%	81,844.52	86,707.00	-4,862.48	94.39%	103,369.00	103,369.00	0.00	100.0%
6030 · Office Supplies & Equip.	3,922.64	2,125.00	1,797.64	184.6%	19,343.77	21,250.00	-1,906.23	91.03%	25,500.00	25,500.00	0.00	100.0%
6040 · Postage & Printing Costs	4,143.24	4,365.00	-221.76	94.92%	40,627.79	55,250.00	-14,622.21	73.53%	66,180.00	66,180.00	0.00	100.0%
6050 · Information Services	8,466.44	13,335.00	-4,868.56	63.49%	103,211.31	125,100.00	-21,888.69	82.5%	148,020.00	148,020.00	0.00	100.0%
6060 · Contract Services	10,372.50	0.00	10,372.50	100.0%	23,561.25	66,000.00	-42,438.75	35.7%	66,000.00	66,000.00	0.00	100.0%
6070 · Watermaster Legal Services	12,233.69	11,679.58	554.11	104.74%	191,981.39	179,195.84	12,785.55	107.14%	202,555.00	202,555.00	0.00	100.0%
6080 · Insurance	0.00	0.00	0.00	0.0%	17,740.87	19,036.00	-1,295.13	93.2%	19,036.00	19,036.00	0.00	100.0%
6110 · Dues and Subscriptions	0.00	1,230.00	-1,230.00	0.0%	27,159.15	30,000.00	-2,840.85	90.53%	30,000.00	30,000.00	0.00	100.0%
6140 · WM Admin Expenses	189.19	250.00	-60.81	75.68%	1,034.59	2,500.00	-1,465.41	41.38%	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	1,569.37	1,600.00	-30.63	98.09%	15,677.35	18,077.50	-2,400.15	86.72%	21,970.00	21,970.00	0.00	100.0%
6190 · Conferences & Seminars	450.00	4,375.00	-3,925.00	10.29%	4,729.44	17,500.00	-12,770.56	27.03%	17,500.00	17,500.00	0.00	100.0%
6200 · Advisory Comm - WM Board	2,462.36	4,504.25	-2,041.89	54.67%	41,206.95	45,042.50	-3,835.55	91.49%	54,051.00	54,051.00	0.00	100.0%
6300 · Watermaster Board Expenses	11,466.15	7,137.17	4,328.98	160.65%	114,065.41	86,971.66	27,093.75	131.15%	101,246.00	101,246.00	0.00	100.0%
8300 · Appr PI-WM & Pool Admin	6,602.48	19,190.00	-12,587.52	34.41%	122,954.28	135,890.54	-12,936.26	90.48%	159,270.54	159,270.54	0.00	100.0%
8400 · Agri Pool-WM & Pool Admin	4,687.11	5,319.09	-631.98	88.12%	45,149.74	53,190.82	-8,041.08	84.88%	63,829.00	63,829.00	0.00	100.0%
8467 · Ag Legal & Technical Services	8,422.50	17,583.33	-9,160.83	47.9%	80,122.58	175,833.34	-95,710.76	45.57%	211,000.00	211,000.00	0.00	100.0%
8470 · Ag Meeting Attend -Special	1,625.00	1,000.00	625.00	162.5%	15,625.00	10,000.00	5,625.00	156.25%	12,000.00	12,000.00	0.00	100.0%
8471 · Ag Pool Expense	0.00	0.00	0.00	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	5,617.19	6,726.08	-1,108.89	83.51%	109,191.71	103,245.16	5,946.55	105.76%	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	-55,227.36	-60,049.92	4,822.56	91.97%	-416,388.25	-600,499.16	184,110.91	69.34%	-720,599.00	-720,599.00	0.00	100.0%
6900 · Optimum Basin Mgmt Plan	97,055.00	60,133.24	36,921.76	161.4%	999,170.78	933,345.52	65,825.26	107.05%	1,033,094.00	1,033,094.00	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	19,707.10	18,031.25	1,675.85	109.29%	161,424.60	180,312.50	-18,887.90	89.53%	216,375.00	216,375.00	0.00	100.0%
7101 · Production Monitoring	8,861.68	5,741.67	3,120.01	154.34%	87,092.47	93,416.66	-6,324.19	93.23%	95,900.00	95,900.00	0.00	100.0%
7102 · In-line Meter Installation	55.10	5,530.25	-5,475.15	1.0%	68,596.36	55,302.50	13,293.86	124.04%	92,560.00	92,560.00	0.00	100.0%
7103 · Grdwtr Quality Monitoring	664.81	3,644.83	-2,980.02	18.24%	182,063.49	186,633.34	-4,569.85	97.55%	200,557.00	200,557.00	0.00	100.0%

657

	1/12th of the Total Budget				10/12th (83%) of the Total Budget				100% of the Total Budget			
	For The Month of April 2012				Year-To-Date as of April 30, 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	29,592.48	13,127.58	16,464.90	225.42%	263,690.06	250,843.34	12,846.72	105.12%	310,806.00	310,806.00	0.00	100.0%
7105 · Sur Wtr Qual Monitoring	0.00	316.00	-316.00	0.0%	567.23	3,010.00	-2,442.77	18.85%	3,592.00	3,592.00	0.00	100.0%
7106 · Wtr Level Sensors Installation	204.20	0.00	204.20	100.0%	204.20	0.00	204.20	100.0%	0.00	0.00	0.00	0.0%
7107 · Ground Level Monitoring	125,117.23	32,728.00	92,389.23	382.29%	783,052.25	860,603.50	-77,551.25	90.99%	962,500.00	962,500.00	0.00	100.0%
7108 · Hydraulic Control Monitoring	22,214.29	26,824.17	-4,609.88	82.81%	339,077.46	382,149.66	-43,072.20	88.73%	447,078.00	447,078.00	0.00	100.0%
7109 · Recharge & Well Monitoring Prog	0.00	0.00	0.00	0.0%	0.00	2,232.00	-2,232.00	0.0%	2,232.00	2,232.00	0.00	100.0%
7200 · PE2- Comp Recharge Pgm	245,911.63	199,107.59	46,804.04	123.51%	1,277,725.08	1,202,373.82	75,351.26	106.27%	1,282,132.00	1,282,132.00	0.00	100.0%
7300 · PE3&5-Water Supply/Desalte	5,595.91	3,795.25	1,800.66	147.45%	75,546.02	74,173.50	1,372.52	101.85%	81,764.00	81,764.00	0.00	100.0%
7400 · PE4- Mgmt Plan	9,171.80	10,877.91	-1,706.11	84.32%	54,590.67	66,751.18	-12,160.51	81.78%	74,457.00	74,457.00	0.00	100.0%
7500 · PE6&7-CoopEfforts/SaltMgmt	1,412.31	4,262.66	-2,850.35	33.13%	98,665.14	80,416.68	18,248.46	122.69%	115,942.00	115,942.00	0.00	100.0%
7600 · PE8&9-StorageMgmt/Conj Use	6,511.61	3,872.75	2,638.86	168.14%	40,275.77	38,202.50	2,073.27	105.43%	45,773.00	45,773.00	0.00	100.0%
7690 · Recharge Improvement Debt Pymt	0.00	0.00	0.00	0.0%	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	353.25	-353.25	0.0%	167.97	1,413.00	-1,245.03	11.89%	1,413.00	1,413.00	0.00	100.0%
9502 · G&A Expenses Allocated-Projects	35,520.27	42,018.67	-6,498.40	84.53%	277,295.33	420,186.66	-142,891.33	65.99%	504,224.00	504,224.00	0.00	100.0%
<b>Total Expense</b>	<b>676,758.73</b>	<b>534,275.86</b>	<b>142,482.87</b>	<b>126.67%</b>	<b>6,141,725.72</b>	<b>6,460,320.06</b>	<b>-308,594.34</b>	<b>95.22%</b>	<b>7,282,938.86</b>	<b>7,282,938.86</b>	<b>0.00</b>	<b>100.0%</b>
<b>Net Ordinary Income</b>	<b>-601,758.71</b>	<b>-459,275.86</b>	<b>-142,482.85</b>	<b>131.02%</b>	<b>748,984.42</b>	<b>488,944.44</b>	<b>260,039.98</b>	<b>153.18%</b>	<b>-365,410.32</b>	<b>-254,974.86</b>	<b>-110,435.46</b>	<b>143.31%</b>
<b>Other Income</b>												
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%
4225 · Interest Income	0.00	0.00	0.00	0.0%	277.34	0.00	277.34	100.0%	277.34	0.00	277.34	100.0%
4600 · Groundwater Sales	0.00	0.00	0.00	0.0%	12,647,183.31	0.00	12,647,183.31	100.0%	12,647,183.31	0.00	12,647,183.31	100.0%
<b>Total Other Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>13,361,744.51</b>	<b>0.00</b>	<b>13,361,744.51</b>	<b>100.0%</b>	<b>13,361,744.55</b>	<b>0.00</b>	<b>13,361,744.55</b>	<b>100.0%</b>
<b>Other Expense</b>												
5010 · Groundwater Replenishment	0.00	0.00	0.00	0.0%	10,269,932.04	0.00	10,269,932.04	100.0%	10,269,932.04	0.00	10,269,932.04	100.0%
5100 · Other Water Purchases	0.00	0.00	0.00	0.0%	2,226,495.33	0.00	2,226,495.33	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	-601,758.71	-459,275.86	-142,482.85	131.02%	-1,009,636.44	-39,974.86	-969,661.58	2,525.68%	-2,299,931.69	-39,974.86	-2,259,956.83	5,753.45%
<b>Total Other Expense</b>	<b>-601,758.71</b>	<b>-459,275.86</b>	<b>-142,482.85</b>	<b>131.02%</b>	<b>14,110,728.93</b>	<b>-39,974.86</b>	<b>14,150,703.79</b>	<b>-35,299.01%</b>	<b>12,996,334.23</b>	<b>-39,974.86</b>	<b>13,036,309.09</b>	<b>-32,511.27%</b>
<b>Net Other Income</b>	<b>601,758.71</b>	<b>459,275.86</b>	<b>142,482.85</b>	<b>131.02%</b>	<b>-748,984.42</b>	<b>39,974.86</b>	<b>-788,959.28</b>	<b>-1,873.64%</b>	<b>365,410.32</b>	<b>39,974.86</b>	<b>325,435.46</b>	<b>914.1%</b>
<b>Net Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>528,919.30</b>	<b>-528,919.30</b>	<b>0.0%</b>	<b>0.00</b>	<b>-215,000.00</b>	<b>215,000.00</b>	<b>0.0%</b>

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



# CHINO BASIN WATERMASTER

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

### C. WATER TRANSACTIONS

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 1,000.000 acre-feet of water from Santa Ana River Water Company (SARWC) to Jurupa Community Services District (JCSD). This purchase is made first from SARWC's Annual Production Right, with any additional from storage. Date of Application: May 29, 2012
2. **Consider Approval for Notice of Sale or Transfer** – The lease and/or purchase of 782.000 acre-feet of water from San Antonio Water Company to the City of Ontario. This lease is made first from San Antonio's net under-production in Fiscal Year 2011-12, with any remainder to be recaptured from storage. Date of Application: June 1, 2012

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

### C. WATER TRANSACTIONS

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 1,000.000 acre-feet of water from Santa Ana River Water Company (SARWC) to Jurupa Community Services District (JCSD). This purchase is made first from SARWC's Annual Production Right, with any additional from storage. Date of Application: May 29, 2012
2. **Consider Approval for Notice of Sale or Transfer** – The lease and/or purchase of 782.000 acre-feet of water from San Antonio Water Company to the City of Ontario. This lease is made first from San Antonio's net under-production in Fiscal Year 2011-12, with any remainder to be recaptured from storage. Date of Application: June 1, 2012



***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

June 7, 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: **May 29, 2012**

Date of this notice: **June 7, 2012**

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

- Notice of Sale or Transfer – The purchase of 1,000,000 acre-feet of water from Santa Ana River Water Company (SARWC) to Jurupa Community Services District (JCSD). This purchase is made first from SARWC's Annual Production Right, with any additional from storage.

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

Appropriative Pool: June 14, 2012

Non-Agricultural Pool: June 14, 2012

Agricultural Pool: June 14, 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: June 7, 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:** June 7, 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 – The purchase of 1,000,000 acre-feet of water from Santa Ana River Water Company (SARWC) to Jurupa Community Services District (JCSD). This purchase is made first from SARWC's Annual Production Right, with 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 water transaction is attached with the notice of application.

- Notice of Sale or Transfer - The purchase of 1,000,000 acre-feet of water from Santa Ana River Water Company (SARWC) to Jurupa Community Services District (JCSD). This purchase is made first from SARWC's Annual Production Right, with any additional from storage.

Notice of the water transaction identified above was mailed on June 7, 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.

**CONSOLIDATED WATER TRANSFER FORMS: Attachment 2**  
**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: May 29, 2012

AMOUNT REQUESTED: 1000 Acre-Feet

<b>TRANSFER FROM (SELLER / TRANSFEROR):</b> Santa Ana River Water Company			<b>TRANSFER TO (BUYER / TRANSFEREE):</b> Jurupa Community Services District		
Name of Party 10530 54th Street			Name of Party 11201 Harrel Street		
Street Address			Street Address		
Jurupa Valley	CA	91752	Jurupa Valley	CA	91752
City	State	Zip Code	City	State	Zip Code
951.685.6503			951.685.7434		
Telephone 951.685.1978			Telephone 951.685.1153		
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 \_\_\_\_\_

**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 \_\_\_\_\_

IS THE 85/15 RULE EXPECTED TO APPLY? (If yes, all answers below must be "yes.")  
Is the Buyer an 85/15 Party?  
Is the purpose of the transfer to meet a current demand over and above production right?  
Is the water being placed into the Buyer's Annual Account?

Attachment 2  
Yes  No   
Yes  No   
Yes  No   
Yes  No

IF WATER IS TO BE TRANSFERRED FROM STORAGE:

Projected Rate of Recapture

Projected Duration of Recapture

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

PLACE OF USE OF WATER TO BE RECAPTURED:

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

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:

Wells do not exceed the MCL for nitrates and are used to blend with other wells in the District

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

All wells are perforated to a depth of between 300 to 400 feet

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?

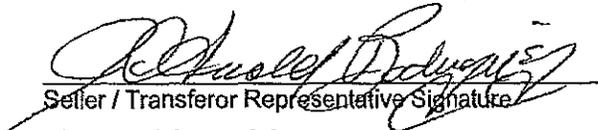
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SAID TRANSFER SHALL BE CONDITIONED UPON:**

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

**ADDITIONAL INFORMATION ATTACHED**

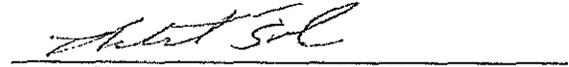
Yes  No



Seller / Transferor Representative Signature

**J Arnold Rodriguez**

Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature

**Robert Tock**

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:

June 7, 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: **June 1, 2012**

Date of this notice: **June 7, 2012**

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

- Notice of Sale or Transfer – The lease and/or purchase of 782.000 acre-feet of water from San Antonio Water Company to the City of Ontario. This lease is made first from San Antonio’s net under-production in Fiscal Year 2011-12, with any remainder to be recaptured from storage.

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

Appropriative Pool: June 14, 2012

Non-Agricultural Pool: June 14, 2012

Agricultural Pool: June 14, 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: June 7, 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:** June 7, 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 – The lease and/or purchase of 782,000 acre-feet of water from San Antonio Water Company to the City of Ontario. This lease is made first from San Antonio's net under-production in Fiscal Year 2011-12, with any remainder to be recaptured 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.

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Notice of the water transaction identified above was mailed on June 7, 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 85/15 rule does not apply for this water transaction because the City of Ontario is utilizing this transaction to produce its San Antonio Water Company shares.



ONTARIO MUNICIPAL UTILITIES COMPANY

PAUL S. LEON  
MAYOR

SHEILA MAUTZ  
MAYOR PRO TEM

ALAN D. WAPNER  
JIM W. BOWMAN  
DEBRA DORST-PORADA  
COUNCIL MEMBERS

RECEIVED

JUN 4 2012

CHINO BASIN WATERMASTER

June 1, 2012

CHRIS HUGHES  
CITY MANAGER

MARY E. WIRTES, MMC  
CITY CLERK

JAMES R. MILHISER  
TREASURER

SCOTT BURTON  
UTILITIES GENERAL MANAGER

Mr. Kenneth L. Jeske  
Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

**SUBJECT: ANNUAL LEASE OF WATER RIGHTS**

Dear Mr. Jeske:

This is to notify Watermaster of the lease and/or purchase of 782 AF from San Antonio Water Company to the City of Ontario. This lease is made first from San Antonio's net under-production in Fiscal Year 2011-12, with any remainder to be recaptured from storage.

Executed original Watermaster forms and all supporting documentation are attached for your review. Please place proposed purchase on the first available agenda meeting.

Should you have any questions or require any additional information, please contact me at (909) 395-2676.

Sincerely,

Tom O'Neill  
Utilities Operations Division Manager

**Enclosures**

S:\Slopez\2012\2012\Administration\2012\CBWM-San Antonio Lease Ltr 11-12 2nd.docx  
5/30/12 - 15:00

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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: June 1, 2012

AMOUNT REQUESTED: 782 Acre-Feet

<b>TRANSFER FROM (SELLER / TRANSFEROR):</b> San Antonio Water Company			<b>TRANSFER TO (BUYER / TRANSFEREE):</b> City of Ontario		
Name of Party 139 North Euclid			Name of Party 1425 S. Bon View Avenue		
Street Address Upland CA 91786			Street Address Ontario CA 91761		
City	State	Zip Code	City	State	Zip Code
909 982-4170			909 395-2000		
Telephone 909 620-3047			Telephone 909 395-2601		
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 \_\_\_\_\_

**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 SAWCO Shares

**WATER IS TO BE TRANSFERRED TO:**

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain \_\_\_\_\_

**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:**

Varies \_\_\_\_\_ July 1, 2011 to June 30, 2012 \_\_\_\_\_  
 Projected Rate of Recapture \_\_\_\_\_ Projected Duration of Recapture \_\_\_\_\_

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

Recapture by Ontario will be accomplished by pumping 24 wells.

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

Management zones 1, 2, & 3.

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

\_\_\_\_\_

**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:

Nitrate levels in pumped groundwater varies from less than 5 mg/L to 50 Mg/L.

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

Static water levels vary from 270 feet bgs to 530 feet bgs.

**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?

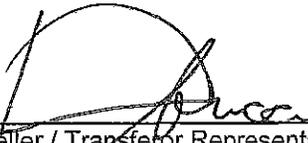
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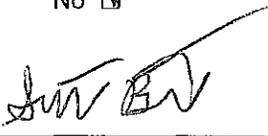
**SAID TRANSFER SHALL BE CONDITIONED UPON:**

- (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  
**Charles Moorrees**  
\_\_\_\_\_  
Seller / Transferor Representative Name (Printed)

  
\_\_\_\_\_  
Buyer / Transferee Representative Signature  
**Scott Burton**  
\_\_\_\_\_  
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. MATERIAL PHYSICAL  
INJURY ANALYSIS FOR  
CALIFORNIA STEEL  
INDUSTRIES





# 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:** June 14, 2012  
**TO:** Pool Committee Members  
**SUBJECT:** Material Physical Injury Analysis for the California Steel Industries' Application for a Local Supplemental Storage Agreement

### SUMMARY

**Issue** – Material Physical Injury analyses have been performed, and received and filed by the Watermaster Board on the pending Applications for Local Supplemental Storage Agreements that had been received. Subsequently, California Steel Industries recently submitted an Application for a Local Supplemental Storage Agreement, and it needs to have a Material Physical Injury analysis performed on it as well.

**Recommendation** – Staff recommends receiving and filing Wildermuth Environmental, Inc.'s (WEI's) Material Physical Injury analysis for California Steel Industries' Application for a Local Storage Agreement (LSA).

**Fiscal Impact** – None.

### 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.

In January 2012, as directed by the Board, Staff performed Material Physical Injury analyses on all of the pending Applications for Local Storage Agreements that had been received as of December 15, 2011. There were seven pending Applications, which had been submitted by Cucamonga Valley Water District, City of Fontana, Monte Vista Water District, Fontana Water Company, Inland Empire Utilities Agency (IEUA), City of Upland, and San Antonio Water Company. They dated as far back as May 2006, and were for a total of 81,500,000 acre-feet. The applications had not been acted upon by Watermaster because there are many pending issues regarding supplemental storage, particularly regarding the rules for priority among competing applications, the classification of the types of storage and regarding the

current cap on Storage of Supplemental Water described in paragraph 5.2(b)(iv) and 5.2(b)(vii) of the Peace Agreement the Peace II Agreement which increased from 50,000 to 100,000 acre-feet.

The analyses were performed, and it was determined that none of the storage programs in the proposed Applications would cause a Material Physical Injury under the assumptions pursuant to which they were analyzed. It was also noted that some changes in the Applications should be formally submitted to the Watermaster prior to approving the Applications to ensure that the Applications are complete and that the proposed storage programs are implemented consistent with the Material Physical Injury analysis described.

On January 26, 2012, the City of Ontario submitted an Application for a Local Supplemental Storage Agreement. The Application states that the requested amount is 20,000.000 acre-feet and the purpose of the storage account is to store recycled water that is currently being recharged on behalf of the City of Ontario by IEUA. A Material Physical Injury analysis was completed that also determined that application would not cause Material Physical Injury and on March 22, 2012, the Watermaster Board received and filed that report.

Recently, California Steel Industries (CSI) submitted an Application for a Local Storage Agreement (attached) for recharge of stormwater at its NPDES stormwater basin (attached). A Material Physical Injury analysis has been completed for the CSI application. That analysis also determined that storage pursuant to the application would not cause Material Physical Injury (attached).

For further information, the Advisory Committee has also taken action to request a process to work through the identification of potential storage issues. That process started on May 21, 2012, and correlates with the Recharge Master Plan Update. Once that process develops a draft proposal to address the storage issues, it will be brought through the entire Watermaster process.

## **DISCUSSION**

CSI captures stormwater in its NPDES basin with resulting recharge. The facility is permitted by the Regional Water Quality Control Board and flows are monitored.

Attached, please find WEI's Analysis of Material Physical Injury for CSI's pending Application for a Local Supplemental Storage Agreement. WEI's analysis concludes the proposed Application will not cause a Material Physical Injury under the assumptions in which it was analyzed.

Staff recommends receiving and filing WEI's Material Physical Injury Analysis for CSI's Application. Staff further recommends that this Application be considered with the other pending applications at the appropriate time as the process is developed.

### **Actions:**

- June 14, 2012 Appropriative Pool –
- June 14, 2012 Non-Agricultural Pool –
- June 14, 2012 Agricultural Pool –
- June 21, 2012 Advisory Committee –
- June 28, 2012 Watermaster Board –



June 6, 2012

Chino Basin Watermaster  
Attention: Mr. Kenneth Jeske, Interim CEO  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

**Subject: *Analysis of Material Physical Injury for the CSI Storage Agreement Application, Pending as of May 2, 2012, and Received by Wildermuth Environmental on May 18, 2012***

Dear Mr. Jeske:

Pursuant to your direction, Wildermuth Environmental, Inc. (WEI) conducted a material physical injury (MPI) analysis of the California Steel Industries (CSI) Inc.'s May 2, 2012 Local Storage Agreement (LSA) application. This MPI analysis has been done pursuant to the Watermaster Rules and Regulations and the Peace Agreement and consistent with past recent practice.<sup>1</sup> Specifically, Article 10 of Watermaster Rules and Regulations (paragraph 10.10) requires that:

“[...] Watermaster prepare a written summary and analysis (which will include an analysis of the potential for material physical injury) of the Application and provide the Parties with a copy of the written summary and advanced notice of the date of Watermaster's scheduled consideration and possible action on any pending Applications.”

Per the Peace Agreement, material physical injury is defined as:

“[...] material injury that is attributable to Recharge, Transfer, storage and recovery, management, movement or Production of water or implementation of the OBMP, including, but not limited to, degradation of water quality, liquefaction, land subsidence, increases in pump lift and adverse impacts associated with rising groundwater” (Peace Agreement, page 8).

The CSI proposed LSA project description does not contain the operational detail required to apply the Watermaster groundwater models to evaluate MPI nor would its scope warrant it. The MPI analysis presented herein is based on our professional experience and judgment in the Chino Basin, including the collection and analysis of monitoring data, past evaluations of Chino Basin storage programs, groundwater modeling of various groundwater management alternatives in the Chino Basin, and prior MPI analyses—

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<sup>1</sup> See our reports for *Analysis of Material Physical Injury for Local Storage Agreement Application by the City of Ontario*, dated February 28, 2012, and the *Analysis of Material Physical Injury for Local Storage Agreement Application Pending as of December 15, 2011*.

specifically, the recent past modeling investigations for the Dry-year Yield Program Expansion (2007-2008), the *Production Optimization and Evaluation of the Peace II Project Description* (2009), and the *2010 State of the Basin Report*.

### CSI LSA Application of May 2, 2012

CSI's application to the Watermaster included a transmittal letter, completed Watermaster forms 1, 2, and 4, a table summarizing stormwater recharge, drawings that show: the precise grading plan of the CSI stormwater basin, the drainage area contributing stormwater to the CIS stormwater basin, and a one-page well inspection report for CSI well No. 2. CSI applied for an LSA for 750 acre-ft and intends to fill that storage with stormwater captured on the CSI site and recharged in the CSI stormwater basin. In the LSA application, CSI included a table characterizing when their stormwater basin had overflowed; from which, CSI concluded that the basin had filled to the point of discharge fourteen times since November 30, 2007. The basin storage capacity up to the point of uncontrolled discharge is 15.344 acre-ft. CSI claims that the water stored in the basin completely recharges within five days and suggests that since November 30, 2007, at least 215 acre-ft of stormwater recharge has occurred at the basin. The volumes recharged by Watermaster fiscal year are listed below:

Fiscal Year	Recharge
2007-08	46.0
2008-09	30.7
2009-10	61.4
2010-11	61.4
2011-12	15.3

Given that the information provided by CSI is accurate, the actual stormwater recharge would be greater than 215 acre-ft, as there were storms that did not fill to overflow and whose stormwater would have completely infiltrated the stormwater basin. CSI has requested credit for the 215 acre-ft that it has recharged since 2007 and for future storm water recharge in its recharge basin. CSI intends to recover the water stored in the proposed LSA through its own well located on the CSI site.

The application for local storage agreement is not completely consistent with the attached application for recharge. The local storage agreement application refers to the type of water to be placed into storage as "local supplemental or imported" and the application for recharge characterizes the source of supply as "stormwater captured in recharge basin from CSI property".

In addition to the information supplied by CSI, we communicated directly with Kevin Austin of CSI to obtain additional information and to clarify the CSI application. We conducted additional research including a review of the current Waste Discharge Requirements and NPDES permit issued by the Regional Board (Order No. R8-2004-0044, NPDES No. CA0105449) and a review of a recent report describing groundwater level and quality conditions adjacent to the CSI stormwater basin. This review was followed up with a discussion with Robert Holub and Gary Stewart of the Regional Board. The permit issued by the Regional Board addresses surface water quality management. In our discussions with the Regional Board staff they indicated: that the Regional Board has regulated the surface water discharge in an unlined reach of Mulberry ditch and a predecessor stormwater management basin<sup>2</sup> since the mid 1980s; that the recharge in the stormwater basin and in the short unlined downstream reach of Mulberry ditch is small and incidental and has likely been occurring since the mid 1980's; and that they are not concerned with groundwater impacts from incidental recharge at the CSI stormwater basin.

*Groundwater Level Impacts (liquefaction, land subsidence, and increases in pump lift).* This is a put-and-take program, and, as such, the general impact will be to increase storage and thereby increase groundwater levels in the Basin slightly, followed by a return to the groundwater levels that would exist if this storage program never occurred. The magnitude of the historical and likely future recharge and storage is very small and the groundwater level impact from recharge and storage is negligible. The depth to groundwater beneath the recharge basin is about 400 ft-bgs. There will be no adverse impacts from the groundwater level changes caused by the proposed program.

*Balance of Recharge and Discharge in Every Area and Subarea.* As mentioned above, this is a put-and-take program, and, as such, the general impact will be to increase storage and thereby increase groundwater levels in the Basin slightly, followed by a return to the groundwater levels that would exist if this proposed storage program never occurred. The groundwater will also be recovered very near to the point of recharge. The magnitude of the historical and likely future recharge and storage is very small and the impact on the balance of recharge and discharge is negligible.

*Total Dissolved Solids and Total Nitrogen Concentration of the Recharge Water.* CSI has provided no information on the TDS and nitrogen concentrations in the stormwater recharged at its recharge basin. Watermaster has collected TDS and nitrogen concentration data from stormwater collected from urban land use and consistently observed that the TDS and nitrogen concentrations of urban stormwater are lower than their respective concentrations in underlying Chino Basin groundwater and their respective objectives. The magnitude of the recharge is small, and the TDS and nitrogen impacts should be negligible even if the TDS and nitrogen concentrations were significantly in excess of the Basin Plan objectives. Watermaster should require CSI to monitor for TDS and total nitrogen for a few storms each year for two to three years to confirm this conclusion.

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<sup>2</sup> Situated at the same location as the CSI stormwater basin.

*Water Quality Impacts on Other Pumpers.* WEI reviewed recent groundwater data from monitoring wells installed in close proximity to the CSI stormwater basin. The monitoring wells and CSI stormwater basin are shown in the figure below. CCG Ontario, LLC (CCG) purchased 592 acres of the former Kaiser Steel Mill property in 2000.<sup>3</sup> CCG is operating under a Consent Order from the California Department of Toxic Substances Control (DTSC), which requires CCG to conduct a groundwater investigation to determine whether groundwater has been impacted by activities at the former sites purchased by CCG. The groundwater monitoring program consists of twelve single-completion wells and 20 wells in nests screened in shallow, intermediate, and deep aquifer zones.



The CCG Ontario property includes all, or portions of, the Chemwest upper ponds/consolidated waste cell, aboveground storage tanks, chrome ponds (all due west of

<sup>3</sup> Iris Environmental, Inc. 2011. *Final Second Quarter 2011, Remedial Investigation Site-Wide Groundwater Monitoring Report – Former Kaiser Steel Mill*. San Bernardino County, California. Prepared for CCG Ontario, LLC. Submitted to the California Department of Toxic Substances Control. October 14, 2011.

the CSI stormwater basin), the Chemwest lower facility, the east slag pile landfill area (southwest of the recharge basin), and the materials recovery facility.

CCG monitoring well MW-9 is adjacent to the western edge of the CSI stormwater basin. No constituent in the monitoring program exceeded a Maximum Contaminant Level (MCL) in this well. However, hexavalent chromium was detected at concentrations up to 7.9 µg/L. While the California Department of Public Health (CDPH) has not set an MCL for hexavalent chromium, the California Office of Environmental Health Hazard Assessment (OEHHA) has set the public health goal (PHG) at 0.02 µg/L, and it is likely that the MCL will be set at a level less than 8 µg/L.

The regional groundwater flow direction is to the southwest. Iris Environmental<sup>1</sup> shows a more west-southwest flow direction in all three aquifer zones, based on site-specific data. The nearest downgradient CCG monitoring wells include MW-11, MW-12, MW-13, and MW-14. Samples from these wells exceeded MCLs for the following constituents:

Monitoring Well	Constituent	Highest Concentration	MCL
MW-11	Nitrate Nitrogen	16 mg/L	10 mg/L
MW-13	Gross Alpha	20.7 pCi/L	15 pCi/L
	Nitrate Nitrogen	17 mg/L	10 mg/L
	Sulfate	790 mg/L	250 mg/L <sup>4</sup>
MW-14S	Chromium (total)	80 ug/L	50 ug/L
	Nitrate Nitrogen	35 mg/L	10 mg/L
	Sulfate	540 mg/L	250 mg/L <sup>2</sup>
MW-14M	Benzene	9.3 ug/L	5 ug/L

Hexavalent chromium in MW-14S was as high as 82 µg/L—significantly greater than the future MCL. Samples collected from the intermediate and deep wells (MW-14M and MW-14D) had hexavalent chromium as high as 120 and 62.5 µg/L, respectively. Hexavalent chromium in and MW-25 and MW-22D—as much as 3,600 feet downgradient of the MW-14 well cluster—also appears to be elevated, with high concentrations of 16 and 19 µg/L, respectively.

While total dissolved solids (TDS) concentrations were not reported, we can infer that they are high in many of these downgradient wells from the sulfate (and other major ion) concentrations and from groundwater samples collected by Watermaster from nearby wells.

The distance to the nearest downgradient monitoring wells from the CSI stormwater basin range between 715 and 1,835 feet.

The volume of recharge at the CSI recharge facility is very small and will likely not create a mound that would distort the groundwater flow field significantly and subsequently

<sup>4</sup> Secondary maximum contaminant level

materially change the direction and speed of the adjacent plume. Currently, monitoring is ongoing , and there is a strong likelihood of monitoring far into the future. Continued surveillance by the DTSC and future plume management required by the DTSC is sufficient to ensure that downstream impacts of the plume migration, if any, will be mitigated to a level to protect the Basin and the Parties. The potential for material physical injury to the Basin or a party is negligible.

### **Conclusion**

There is no potential material physical injury from the proposed LSA for the recharge, storage, and recovery of stormwater by CSI. Watermaster should require CSI to conduct a short-term monitoring program to confirm our conclusions regarding the TDS and nitrogen concentrations in the stormwater recharged at the CSI stormwater basin. Watermaster should continue to acquire monitoring data from the CCG site<sup>5</sup> and integrate these data into its database report on the fate of the plume underlying the CCG site in it's State of the Basin Report.

Please call us if you have any questions regarding the above or need further assistance.

### **Wildermuth Environmental, Inc.**



Mark J. Wildermuth, PE  
President

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<sup>5</sup> There is no cost to Watermaster to acquire this data as it is collected by CCG and provided to the DTSC. Watermaster need only ask for the data.

RECEIVED



CALIFORNIA STEEL INDUSTRIES, INC.

MAY 4 2012

May 2, 2012

CHINO BASIN WATERMASTER

14000 San Bernardino Avenue, P.O. Box 5080  
Fontana, California 92335  
Telex 201239 (909) 350-6300

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

Re: California Steel Industries, Inc. revised Application for Local Storage Agreement, revised Application for Recharge and Application to Recapture Water in Storage (Forms 1,2 &4)

Dear Ms. Maurizio:

Enclosed please find California Steel Industries, Inc.'s revised Application for Local Storage Agreement, revised Application for Recharge and Application to Recapture Water in Storage. California Steel Industries, Inc. has operated and maintained a 5,000,000 gallon stormwater capture / groundwater recharge basin beginning in calendar year 2004. CSI is requesting recharge credit for 215 ac ft for the last 4 fiscal years. The following items have also been attached:

- Attachment A: Summary of Discharges and Recharge Requested
- Grading plan for recharge basin
- Site drainage plan with CSI NPDES discharge locations
- CSI deep well inspection report

If you have questions or need additional information, please call me at (909) 350-5970.

Sincerely,

ENVIRONMENTAL SERVICES

A handwritten signature in black ink, appearing to read 'KPA', with a long horizontal stroke extending to the right.

Kevin Austin  
Environmental Engineer

Enclosures

cc: D. Poulsen - CSI  
C90159

Certified Mail Article No.: 7010 1870 0002 0893 2534

APPLICATION FOR LOCAL STORAGE AGREEMENT

APPLICANT

California Steel Industries, Inc. 05/02/2012
Name of Party Date Requested Date Approved
14000 San Bernardino Ave 750.000 Acre-feet
Street Address Amount Requested Amount Approved
Fontana CA 92335
City State Zip Code
Telephone: 909-350-5970 Facsimile: 909-350-6162

TYPE OF WATER TO BE PLACED IN STORAGE

Excess Carry Over Local Supplemental or Imported Both

PURPOSE OF STORAGE - Check all that may apply

- Stabilize or reduce future water costs/assessments.
Facilitate utilization of other available sources of supply.
Facilitate replenishment under certain well sites.
Preserve pumping right for a changed future potential use.
Other, explain

METHOD AND LOCATION OF PLACEMENT IN STORAGE - Check and attach all that may apply

- Recharge (Form 2)
Transfer of Right to Water in Storage (Form 3)
Transfer from another party to the Judgment (Form 5)

METHOD AND LOCATION OF RECAPTURE FROM STORAGE - Check and attach all that may apply

- Pump from my wells (Form 4)
Transfer to another party to the Judgment (Form 3)

WATER QUALITY AND WATER LEVELS

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

Water meets San Bernardino County department of Public Health requirements for domestic water.
Current groundwater levels are at approximately 407'.

MATERIAL PHYSICAL INJURY

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

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

**ADDITIONAL INFORMATION ATTACHED**

Yes  No [ ]

BJ Grue 5-2-12  
Applicant

**TO BE COMPLETED BY WATERMASTER:**

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

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

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

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

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

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

APPLICATION FOR RECHARGE

APPLICANT

California Steel Industries, Inc. 05/02/2012
Name of Party Date Requested Date Approved
14000 San Bernardino Ave 215.000 Acre-feet Acre-feet
Street Address Amount Requested Amount Approved
Fontana CA 92335 1 MG/Day 5 days
City State Zip Code Projected Rate of Recharge Projected Duration of Recharge
Telephone: 909-350-5970 Facsimile: 909-350-6162

SOURCE OF SUPPLY

Water from:

- [ ] State Water Project
[ ] Colorado River
[ ] Local Supplemental Source:
[ ] Recycled Water
[ ] Other, explain Stormwater captured in recharge basin from CSI property.

METHOD OF RECHARGE

- [ ] PERCOLATION Basin Name CSI Stormwater Capture Basin
Location 34°04'28"N, 117°30'18"W (9862 Calabash Ave - nearest address)
[ ] INJECTION Well Number No recharge well
Location (attach map)
[ ] EXCHANGE Facility Name
Share of Safe Yield
Carry Over Right
Water in Storage
Pumping Capacity (cfs)

WATER QUALITY AND WATER LEVELS

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

Water meets San Bernardino County department of Public Health requirements for domestic water. Current groundwater levels are at approximately 407'.

**MATERIAL PHYSICAL INJURY**

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

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?

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**ADDITIONAL INFORMATION ATTACHED**

Yes  No [ ]

BJ Gage 5-2-12  
Applicant

**TO BE COMPLETED BY WATERMASTER:**

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

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

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

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

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

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

**APPLICATION OR AMENDMENT TO APPLICATION  
TO  
RECAPTURE WATER IN STORAGE**

**APPLICANT**

<u>California Steel Industries, Inc.</u>			<u>05/02/2012</u>	_____
Name of Party			Date Requested	Date Approved
<u>14000 San Bernardino Ave</u>			<u>215.000</u> Acre-feet	_____ Acre-feet
Street Address			Amount Requested	Amount Approved
<u>Fontana</u>	<u>CA</u>	<u>92335</u>	<u>up to 700 gpm</u>	<u>as needed</u>
City	State	Zip Code	Projected Rate of Recapture	Projected Duration of Recapture
Telephone: <u>909-350-5970</u>			Facsimile: <u>909-350-6162</u>	

**IS THIS AN AMENDMENT TO A PREVIOUSLY APPROVED APPLICATION?** [ ] YES [  ] NO  
**IF YES, ATTACH APPLICATION TO BE AMENDED**

**IDENTITY OF PERSON THAT STORED THE WATER:** California Steel Industries, Inc.

**PURPOSE OF RECAPTURE**

- 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 \_\_\_\_\_

**METHOD OF RECAPTURE (if by other than pumping) (e.g. exchange)**

Pumping - Well #3601365

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

On-site water distribution system.

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

**WATER QUALITY AND WATER LEVELS**

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

Water meets San Bernardino County department of Public Health requirements for domestic water.

Current groundwater levels are at approximately 407'.

**MATERIAL PHYSICAL INJURY**

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

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?

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**ADDITIONAL INFORMATION ATTACHED**

Yes  No [ ]

Bj Guye 5-2-12  
Applicant

**TO BE COMPLETED BY WATERMASTER**

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

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

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

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

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

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

**Attachment A: Summary of Discharges at CSI NPDES location 001**

\* It takes approximately 5 days from the time the basin is full to the time it is empty.

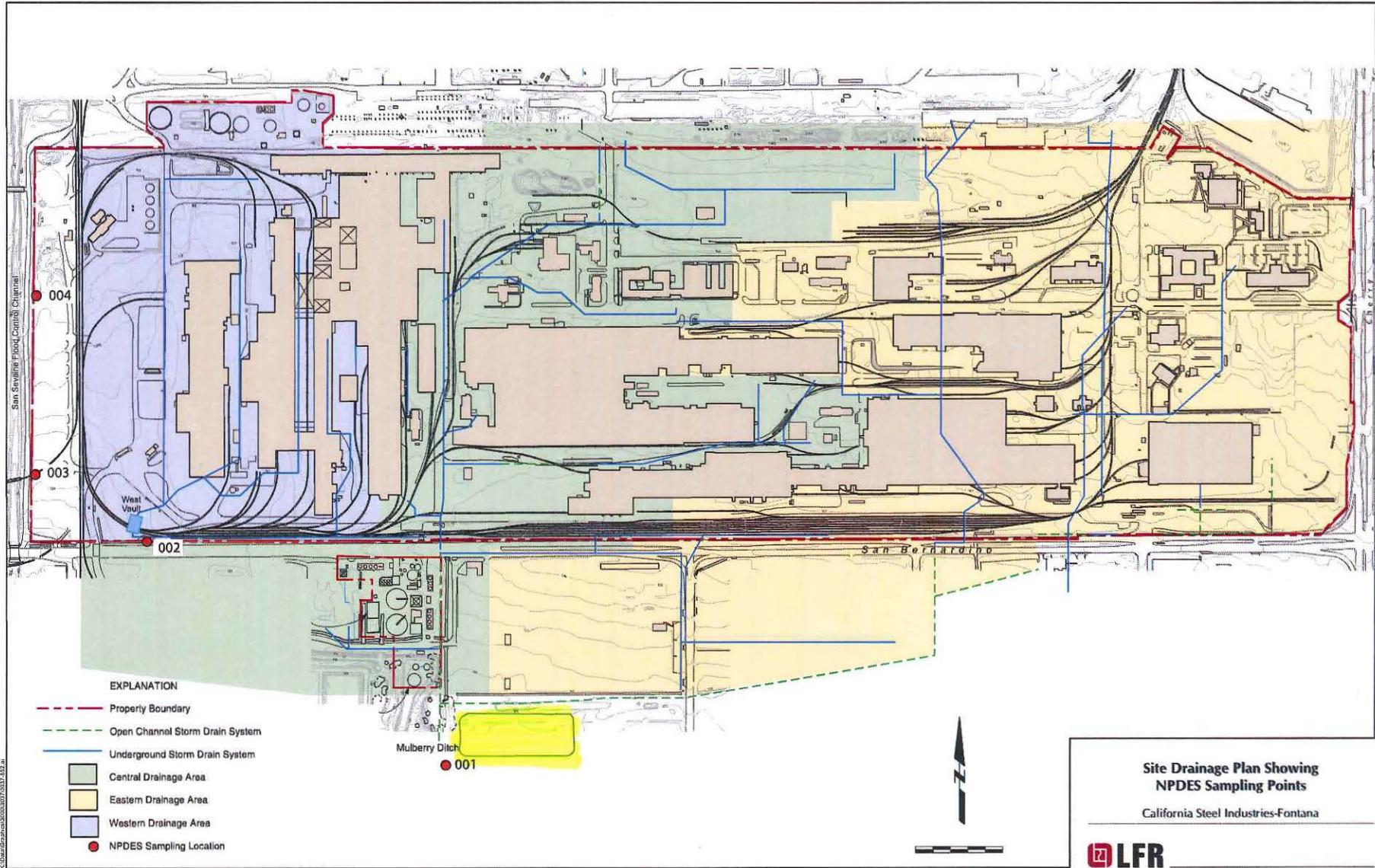
**Date      Days Since Previous Discharge      \* Greater than 5 days since previous**

03/17/12	362	Yes
03/21/11	23	Yes
02/26/11	66	Yes
12/22/10	1	No
12/21/10	1	No
12/20/10	1	No
12/19/10	295	Yes
02/27/10	21	Yes
02/06/10	15	Yes
01/22/10	1	No
01/21/10	1	No
01/20/10	1	No
01/19/10	1	No
01/18/10	37	Yes
12/12/09	298	Yes
02/17/09	8	Yes
02/09/09	56	Yes
12/15/08	322	Yes
01/28/08	1	No
01/27/08	20	Yes
01/07/08	1	No
01/06/08	1	No
01/05/08	36	Yes
11/30/07	604	Yes

14	Number of Days Basin has been completely filled from empty
214.816	Recharge ACFT Requested

CSI stormwater capture basin has capacity of 5.0 million gallons (15.344 AC FT) before overflow.





K:\Data\Drawings\2008\007\0037\_502.dwg



# Layne Christensen Co.

11001 Etiwanda Ave.  
Fontana, Ca. 92337  
Phone: (909) 390-2833  
CA Lic.#: 510011

## Well Inspection Report

CLIENT: California Steel Inc.  
 ADDRESS: 14000 San Bernardino Ave. Fontana  
 CONTACT: Jeff Lamoureux PHONE: 909-645-1119  
 JOB LOCATION: 14000 San Bernardino Ave. Fontana  
 GPS LOCATION: Latitude: N 34° 5' 4.1" Longitude: W 117° 30' 35.2"

WELL NUMBER: No 2 JOB NUMBER: 1000-2381

SURVEYED BY: Daniel De La Rosa DATE: 3-Jun-10

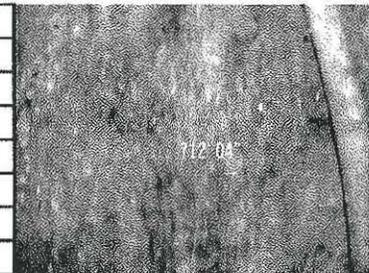
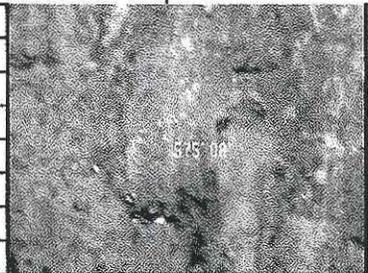
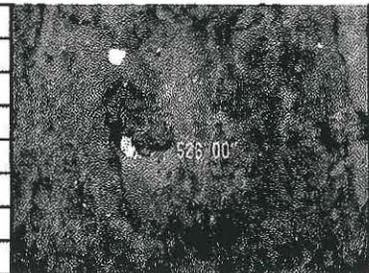
REVIEWED BY: WATER LEVEL: 407'

WATER CONDITION: Cloudy/Clear TOTAL DEPTH: Unknown

CASING DIAMETER: 20.00" ID SURVEY DEPTH: 740' 3"

\*All Depths Shown are relative to the center of the side camera perspective.

DEPTH	REMARKS	Perforations:	
0 - 240'	Casing appears to have moderate scale and growth.		
240 - 407'	Casing appears to have mild scale and growth.		
407'	Camera enters static water level.	Horizontal Mill	491 - 608?
407 - 410'	Oil in casing.		660 - 740'
407 - 450'	Camera experiences poor visibility.		
407 - 700'	Casing appears to have moderate scale and growth.		
495' 11"	Enlarged perforation.		
526'	Enlarged perforation.		
700 - 740'	Casing appears to have heavy scale and growth.		
486 - 740'	Airline in casing.		
740' 3"	Camera light bar comes to rest in fill, video is stopped at side view perspective.		





# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM

### B. INTERVENTION INTO THE OVERLYING NON- AGRICULTURAL POOL





# 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:** June 14, 2012  
**TO:** Pool Committee Members  
**SUBJECT:** Intervention into the Non-Agricultural Pool - City of Chino

### SUMMARY

**Recommendation** – Staff recommends review and action on the Petition of the City of Chino to Intervene into the Non-Agricultural Pool.

### BACKGROUND

According to Paragraph 60 of the Judgment:

"[Any] person newly proposing to produce water from the Chino Basin may become a party to this Judgment upon filing a petition in intervention. Said intervention must be confirmed by order of this Court. Such intervener shall thereafter be a party bound by this judgment and entitled to the rights and privileges accorded under the Physical Solution herein, through the pool to which the Court shall assign such intervener."

According to Watermaster's Rules and Regulations section 2.27:

"Watermaster will receive and make recommendations regarding petitions for intervention and accumulate them for filing with the Court from time to time (Judgment paragraph. 60 and Order re Intervention Procedures, July 14, 1978.)"

Watermaster received a petition to Intervene into the Judgment from the City of Chino on May 24, 2012. The request from the City of Chino is attached. The City in its letter indicates that in 1989 it acquired ownership of 22% of the overlying land area previously held by West Venture Development Company, a party in the Non-Agricultural Pool, and therefore is entitled to intervene into the Non-Agricultural Pool. Also attached is a more comprehensive legal opinion from the City of Chino regarding their request to intervene and reasons for taking such action. Chino indicates it has continued to provide water to the property.

According to the Judgment, a producer is assigned to the Overlying (Non-Agricultural) Pool if it is an overlying producer who produces water for industrial or commercial purposes. (Judgment para. 43(b).) "Any party who changes the character of his use may, by subsequent order of the Court, be reassigned to the proper pool . . . Any non-party producer or any person who may hereafter commence production of

water from Chino Basin, and who may become a party to [the] physical solution by intervention, shall be assigned to the proper pool by the order of the Court authorizing such intervention.” (Judgment para. 43.)

Watermaster’s practice has been to accept interventions informally by way of a letter request and then process the request through the Pools, Advisory Committee and Board. After this internal approval process, the request for Intervention is filed with the Court for approval.

**Actions:**

- June 14, 2012 Appropriative Pool –
- June 14, 2012 Non-Agricultural Pool –
- June 14, 2012 Agricultural Pool –
- June 21, 2012 Advisory Committee –
- June 28, 2012 Watermaster Board –

DENNIS R. YATES  
Mayor

EARL C. ELROD  
Mayor Pro Tem



GLENN DUNCAN  
TOM HAUGHEY  
EUNICE M. ULLOA  
Council Members

JIMMY GUTIERREZ  
City Attorney

## CITY of CHINO

May 24, 2012

Ken Jeske, Interim CEO  
Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

**Re: Chino Intervention in Watermaster Overlying Non-Agricultural Pool and Allocation of Rights**

The City Council of the City of Chino ("City") has directed the City Attorney to submit this letter to the Chino Basin Watermaster, requesting intervention in the Overlying Non-Agricultural Pool and allocation of related rights appurtenant to subdivided land within the City.

The Judgment adjudicating water rights in the Chino Basin declared that the land within related subdivision Nos. 16638-1 and 16638-2, approved by the City on January 16, 1989, had an appurtenant ownership of a total of 20 acre feet and a 15.657 acre feet share of the Safe Yield of overlying non-agricultural water rights in the basin.

The subdivided lots were sold by the subdivider, West Venture Development Company, a California partnership comprised of LB Development Corp. and Rolemi, Inc., California corporations, without reservation of such rights, and no transfer of such rights has been made by any of these lot owners thereafter. West Venture Development Company sent a letter to Watermaster dated October 9, 1992 specifically acknowledging ownership of such rights by the current lot owners, and requesting Watermaster to secure an appropriate order of the court to allocate these water rights in a proceeding commenced by Watermaster.

The City acquired ownership of 22% of the overlying land area in such subdivisions by dedication for public streets, in addition to dedication to it of various easements, thereby securing ownership of 3.45 acre feet of the Safe Yield and 20 acre feet of the total overlying rights appurtenant to such land. In addition, the City also has or will acquire the remainder of such rights either through the implied dedication by the lot owners' consent to the continuous provision of all water service by the City for 23 years or execution of Watermaster Form 10, if deemed necessary by Watermaster.



Ken Jeske, Interim CEO

Re: Chino Intervention in Watermaster Overlying Non-Agricultural Pool and Allocation of Rights

May 24, 2012

Page 2 of 2

Section 43 of the 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'." However, some of the producers included in this list produce such water for only some, if any, industrial or commercial purposes, e.g. the city of Ontario and Swan Lake Mobil Home Park.

Section 4.4 of the 2007 Peace II Agreement also 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 is a Party to the Judgment and has purchased the non-agricultural overlying land within these subdivisions and their appurtenant water rights by the existing dedication of streets in these subdivisions to the City as a condition to its subdivision approval, as well as by owners of the subdivided lots and remaining appurtenant overlying water rights execution of Watermaster's Form 10. Therefore, it is entitled to intervene in the Overlying Non-Agricultural Pool.

Attached is our more comprehensive opinion elaborating on these positions.

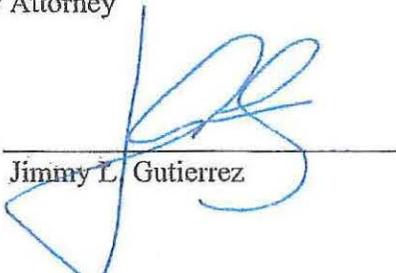
Sincerely,

GUTIERREZ, FIERRO & ERICKSON, A.P.C.

City Attorney

By: \_\_\_\_\_

Jimmy L. Gutierrez



*City is Exercising Overlying Water Rights Appurtenant to Subdivided  
Overlying Lands as the Appropriator Providing Water Service to Such Lands*

Exhibit "D" of the 1978 Judgment stated that Red Star Fertilizer owned 8.44 acres of land, with a decreed 15.657 acre-foot annual share of the Basin Safe Yield. Subsequently, 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 was subdivided in 1989 by West Venture, and the well previously producing water for service on this property was capped. Water service to these subdivided lots, thereafter has been provided by the City.

West Venture initially advised Watermaster sometime after July 30, 1991 that it had no further use for these water rights, and was willing to have them "re-allocated to the remaining Pool members in proportion to their decreed rights." However, in acknowledgment that these rights had been conveyed to the lot purchasers together with their lots, this was revised later by letter from West Venture dated October 9, 1992, stating:

*"However, in view of the fact that the overlying water rights are appurtenant to the lots sold to others<sup>1</sup>, 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)

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."

Section 6 of Exhibit "G" of the original Judgment, and the Restated Judgment, creating the Overlying (Non-Agricultural) Pool Pooling Plan consistently also provide 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 provide water service to such overlying lands may, by an appropriate agency agreement on a form approved by*

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<sup>1</sup> To our knowledge, there was neither an affirmative grant of those water rights to the purchasers of these lot owners, nor a reservation to the seller. However, in the absence of any specific assignment of such rights to the purchasers of the subdivided lots, or reservation of those rights by the seller, the overlying rights incident to land are conveyed together with that land. California Water Law & Policy, Ch. 3, Part D, Sections 3.16-3./21 (Matthew Bender), Scott S. Slater

*Watermaster, exercise said overlying right to the extent, but only to the extent necessary to provide water service to said overlying lands."*

Section 6 of the Plaintiff's 1978 Post Trial Memorandum consistently further stated that:

*"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."*

Section 2.18 of the Overlying (Non-Agricultural) Pool Committee also contains the following consistent provision:

*"Assignment. The rights pertaining to this pool are appurtenant to the land and are only assignable with the land for overlying uses 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, by only to the extent necessary to provide water service to said overlying lands."*

To our knowledge, while service was provided to these subdivided lots by the City of Chino municipal water system, no such agency agreement was entered into by the City. However, it clearly and obviously was recognized by the parties to the Judgment that some Non-Agricultural Overlying Pool land inevitably would be subdivided and that subdivided land provided with water service by Appropriator cities or the county.

**Duplicate Production of the Same Basin Water Rights for Use on Subdivided Overlying Lands and on Non-Overlying Lands Would Constitute a Prohibited Material Physical Injury to the Basin**

In 2000 Paragraph 8 of the Judgment was amended to authorize the additional "Transfer"<sup>2</sup> of non-agricultural overlying water rights separate and apart from the land to which they are appurtenant, for limited purposes as follows

*"All overlying rights are appurtenant to the land and cannot be assigned or conveyed separate or apart there from except that for the term of the Peace Agreement the members of the Overlying (Non-Agricultural) Pool shall have the right to Transfer or lease their quantified production rights within the Overlying*

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<sup>2</sup> Defined in Peace Agreement Section 1.1 (xx) as "...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, also defined by source reference to this Peace Agreement provision, but in a more restricted manner in Section 1.1 (ae) of the Watermaster Rules and Regulations, by addition of the exception "(excepting an assignment by a member of the Non-Agricultural Pool or the Agricultural Overlying Pool)."

Not defined at all in the Restated Judgment.

*(Non-Agricultural) Pool or to Watermaster in conformance with the procedures described in the Peace Agreement between the Parties therein, dated June 29, 2000."*

Section 5.3 of that Peace Agreement describes those procedures 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, and Subsection (b) (ii) further requires 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 (c) then authorizes Watermaster to approve the proposed 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.

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 Injury) of the Application and provide copies and advance notice of the date of Watermaster's scheduled consideration and possible action on any pending Applications.

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, the further requisite process to approve any Transfer has not been completed so far.

There also may be a question of fact, as to whether such a Transfer for use on non-overlying land constitutes a Material Physical Injury to the Basin. The overlying lands to which these overlying rights are appurtenant are being served water by the City of Chino pursuant to its appropriative rights, and such a Transfer would result in an increase in the production and consumption of total adjudicated basin water rights, i.e. a doubling of production of the same right.

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# **CHINO BASIN WATERMASTER**

## **II. BUSINESS ITEM**

- C. WEST VENTURE DEVELOPMENT  
WATER RIGHTS TRANSFER TO THE  
CITY OF CHINO**



***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

June 7, 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: **June 5, 2012**

Date of this notice: **June 7, 2012**

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

- Notice of Sale or Transfer – On June 5, 2012, Watermaster received Consolidated Water Transfer Forms 3, 4, and 5 from the City of Chino, as Transferee, in the amount of 15.657 acre-feet – a permanent transfer of the former West Venture Development Company share of safe yield in the Non-Agricultural Pool.

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

Appropriative Pool: June 14, 2012

Non-Agricultural Pool: June 14, 2012

Agricultural Pool: June 14, 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: June 7, 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:** June 7, 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 – On June 5, 2012, Watermaster received Consolidated Water Transfer Forms 3, 4, and 5 from the City of Chino, as Transferee, in the amount of 15.657 acre-feet—a permanent transfer of the former West Venture Development Company share of safe yield in the Non-Agricultural Pool. This Staff Report provides a summary and analysis of the proposed transfer.

### 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. Review and action on the proposed transaction.

### Fiscal Impact –

- None – No impact from the proposed transaction, however Court costs may result in event the parties do not determine disposition of the water rights
- 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 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 water transaction is attached with the notice of application.

- Notice of Sale or Transfer – On June 5, 2012, Watermaster received Consolidated Water Transfer Forms 3, 4, and 5 from the City of Chino, as Transferee, in the amount of 15.657 acre-feet—a permanent transfer of the former West Venture Development Company share of safe yield in the Non-Agricultural Pool. This Staff Report provides a summary and analysis of the proposed transfer.

## DISCUSSION

Under Exhibit G, paragraph 6, of the Judgment: "Rights herein decreed are appurtenant to that land and are only assignable with the land for overlying use thereon; provided however, . . . (b) the members of the Pool shall have the right to Transfer or lease their quantified production rights within the Pool or to Watermaster in conformance with the procedures described in the Peace Agreement between the Parties therein, dated June 29, 2000 for the term of the Peace Agreement." The Peace Agreement and Peace II Agreement thus modified the strict appurtenancy requirement to allow Transfers of the water rights under certain conditions.

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. The Red Star Fertilizer property 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. In its request, the Chino of Chino claims through the subdivision process at that time it acquired 22% of the former Red Star Fertilizer property. The City of Chino on May 24, 2012 made petition to Intervene in the Overlying Non-Agricultural Pool.

West Venture, 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 from West Venture 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.

Recently this matter was again brought forward. The Non-Agricultural Pool has requested that West Venture Development's Safe Yield of 15.657 acre-feet be re-allocated to the remaining current parties of the Non-Agricultural Pool pro-rata to their respective Safe Yield with Notice to the property owners that purchased the property to give them an opportunity to object, and then ultimately proceeding with direction from the Court.

The issue was brought to the Pools with the following actions taken:

- December 8, 2011 Appropriative Pool – Approved unanimously to not proceed with this item until it had further analyzed the proposal.
- December 8, 2011 Non-Agricultural Pool – Approved unanimously to proceed with re-allocation of West Venture Development Company's Safe Yield of 15.657 acre-feet to the current Parties of the Non-Agricultural Pool pro-rata to their respective Safe Yield, with Notice to the property owners that purchased the property to give them an opportunity to object, and then ultimately proceeding with

direction from the Court; and to direct the Non-Agricultural representatives to support at the Advisory Committee and Watermaster Board after the Appropriative Pool takes action on this item.

- December 8, 2011 Agricultural Pool – No action taken.
- December 15, 2011 Advisory Committee – Not on agenda.
- December 15, 2011 Watermaster Board – Not on agenda.

As of this date, the Appropriative and Agricultural Pools have not taken action.

The subject properties are located in the City of Chino. Therefore, the City is the possessor of applicable development records. Subsequent to the December 8, 2011 Pool meetings, the City has been researching its historic records in effort to determine the properties and ownership. At the request of the Non-Agricultural Pool, staff has met with Chino staff during that effort.

As a result of their review, on June 5, 2012 the City of Chino has submitted Consolidated Water Transfer Forms 3, 4, and 5. The Application indicates that the amount of water rights to be permanently transferred is 15.657 acre-feet share of Safe Yield (20 acre-feet of overlying Non-Agricultural Rights). Submitted along with the transfer request are a request to Intervene and a legal brief from the Chino City Attorney. All are attached. This attached brief indicates the City of Chino's opinion and justification for their application.

Staff recommends that the Committees review the submittals, requests, history and take action as appropriate. 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.

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, whether to the City of Chino or the remaining Non-Agricultural Pool members, 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.

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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 2012 - 2013

DATE REQUESTED: June 5, 2012

AMOUNT REQUESTED: PERMANENT\* Acre-Feet  
 \* 20 AF overlying Non-Agricultural Rights  
 15.657 AF share of Safe Yield.

TRANSFER FROM (SELLER / TRANSFEROR):	TRANSFER TO (BUYER / TRANSFEREE):
Name of Party	City of Chino (Non-Ag)
Street Address	13220 Central Avenue
City State Zip Code	Chino CA 91710
Telephone	(909) 627-7577
Facsimile	(909) 590-5535

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 \_\_\_\_\_

**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 PERMANENT transfer of 20 AF overlying Non-Agricultural Rights corresponding to 15.657 AF share of Safe Yield.

**WATER IS TO BE TRANSFERRED TO:**

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain PERMANENT transfer of 20 AF overlying Non-Agricultural Rights corresponding to 15.657 AF share of Safe Yield.

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:**

Projected Rate of Recapture

Projected Duration of Recapture

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

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

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

**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:

Groundwater quality is characterized by high concentrations of nitrate and/or perchlorate. Produced groundwater is either treated or blended to meet water quality regulations.

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

Static water level (depth of water) varies from 130 feet to 484 feet.

**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?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**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

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

\_\_\_\_\_  
Buyer / Transferee Representative Signature  
**Jimmy L. Gutierrez, City Attorney**  
\_\_\_\_\_  
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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DENNIS R. YATES  
Mayor

EARL C. ELROD  
Mayor Pro Tem



GLENN DUNCAN  
TOM HAUGHEY  
EUNICE M. ULLOA  
Council Members

JIMMY GUTIERREZ  
City Attorney

## CITY of CHINO

May 24, 2012

Ken Jeske, Interim CEO  
Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

**Re: Chino Intervention in Watermaster Overlying Non-Agricultural Pool and Allocation of Rights**

The City Council of the City of Chino ("City") has directed the City Attorney to submit this letter to the Chino Basin Watermaster, requesting intervention in the Overlying Non-Agricultural Pool and allocation of related rights appurtenant to subdivided land within the City.

The Judgment adjudicating water rights in the Chino Basin declared that the land within related subdivision Nos. 16638-1 and 16638-2, approved by the City on January 16, 1989, had an appurtenant ownership of a total of 20 acre feet and a 15.657 acre feet share of the Safe Yield of overlying non-agricultural water rights in the basin.

The subdivided lots were sold by the subdivider, West Venture Development Company, a California partnership comprised of LB Development Corp. and Rolemi, Inc., California corporations, without reservation of such rights, and no transfer of such rights has been made by any of these lot owners thereafter. West Venture Development Company sent a letter to Watermaster dated October 9, 1992 specifically acknowledging ownership of such rights by the current lot owners, and requesting Watermaster to secure an appropriate order of the court to allocate these water rights in a proceeding commenced by Watermaster.

The City acquired ownership of 22% of the overlying land area in such subdivisions by dedication for public streets, in addition to dedication to it of various easements, thereby securing ownership of 3.45 acre feet of the Safe Yield and 20 acre feet of the total overlying rights appurtenant to such land. In addition, the City also has or will acquire the remainder of such rights either through the implied dedication by the lot owners' consent to the continuous provision of all water service by the City for 23 years or execution of Watermaster Form 10, if deemed necessary by Watermaster.



Ken Jeske, Interim CEO

Re: Chino Intervention in Watermaster Overlying Non-Agricultural Pool and Allocation of Rights

May 24, 2012

Page 2 of 2

Section 43 of the 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'." However, some of the producers included in this list produce such water for only some, if any, industrial or commercial purposes, e.g. the city of Ontario and Swan Lake Mobil Home Park.

Section 4.4 of the 2007 Peace II Agreement also 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 is a Party to the Judgment and has purchased the non-agricultural overlying land within these subdivisions and their appurtenant water rights by the existing dedication of streets in these subdivisions to the City as a condition to its subdivision approval, as well as by owners of the subdivided lots and remaining appurtenant overlying water rights execution of Watermaster's Form 10. Therefore, it is entitled to intervene in the Overlying Non-Agricultural Pool.

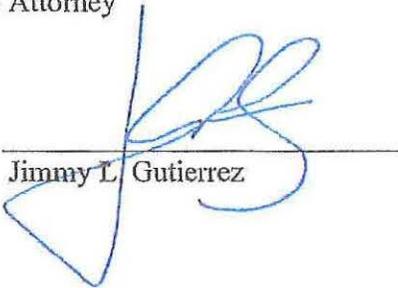
Attached is our more comprehensive opinion elaborating on these positions.

Sincerely,

GUTIERREZ, FIERRO & ERICKSON, A.P.C.  
City Attorney

By: \_\_\_\_\_

Jimmy L. Gutierrez



*City is Exercising Overlying Water Rights Appurtenant to Subdivided  
Overlying Lands as the Appropriator Providing Water Service to Such Lands*

Exhibit "D" of the 1978 Judgment stated that Red Star Fertilizer owned 8.44 acres of land, with a decreed 15.657 acre-foot annual share of the Basin Safe Yield. Subsequently, 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 was subdivided in 1989 by West Venture, and the well previously producing water for service on this property was capped. Water service to these subdivided lots, thereafter has been provided by the City.

West Venture initially advised Watermaster sometime after July 30, 1991 that it had no further use for these water rights, and was willing to have them "re-allocated to the remaining Pool members in proportion to their decreed rights." However, in acknowledgment that these rights had been conveyed to the lot purchasers together with their lots, this was revised later by letter from West Venture dated October 9, 1992, stating:

*"However, in view of the fact that the overlying water rights are appurtenant to the lots sold to others<sup>1</sup>, 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)

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."

Section 6 of Exhibit "G" of the original Judgment, and the Restated Judgment, creating the Overlying (Non-Agricultural) Pool Pooling Plan consistently also provide 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 provide water service to such overlying lands may, by an appropriate agency agreement on a form approved by*

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<sup>1</sup> To our knowledge, there was neither an affirmative grant of those water rights to the purchasers of these lot owners, nor a reservation to the seller. However, in the absence of any specific assignment of such rights to the purchasers of the subdivided lots, or reservation of those rights by the seller, the overlying rights incident to land are conveyed together with that land. California Water Law & Policy, Ch. 3, Part D, Sections 3.16-3.21 (Matthew Bender), Scott S. Slater

*Watermaster, exercise said overlying right to the extent, but only to the extent necessary to provide water service to said overlying lands."*

Section 6 of the Plaintiff's 1978 Post Trial Memorandum consistently further stated that:

*"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."*

Section 2.18 of the Overlying (Non-Agricultural) Pool Committee also contains the following consistent provision:

*"Assignment. The rights pertaining to this pool are appurtenant to the land and are only assignable with the land for overlying uses 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, by only to the extent necessary to provide water service to said overlying lands."*

To our knowledge, while service was provided to these subdivided lots by the City of Chino municipal water system, no such agency agreement was entered into by the City. However, it clearly and obviously was recognized by the parties to the Judgment that some Non-Agricultural Overlying Pool land inevitably would be subdivided and that subdivided land provided with water service by Appropriator cities or the county.

**Duplicate Production of the Same Basin Water Rights for Use on Subdivided Overlying Lands and on Non-Overlying Lands Would Constitute a Prohibited Material Physical Injury to the Basin**

In 2000 Paragraph 8 of the Judgment was amended to authorize the additional "Transfer"<sup>2</sup> of non-agricultural overlying water rights separate and apart from the land to which they are appurtenant, for limited purposes as follows

*"All overlying rights are appurtenant to the land and cannot be assigned or conveyed separate or apart there from except that for the term of the Peace Agreement the members of the Overlying (Non-Agricultural) Pool shall have the right to Transfer or lease their quantified production rights within the Overlying*

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<sup>2</sup> Defined in Peace Agreement Section 1.1 (xx) as "...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, also defined by source reference to this Peace Agreement provision, but in a more restricted manner in Section 1.1 (ae) of the Watermaster Rules and Regulations, by addition of the exception "(excepting an assignment by a member of the Non-Agricultural Pool or the Agricultural Overlying Pool)."

Not defined at all in the Restated Judgment.

*(Non-Agricultural) Pool or to Watermaster in conformance with the procedures described in the Peace Agreement between the Parties therein, dated June 29, 2000."*

Section 5.3 of that Peace Agreement describes those procedures 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, and Subsection (b) (ii) further requires 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 (c) then authorizes Watermaster to approve the proposed 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.

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 Injury) of the Application and provide copies and advance notice of the date of Watermaster's scheduled consideration and possible action on any pending Applications.

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, the further requisite process to approve any Transfer has not been completed so far.

There also may be a question of fact, as to whether such a Transfer for use on non-overlying land constitutes a Material Physical Injury to the Basin. The overlying lands to which these overlying rights are appurtenant are being served water by the City of Chino pursuant to its appropriative rights, and such a Transfer would result in an increase in the production and consumption of total adjudicated basin water rights, i.e. a doubling of production of the same right.

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December 8, 2011

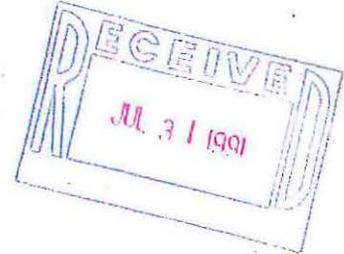
WATERMASTER

DWIGHT F. FRENCH, Chairman  
GEORGE A. BORBA, Vice-Chairman  
JOHN L. ANDERSON, Secretary/Treasurer  
ANNE W. DUNIHUE, Member  
BILL HILL, Member



DONALD R. PETERS, Chief  
Watermaster Services

Telephone (714) 987-1712



July 30, 1991

Mr. Jim Sorensen, President  
West Venture Development  
6345 Balboa Boulevard, #225  
Encino, CA 91316-1501

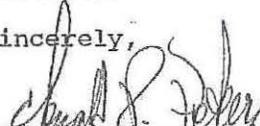
**SUBJECT: ABANDON PUMPING RIGHTS**

Dear Mr. Sorensen:

This letter will confirm our telephone conversation this date regarding subject. As we discussed, you indicated that West Venture Development Company has no further use of its 15.657 acre feet of annual shares of safe yield in as much as a home has been constructed over the well site, and as such, are willing to abandon these rights for distribution to the remaining members of the Overlying (Non-Agricultural) Pool.

Therefore, to this end, please execute this letter on the space provided and return the original letter using the envelope provided.

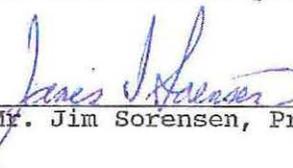
Sincerely,

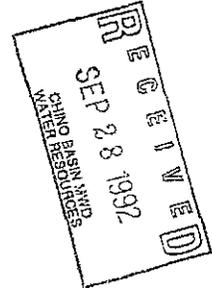
  
Donald R. Peters, Chief  
Watermaster Services

DRP/ces

I hereby abandon my pumping rights of 15.657 acre feet of shares of allocated, safe yield to be re-allocated to the remaining Pool members in proportion to their decreed rights.

West Venture Development

by   
Mr. Jim Sorensen, President



September 25, 1992

Mr. Edwin James  
Chief of Water Master Services  
P.O. Box 697  
Rancho Cucamonga, California 91729

Re: Recorded Well #600240

Dear Mr. James:

The subject well and the attached water rights have been abandoned.

Yours truly,

James I. Sorensen  
President

JIS/jt

10-09-1992 16:31

8183440153

WEST VENTURE

P.02



*Watermaster*

October 9, 1992

Mr. Edwin D. James  
Water Resources Director  
Chino Basin Municipal Water District  
8555 Archibald Avenue  
P.O. Box 697  
Rancho Cucamonga, CA 91730-0697

Re: Chino Basin Overlying Water Rights

Dear Mr. James:

By prior letter I evidenced the intent of West Venture to abandon its overlying water rights in Chino Basin. After a review of the facts relevant to the ownership of those water rights by the company I must amend the prior letter.

West Venture acquired 8.44 acres from Anaheim Citrus Products in 1987. I am advised that this property was apparently owned by the Red Star Fertilizer some time prior to the ownership of Anaheim Citrus Products. I understand that Red Star Fertilizer was one of the parties to the 1978 Judgment in the case of Chino Basin Municipal Water District v. City of Chino, et al. - Case number 164327 (1978). As such some part of 15,657 acre feet of water was made appurtenant to the 8.44 acres of overlying land and was made non-assignable and non-severable from that land.

West Venture subdivided the land into approximately 33 lots and subsequently sold all of those lots in the ensuing years. West Venture capped the well on the 8.44 acres.

Consequently, West Venture abandoned any interest it may have had or now has to the appurtenant overlying water rights. The company will cooperate with the district in any formal steps which must be taken to effectuate this abandonment. However, in view of the fact that the overlying water rights are appurtenant to the lots sold to others, this agreement by the company should not be read in any way as adversely impacting the rights of those lot purchasers.

10-09-1992 16:32

8183440153

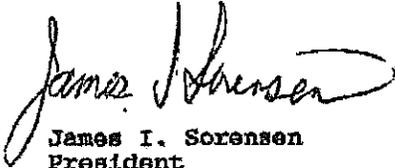
WEST VENTURE

P.03

Mr. Edwin James  
October 9, 1992  
Page 2

Therefore, the company specifically requests that any abandonment of the overlying water rights of the lot owners only occur in accordance with an order of the court in an appropriate proceeding commenced by the district in which the company incurs no obligation to participate and no liability to the purchasers of the lots.

Very truly yours,



James I. Sorensen  
President

JIS/jt



# **CHINO BASIN WATERMASTER**

## **II. BUSINESS ITEM (AGRICULTURAL POOL ONLY)**

### **D. WATERMASTER RESTATED JUDGMENT**





# CHINO BASIN WATERMASTER

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

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## STAFF REPORT

**DATE:** June 14, 2012  
**TO:** Agricultural Pool Committee Members  
**SUBJECT:** Watermaster Restated Judgment

### SUMMARY

**Issue** - The Pools, Advisory Committee, and Board have previously considered the Restated Judgment as an "unofficial" reference document. The Court has requested that it be re-submitted as the "official" copy of the Judgment.

**Recommendation** – Approve the Restated Judgment as the "official" copy of the Judgment.

### Discussion

At the October 28, 2011 hearing, the Court considered Watermaster's submission of the "Restated Judgment." The Restated Judgment is a copy of the 1978 Judgment that incorporates all of the amendments to the Judgment that have occurred since 1978. No other changes to the document have been made other than incorporating the amendments. Watermaster submitted the Restated Judgment as an unofficial reference copy of the Judgment. Under this approach, the operative document remained the Judgment as adopted by the Court in 1978 as amended.

At the hearing the Court indicated that its preference was to have the Restated Judgment become the "official" operative copy of the Judgment and asked Watermaster to resubmit it as such. A copy of the transcript of the discussion with the Court is attached to this staff report. Because the Pools, Advisory Committee and Board have previously only considered the document as an unofficial reference document, Watermaster is re-submitting it through the process to be approved as the new official copy of the Judgment.

No changes to the document have been made since the last time it was considered. The intention of the document is that it merely incorporates previous amendments into the text of the 1978 Judgment. Watermaster counsel has reviewed the document at length and believes it accurately accomplishes this intention. Numerous other parties have also reviewed the document and all errors discovered have been corrected. The Restated Judgment may be viewed on Watermaster's FTP site.

**Actions:**

March 8, 2012 Appropriative Pool – Unanimously Approved the Restated Judgment as the “Official” copy of the Judgment

March 8, 2012 Non-Agricultural Pool – Moved to continue this item until April

March 8, 2012 Agricultural Pool – Moved to continue this item until April

March 15, 2012 Advisory Committee – Was not presented

March 22, 2012 Watermaster Board – Was not presented

1 **SCOTT SLATER (State Bar No. 117317)**  
2 **BRADLEY J. HERREMA (State Bar No. 228976)**  
3 **BROWNSTEIN HYATT FARBER SCHRECK, LLP**  
4 21 East Carrillo Street  
5 Santa Barbara, CA 93101-2706  
6 Telephone: 805.963.7000  
7 Facsimile: 805.965.4333  
8  
9 Attorneys for Plaintiff  
10 **CHINO BASIN WATERMASTER**

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

11 CHINO BASIN WATERMASTER,  
12 Plaintiff,  
13 v.  
14 CITY OF CHINO, et al.,  
15 Defendant.

Case No. **RCV 51010**  
[Assigned for All Purposes to the Honorable  
STANFORD E. REICHERT  
**MOTION FOR APPROVAL OF  
RESTATED JUDGMENT**  
Hearing Date: TBD  
Hearing Time:  
Dept:

17  
18 At the hearing on October 28, 2011 the Court considered Watermaster's submission of the  
19 Restated Judgment. The Restated Judgment is a version of the 1978 Judgment which  
20 incorporates all amendments that have been made to the Judgment into the text of the document.  
21 The Restated Judgment makes no changes to the Judgment other than incorporating amendments  
22 that have been previously approved by the Court.

23 Watermaster submitted the Restated Judgment as an "unofficial" reference copy of the  
24 Judgment with the original 1978 Judgment as amended remaining the legally operative document.  
25 At the hearing the Court indicated its preference that the Restated Judgment become the legally  
26 operative document and asked Watermaster to resubmit it with a motion to that effect.

27 No changes to the document have been made since it was submitted to the Court for the  
28 October 28, 2011 hearing. This Motion has been considered by each of the three Pool

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Committees, the Advisory Committee, and the Watermaster Board.

THEREFORE, Watermaster hereby respectfully requests that the Court adopt the attached version of the Judgment as the official and legally operative copy of the Judgment in the case Chino Basin Municipal Water District v. City of Chino, San Bernardino Superior Court Case No. RCV 51010.

Dated: March \_\_\_\_\_, 2012

BROWNSTEIN HYATT FARBER  
SCHRECK, LLP

By: \_\_\_\_\_  
SCOTT S. SLATER  
Attorneys for Plaintiff  
CHINO BASIN WATERMASTER

008350\0001\607240.1

**BROWNSTEIN HYATT FARBER SCHRECK, LLP**  
21 East Carrillo Street  
Santa Barbara, CA 93101-2706



# CHINO BASIN WATERMASTER

## IV. INFORMATION

1. Cash Disbursements for May 2012



**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**May 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>
General Journal	05/04/2012	05/04/2012	Payroll and Taxes-Alvarez Final-05/04/12	Payroll and Taxes-Alvarez Final-05/04/12	1012 - Bank of America Gen'l Ckg	
				Payroll Taxes-Alvarez Final-05/04/12	1012 - Bank of America Gen'l Ckg	14,334.29
				Direct Deposits-Alvarez Final-05/04/12	1012 - Bank of America Gen'l Ckg	34,248.65
TOTAL						48,582.94
General Journal	05/07/2012	05/07/2012	Payroll and Taxes for 04/15/12-04/28/12	Payroll and Taxes for 04/15/12-04/28/12	1012 - Bank of America Gen'l Ckg	
				Payroll Taxes for 04/15/12-04/28/12	1012 - Bank of America Gen'l Ckg	13,768.41
				Direct Deposits for 04/15/12-04/28/12	1012 - Bank of America Gen'l Ckg	30,719.53
TOTAL						44,487.94
Bill Pmt -Check	05/07/2012	16011	APPLIED COMPUTER TECHNOLOGIES	2055	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2012	2055		Database Consultant - April 2012	6052.2 - Applied Computer Technol	3,746.60
TOTAL						3,746.60
Bill Pmt -Check	05/07/2012	16012	ARROWHEAD MOUNTAIN SPRING WATER	0023230253	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2012	0023130253		Office Water Bottle -April 2012	6031.7 - Other Office Supplies	73.85
TOTAL						73.85
Bill Pmt -Check	05/07/2012	16013	BOWCOCK, ROBERT		1012 - Bank of America Gen'l Ckg	
Bill	04/19/2012	4/19 Advisory Comm		4/19/12 Advisory Committee Meeting	6311 - Board Member Compensation	125.00
Bill	04/19/2012	4/19 RMPU Meeting		4/19/12 RMPU Meeting	6311 - Board Member Compensation	125.00
Bill	04/26/2012	4/26 Board Mtg		4/26/12 Board Mtg	6311 - Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	05/07/2012	16014	CURATALO, JAMES	4/26/12 Board Meeting	1012 - Bank of America Gen'l Ckg	
Bill	04/26/2012	4/26 Board mtg		4/26/12 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	05/07/2012	16015	DE BOOM, NATHAN	Ag Pool Member Meeting Compensation	1012 - Bank of America Gen'l Ckg	
Bill	04/12/2012	4/12 Ag Pool Mtg		4/12/12 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	05/07/2012	16016	DURRINGTON, GLEN	AG POOL MEMBER COMPENSATION	1012 - Bank of America Gen'l Ckg	
Bill	04/12/2012	4/12 Ag Pool Mtg		4/12/12 Ag Pool Meeting	8411 - Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
TOTAL						125.00

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	05/07/2012	16017	FEENSTRA, BOB		1012 - Bank of America Gen'l Ckg	
Bill	04/12/2012	4/12 Ag Pool Mtg		4/12/12 Ag Pool Meeting	8411 - Compensation	25.00
				4/12/12 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
Bill	04/19/2012	4/19 Advisory Comm		4/19/12 Advisory Committee Meeting	8411 - Compensation	25.00
				4/19/12 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	100.00
Bill	04/19/2012	4/19 RMPU Meeting		4/19/12 RMPU Meeting	8411 - Compensation	25.00
				4/19/12 RMPU Meeting	8470 - Ag Meeting Attend -Special	100.00
Bill	04/26/2012	4/26 Board mtg		4/26/12 Board Meeting	8411 - Compensation	25.00
				4/26/12 Board Meeting	8470 - Ag Meeting Attend -Special	100.00
TOTAL						500.00
Bill Pmt -Check	05/07/2012	16018	HALL, PETE*		1012 - Bank of America Gen'l Ckg	
Bill	04/12/2012	4/12 Ag Pool Mtg		4/12/12 Ag Pool Meeting	8411 - Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
Bill	04/19/2012	4/19 Advisory Comm		4/19/12 Advisory Committee Meeting	8411 - Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
Bill	04/19/2012	4/19 RMPU Mtg		4/19/12 RMPU Meeting	8411 - Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
Bill	04/26/2012	4/26 Board Mtg		4/26/12 Board Meeting	8411 - Compensation	25.00
				Ag Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	100.00
TOTAL						500.00
Bill Pmt -Check	05/07/2012	16019	HSBC BUSINESS SOLUTIONS	7003-7309-1000-2744	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2012	7003730910002744		Miscellaneous office supplies	6031.7 - Other Office Supplies	279.40
				Annual renewal fee	6031.7 - Other Office Supplies	275.00
TOTAL						554.40
Bill Pmt -Check	05/07/2012	16020	HUITSING, JOHN	Ag Pool Member Compensation	1012 - Bank of America Gen'l Ckg	
Bill	04/12/2012	4/12 Ag Pool Mtg		4/12/12 Ag Pool Meeting	8411 - Compensation	25.00
				Ag Pool Member Compensation	8470 - Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	05/07/2012	16021	KOOPMAN, GENE	Ag Pool Member Meeting Compensation	1012 - Bank of America Gen'l Ckg	
Bill	04/12/2012	4/12 Ag Pool Mtg		4/12/12 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	05/07/2012	16022	KRUGER, W. C. "BILL"		1012 - Bank of America Gen'l Ckg	
Bill	04/19/2012	4/19 Advisory Comm		4/19/12 Advisory Committee Meeting	6311 - Board Member Compensation	125.00

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<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
Bill	04/19/2012	4/19 RMPU Mtg		4/19/12 RMPU Meeting	6311 · Board Member Compensation	125.00
Bill	04/26/2012	4/26 Board Meeting		4/26/12 Board Meeting	6311 · Board Member Compensation	125.00
<b>TOTAL</b>						<b>375.00</b>
<b>Bill Pmt -Check</b>	<b>05/07/2012</b>	<b>16023</b>	<b>KUHN, BOB</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/12/2012	4/12 Ag Pool Mtg		4/12/12 Ag Pool Meeting	6311 · Board Member Compensation	125.00
Bill	04/26/2012	4/26 Board Mtg		4/26/12 Board Meeting	6311 · Board Member Compensation	125.00
<b>TOTAL</b>						<b>250.00</b>
<b>Bill Pmt -Check</b>	<b>05/07/2012</b>	<b>16024</b>	<b>LANTZ, PAULA</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/12/2012	4/12 Appro Pool Mtg		4/12/12 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00
Bill	04/19/2012	4/19 Advisory Comm		4/19/12 Advisory Committee Meeting	6311 · Board Member Compensation	125.00
Bill	04/26/2012	4/26 Board Mtg		4/26/12 Board Meeting	6311 · Board Member Compensation	125.00
<b>TOTAL</b>						<b>375.00</b>
<b>Bill Pmt -Check</b>	<b>05/07/2012</b>	<b>16025</b>	<b>PARK PLACE COMPUTER SOLUTIONS, INC.</b>	<b>462</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/30/2012	462		IT Services - April 2012	6052.1 · Park Place Comp Solutn	2,550.00
<b>TOTAL</b>						<b>2,550.00</b>
<b>Bill Pmt -Check</b>	<b>05/07/2012</b>	<b>16026</b>	<b>PIERSON, JEFFREY</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/12/2012	4/12 Ag Pol Meeting		4/12/12 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	04/19/2012	4/19 Advisory Comm		4/19/12 Advisory Committee Meeting	8411 · Compensation	25.00
				4/19/12 Advisory Committee Meeting	8470 · Ag Meeting Attend -Special	100.00
Bill	04/26/2012	4/26 Board mtg		4/26/12 Board Meeting	8411 · Compensation	25.00
				4/26/12 Board Meeting	8470 · Ag Meeting Attend -Special	100.00
<b>TOTAL</b>						<b>375.00</b>
<b>Bill Pmt -Check</b>	<b>05/07/2012</b>	<b>16027</b>	<b>PURCHASE POWER</b>	<b>8000909000168851</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/30/2012	8000909000168851		Send check to Niagara Bottling	6042 · Postage - General	16.06
<b>TOTAL</b>						<b>16.06</b>
<b>Bill Pmt -Check</b>	<b>05/07/2012</b>	<b>16028</b>	<b>ROBERTS CONSULTING GROUP INC</b>	<b>1-143-01</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/30/2012	1-143-01		1-143-01	6064 · GM Recruitment Costs	9,000.00
<b>TOTAL</b>						<b>9,000.00</b>
<b>Bill Pmt -Check</b>	<b>05/07/2012</b>	<b>16029</b>	<b>STATE COMPENSATION INSURANCE FUND</b>	<b>1970970-11</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	04/26/2012	1970970-11		Workers Comp. Insurance - April 2012	60183 · Worker's Comp Insurance	1,110.65
<b>TOTAL</b>						<b>1,110.65</b>

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<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
Bill Pmt -Check	05/07/2012	16030	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2012	IVC070000018431		Week ending 4/22/12	6017 · Temporary Services	200.40
TOTAL						200.40
Bill Pmt -Check	05/07/2012	16031	VANDEN HEUVEL, GEOFFREY	6311	1012 · Bank of America Gen'l Ckg	
Bill	04/12/2012	4/12 Ag Pool Mtg		4/12/12 Ag Pool Meeting	6311 · Board Member Compensation	125.00
Bill	04/26/2012	4/26 Board Mtg		4/26/12 Ag Pool Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	05/07/2012	16032	VERIZON		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2012	012561121521714508		012561121521714508	7405 · PE4-Other Expense	174.30
Bill	04/30/2012	012519116950792103		012519116950792103	6022 · Telephone	474.93
TOTAL						649.23
General Journal	05/12/2012	05/12/2012	Payroll and Taxes for 04/29/12-05/12/12	Payroll and Taxes for 04/29/12-05/12/12	1012 · Bank of America Gen'l Ckg	
				Payroll Taxes for 04/29/12-05/12/12	1012 · Bank of America Gen'l Ckg	10,109.16
				Direct Deposits for 04/29/12-05/12/12	1012 · Bank of America Gen'l Ckg	23,767.88
TOTAL						33,877.04
Bill Pmt -Check	05/15/2012	16033	ACWA SERVICES CORPORATION	00198	1012 · Bank of America Gen'l Ckg	
Bill	05/07/2012	00198		Prepayment - June 2012	1409 · Prepaid Life, BAD&D & LTD	146.79
				Insurance Premium - May 2012	60191 · Life & Disab.Ins Benefits	146.78
TOTAL						293.57
Bill Pmt -Check	05/15/2012	16034	CALPERS 457 PLAN	Payroll and Taxes for 04/15/12-04/28/12	1012 · Bank of America Gen'l Ckg	
General Journal	05/07/2012	05/07/2012	CALPERS 457 PLAN	457 Employee Deductions for 04/15/12-04/28/12	2000 · Accounts Payable	2,803.60
TOTAL						2,803.60
Bill Pmt -Check	05/15/2012	16035	COMPUTER NETWORK		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2012	84154		Mounting pole for projector for boardroom	6055 · Computer Hardware	341.59
Bill	05/10/2012	84276		Replacement workstation for Sherri Lynne	6055 · Computer Hardware	996.69
TOTAL						1,338.28
Bill Pmt -Check	05/15/2012	16036	DGO AUTO DETAILING		1012 · Bank of America Gen'l Ckg	
Bill	05/08/2012			Wash 4 trucks on 5/03/12	6177 · Vehicle Repairs & Maintenance	100.00
TOTAL						100.00
Bill Pmt -Check	05/15/2012	16037	GREAT AMERICA LEASING CORP.	12207004	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2012	12207004		Monthly invoice	6043.1 · Ricoh Lease Fee	2,788.53

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				Usage for Black Copies	6043.2 - Ricoh Usage & Maintenance Fee	228.77
				Usage for Color Copies	6043.2 - Ricoh Usage & Maintenance Fee	563.58
TOTAL						<u>3,580.88</u>
Bill Pmt -Check	05/15/2012	16038	PAYCHEX	2012042600	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2012	2012042600		Payroll Services - April 2012	6012 - Payroll Services	261.02
TOTAL						<u>261.02</u>
Bill Pmt -Check	05/15/2012	16039	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	
General Journal	04/28/2012	04/28/2012	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 04/15/12-04/28/12	2000 - Accounts Payable	8,086.11
TOTAL						<u>8,086.11</u>
Bill Pmt -Check	05/15/2012	16040	SAFEGUARD DENTAL & VISION	4356617	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2012	4356617		Vision Insurance - May 2012	60182.2 - Dental & Vision Ins	8.23
TOTAL						<u>8.23</u>
Bill Pmt -Check	05/15/2012	16041	SAN BERNARDINO COUNTY - DEPT. AIRPORTS	66380	1012 - Bank of America Gen'l Ckg	
Bill	05/15/2012	66380		Extensometer site lease - agreement # 12-178	7107.9 - Grd Level-Other	1,596.00
TOTAL						<u>1,596.00</u>
Bill Pmt -Check	05/15/2012	16042	STAPLES BUSINESS ADVANTAGE	8021744383	1012 - Bank of America Gen'l Ckg	
Bill	04/28/2012	8021744383		Copy paper	6031.1 - Copy Paper	183.96
				Miscellaneous office supplies	6031.7 - Other Office Supplies	162.75
TOTAL						<u>346.71</u>
Bill Pmt -Check	05/15/2012	16043	UNION 76	300-732-989	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2012	300732989		Fuel - April 2012	6175 - Vehicle Fuel	169.37
TOTAL						<u>169.37</u>
Bill Pmt -Check	05/15/2012	16044	YUKON DISPOSAL SERVICE	08-K2 213849	1012 - Bank of America Gen'l Ckg	
Bill	05/07/2012	08-k2 213849		Disposal Service for May 2012	6024 - Building Repair & Maintenance	106.53
TOTAL						<u>106.53</u>
Bill Pmt -Check	05/15/2012	16045	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	VOID: Payor #3493	1012 - Bank of America Gen'l Ckg	
TOTAL						
Bill Pmt -Check	05/24/2012	16046	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 - Bank of America Gen'l Ckg	
Bill	04/30/2012	XXXX-XXXX-XXXX-9341		Purchase replacement projector-Board room	6031.7 - Other Office Supplies	2,549.00
				Purchase gloves for water quality sampling	7103.6 - Grdwtr Qual-Supplies	394.70

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Type	Date	Num	Name	Memo	Account	Paid Amount
				Lunch for Administrative Assistants Day	6141.3 · Admin Meetings	129.82
				Purchase manual on Water Meters, Testing	6031.7 · Other Office Supplies	78.50
TOTAL						<u>3,152.02</u>
Bill Pmt -Check	05/24/2012	16047	CALPERS 457 PLAN	Payroll and Taxes for 04/29/12-05/12/12	1012 · Bank of America Gen'l Ckg	
General Journal	05/12/2012	05/12/2012	CALPERS 457 PLAN	Employee Deductions for 04/29/12-05/12/12	2000 · Accounts Payable	2,803.60
TOTAL						<u>2,803.60</u>
Bill Pmt -Check	05/24/2012	16048	CUCAMONGA VALLEY WATER DISTRICT	Lease Due June 1, 2012	1012 · Bank of America Gen'l Ckg	
Bill	05/16/2012			Lease Due June 1, 2012	1422 · Prepaid Rent	5,984.00
TOTAL						<u>5,984.00</u>
Bill Pmt -Check	05/24/2012	16049	DC LAW	18200	1012 · Bank of America Gen'l Ckg	
Bill	04/28/2012	18200		Ag Pool Legal Services	8467 · Ag Legal & Technical Services	227.50
TOTAL						<u>227.50</u>
Bill Pmt -Check	05/24/2012	16050	EGOSCUE LAW GROUP	10053	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2012	10053		Ag Pool Legal Services - April 2012	8467 · Ag Legal & Technical Services	8,195.00
TOTAL						<u>8,195.00</u>
Bill Pmt -Check	05/24/2012	16051	GEOTECHNICAL SERVICES	15631	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2012	15631		15631	7104.7 · Grdwtr Level-WM Staff-Cap Equip	9,953.90
TOTAL						<u>9,953.90</u>
Bill Pmt -Check	05/24/2012	16052	GUARANTEED JANITORIAL SERVICE, INC.	1-29065	1012 · Bank of America Gen'l Ckg	
Bill	05/18/2012	1-29065		Janitorial Service - May 2012	6024 · Building Repair & Maintenance	865.00
TOTAL						<u>865.00</u>
Bill Pmt -Check	05/24/2012	16053	INLAND EMPIRE UTILITIES AGENCY	1800002047	1012 · Bank of America Gen'l Ckg	
Bill	05/15/2012	1800002047		1800002047	6950 · Mutual Agency Projects	10,000.00
TOTAL						<u>10,000.00</u>
Bill Pmt -Check	05/24/2012	16054	LEGAL SHIELD	111802	1012 · Bank of America Gen'l Ckg	
Bill	05/18/2012	0111802		Employee Deductions - May 2012	60194 · Other Employee Insurance	103.60
TOTAL						<u>103.60</u>
Bill Pmt -Check	05/24/2012	16055	PREMIERE GLOBAL SERVICES	11198906	1012 · Bank of America Gen'l Ckg	
Bill	04/30/2012	11198906		Agenda call on 4/03/12	8312 · Meeting Expenses	23.11
				Agenda call on 4/03/12	8412 · Meeting Expenses	23.11
				Agenda call on 4/03/12	8512 · Meeting Expense	23.13

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<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
				OBMP Meeting	6909.1 · OBMP Meetings	49.27
				Non Ag pool meeting on 4/12/12	8512 · Meeting Expense	138.36
				Board confidential session on 4/12/12	6312 · Meeting Expenses	97.46
				Service fee	6022 · Telephone	14.95
				Service fee	6022 · Telephone	8.21
TOTAL						<u>377.60</u>
Bill Pmt -Check	05/24/2012	16056	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	05/04/2012	05/04/2012	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS payment - 05/04/12	2000 · Accounts Payable	783.08
General Journal	05/12/2012	05/12/2012	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS retirement for 04/29/12-05/12/12	2000 · Accounts Payable	6,130.74
TOTAL						<u>6,913.82</u>
Bill Pmt -Check	05/24/2012	16057	R&D PEST SERVICES	0154673	1012 · Bank of America Gen'l Ckg	
Bill	05/18/2012	0154673		Continuing treatment	6024 · Building Repair & Maintenance	85.00
TOTAL						<u>85.00</u>
Bill Pmt -Check	05/24/2012	16058	STANDARD INSURANCE CO.	Policy # 00-640888-0009	1012 · Bank of America Gen'l Ckg	
Bill	05/22/2012	006408880009		Policy # 00-640888-0009	60191 · Life & Disab.Ins Benefits	392.66
TOTAL						<u>392.66</u>
Bill Pmt -Check	05/24/2012	16059	STATE COMPENSATION INSURANCE FUND	1970970-11	1012 · Bank of America Gen'l Ckg	
Bill	05/18/2012	1970970-11		Workers Comp - May 2012	60183 · Worker's Comp Insurance	1,150.49
TOTAL						<u>1,150.49</u>
Bill Pmt -Check	05/24/2012	16060	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	05/31/2012				60182.4 · Retiree Medical	136.61
TOTAL						<u>136.61</u>
Bill Pmt -Check	05/24/2012	16061	UNITED HEALTHCARE	0027858128	1012 · Bank of America Gen'l Ckg	
Bill	05/22/2012	0027858128		Dental Insurance Premium - June 2012	60182.2 · Dental & Vision Ins	547.39
TOTAL						<u>547.39</u>
Bill Pmt -Check	05/24/2012	16062	VERIZON BUSINESS	69071843	1012 · Bank of America Gen'l Ckg	
Bill	05/18/2012	69071843		69071843	6053 · Internet Expense	1,558.87
TOTAL						<u>1,558.87</u>
Bill Pmt -Check	05/24/2012	16063	VERIZON WIRELESS	1081055691	1012 · Bank of America Gen'l Ckg	
Bill	05/18/2012	1081055691		Monthly service	6022 · Telephone	198.28
TOTAL						<u>198.28</u>

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Bill Pmt -Check	05/24/2012	16064	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	04/30/2012	2012078		2012078 - OBMP Engineering Services	6906 · OBMP Engineering Services	1,361.15
Bill	04/30/2012	2012079		2012079 - OBMP Engineering Services	6906 · OBMP Engineering Services	2,475.09
Bill	04/30/2012	2012080		2012080 - OBMP Engineering Services	6906 · OBMP Engineering Services	3,051.25
Bill	04/30/2012	2012081		2012081 - Grdwtr Level-Engineering	7104.3 · Grdwtr Level-Engineering	11,119.50
Bill	04/30/2012	2012082		Neva Ridge - Grd Level-SAR Imagery	7107.3 · Grd Level-SAR Imagery	69,000.00
				2012082 - Grd Level-Engineering	7107.2 · Grd Level-Engineering	972.50
Bill	04/30/2012	2012083		Associated Engineers	7107.6 · Grd Level-Contract Svcs	20,000.00
				Michael C. Carpenter	7107.6 · Grd Level-Contract Svcs	3,394.92
				Western Gunn Hydrology, LLC	7107.6 · Grd Level-Contract Svcs	3,291.03
				2012083 - Grd Level-Engineering	7107.2 · Grd Level-Engineering	28,076.00
				2012083 - Grd Level-Engineering	7107.2 · Grd Level-Engineering	382.78
Bill	04/30/2012	2012084		2012084 - Hydraulic Control-Engineering	7108.3 · Hydraulic Control-Engineering	8,431.87
Bill	04/30/2012	2012085		2012085 - Hydraulic Control-Engineering	7108.3 · Hydraulic Control-Engineering	2,142.34
Bill	04/30/2012	2012086		2012086 - Hydraulic Control-Engineering	7108.3 · Hydraulic Control-Engineering	10,429.62
Bill	04/30/2012	2012087		Michael C. Carpenter - PE4-Engineering	7402 · PE4-Engineering	7,500.00
				2012087 - PE4-Engineering	7402 · PE4-Engineering	1,497.50
Bill	04/30/2012	2012088		2012088 - Comp Recharge-Implementation	7202.3 · Comp Recharge-Implementation	49,681.41
Bill	04/30/2012	2012089		2012089 - OBMP - Watermaster Model Update	6906.1 · OBMP - Watermaster Model Update	35,350.50
						258,157.46
General Journal	05/31/2012	05/31/2012	Payroll and Taxes for 05/13/12-05/26/12	Payroll and Taxes for 05/13/12-05/26/12	1012 · Bank of America Gen'l Ckg	
				Payroll Taxes for 05/13/12-05/26/12	1012 · Bank of America Gen'l Ckg	9,569.59
				Direct Deposits for 05/13/12-05/26/12	1012 · Bank of America Gen'l Ckg	24,030.67
						33,600.26
					<b>Total Disbursements:</b>	<b>511,567.47</b>

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TOTAL

TOTAL