

# CHINO BASIN WATERMASTER



## NOTICE OF MEETINGS

**Thursday, October 11, 2012**

9:00 a.m. – Appropriative Pool Meeting

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

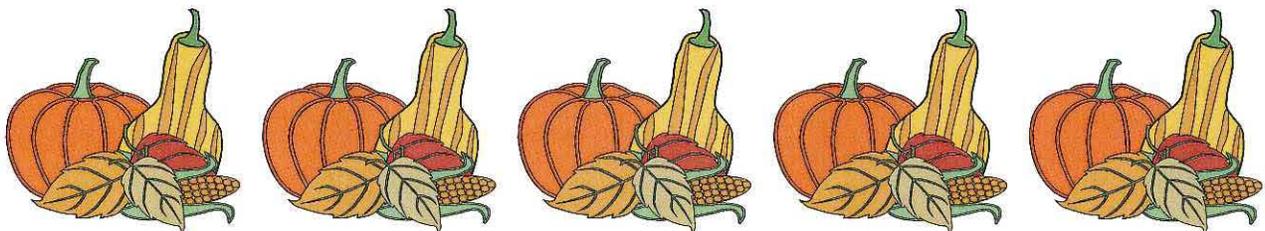
1:30 p.m. – Agricultural Pool Meeting

***AT THE CHINO BASIN WATERMASTER OFFICES***

*9641 San Bernardino Road*

*Rancho Cucamonga, CA 91730*

*(909) 484-3888*





# **CHINO BASIN WATERMASTER**

**Thursday, October 11, 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. – October 11, 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 September 13, 2012 (*Page 1*)

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of August 2012 (*Page 25*)
2. Watermaster VISA Check Detail for the month of August 2012 (*Page 37*)
3. Combining Schedule for the Period July 1, 2012 through August 31, 2012 (*Page 41*)
4. Treasurer's Report of Financial Affairs for the Period August 1, 2012 through August 31, 2012 (*Page 45*)
5. Budget vs. Actual Report for the Period July 1, 2012 through August 31, 2012 (*Page 49*)

**II. BUSINESS ITEMS**

**A. MATERIAL PHYSICAL INJURY ANALYSIS**

Consider Approval to Receive and File Wildermuth Environmental Inc. Material Physical Injury Analysis for Vulcan Material Company's Application for Local Storage Agreement (*Page 59*)

**B. APPLICATIONS FOR RECHARGE**

**Consider Approval for Application for Recharge** - Vulcan Materials Company has submitted an Application for Recharge for 1,200 acre-feet to be placed into a Local Supplemental Storage Account. Date of Application: September 12, 2012. Consider Approval of the Vulcan Material Company's Application in so far as Recharge is concerned if it demonstrates, to Watermaster's satisfaction, that the water recharged at the Vulcan Pit will not become contaminated through contact with the soil, or that any water quality degradation caused by contact with the soil will not result in a chemical concentration in the recharge water to increase to a level that would exceed

a maximum contaminant level established in California Code of Regulation Title 22 or a notification level established by the Department of Public Health. Also, Watermaster should expressly condition the Storage element so that it is expressly subject to subsequent Watermaster determinations on: (1) the quantity of Local Supplemental Water in Storage; (2) the priority among all competing applications for Local Storage Agreements; and (3) the general terms and conditions concerning Preemptive Replenishment and Storage. (Page 73)

**III. REPORTS/UPDATES**

**A. LEGAL REPORT**

1. Order Adopting Restated Judgment, Approved Intervention of Tad Nakese (TDN Land Company) Into Chino Basin Judgment

**B. ENGINEERING REPORT**

1. Modeling Update
2. Planning Scenarios

**C. GM REPORT**

1. Recharge Master Plan Update Timing
2. Safe Yield Calculation
3. Notice of Availability

**IV. INFORMATION**

1. Cash Disbursements for September 2012 (Page 89)

**V. POOL MEMBER COMMENTS**

**VI. OTHER BUSINESS**

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

1. Clarification on September 13, 2012 Appropriative Pool Motion on Legal Counsel Payments
2. Paragraph 31 Settlement

**VIII. FUTURE MEETINGS AT WATERMASTER**

Thursday, October 11, 2012	9:00 a.m.	Appropriative Pool Meeting
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Thursday, October 18, 2012	8:00 a.m.	IEUA DYY Meeting
Thursday, October 18, 2012	9:00 a.m.	Advisory Committee Meeting
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Tuesday, November 20, 2012	9:00 a.m.	GRCC Meeting

\* **NOTE:** Watermaster Board Meeting changed from November 22<sup>nd</sup> to **November 15<sup>th</sup>** due to the Thanksgiving Holiday

\*\* **NOTE:** Recently added

**Meeting Adjourn**

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

11:00 a.m. – October 11, 2012

**WITH**

*Mr. Bob Bowcock, Chair*

*Mr. Brian Geye, Vice-Chair*

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

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

**AGENDA**

**CALL TO ORDER**

**ROLL CALL**

**AGENDA - ADDITIONS/REORDER**

**I. BUSINESS ITEMS - ROUTINE**

**A. MINUTES**

1. Minutes of the Non-Agricultural Pool Meeting held August 13, 2012 (*Page 9*)

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of August 2012 (*Page 25*)
2. Watermaster VISA Check Detail for the month of August 2012 (*Page 37*)
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priority among all competing applications for Local Storage Agreements; and (3) the general terms and conditions concerning Preemptive Replenishment and Storage. (Page 73)

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**A. LEGAL REPORT**

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**B. ENGINEERING REPORT**

1. Modeling Update
2. Planning Scenarios

**C. GM REPORT**

1. Recharge Master Plan Update Timing
2. Safe Yield Calculation
3. Notice of Availability

**IV. INFORMATION**

1. Cash Disbursements for September 2012 (Page 89)

**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.

**VIII. FUTURE MEETINGS AT WATERMASTER**

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**CHINO BASIN WATERMASTER  
AGRICULTURAL POOL MEETING**

1:30 p.m. – October 11, 2012

**WITH**

*Mr. Bob Feenstra, Chair*

*Mr. Jeff Pierson, Vice-Chair*

**At The Offices Of**

**Chino Basin Watermaster**

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

**AGENDA**

**CALL TO ORDER**

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2. Minutes of the Special Confidential Agricultural Pool Meeting held September 21, 2012 *(Page 23)*

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**C. WATER QUALITY SAMPLING OF PRIVATE AGRICULTURAL POOL WELL(S)**

Consider Authorizing Watermaster Staff to Collect and Analyze the Samples and Charge the Expenses Against Account 8471: Agricultural Pool Expenses-Special Project(s) - (Page 87)

**D. OLD BUSINESS**

1. IEUA Recycled Water Presentation
2. Data Request

**III. REPORTS/UPDATES**

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**C. GM REPORT**

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**D. AGRICULTURAL POOL LEGAL COUNSEL REPORT**

**IV. INFORMATION**

1. Cash Disbursements for September 2012 (Page 89)

**V. POOL MEMBER COMMENTS**

**VI. OTHER BUSINESS**

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# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Appropriative Pool Meeting held on September 13, 2012



**Draft Minutes**  
**CHINO BASIN WATERMASTER**  
**APPROPRIATIVE POOL MEETING**  
September 13, 2012

The Appropriative Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on September 13, 2012 at 9:00 a.m.

**APPROPRIATIVE POOL MEMBERS PRESENT**

Marty Zvirbulis, Chair  
Scott Burton  
Raul Garibay  
Ron Craig  
Dave Crosley  
Mark Kinsey  
Van Jew  
Sheri Rojo  
Josh Swift  
Tom Harder  
Geoff Kamansky  
Ben Lewis  
Teri Layton  
Shaun Stone

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

**Watermaster Board Members Present**

Paula Lantz  
Bob Kuhn  
Bob Bowcock

City of Pomona  
Three Valleys Municipal Water District  
Vulcan

**Watermaster Staff Present**

Peter Kavounas  
Ken Jeske  
Danielle Maurizio  
Joe Joswiak  
Sherri Molino

General Manager  
Interim CEO  
Assistant General Manager  
Chief Financial Officer  
Recording Secretary

**Watermaster Consultants Present**

Brad Herrema

Brownstein, Hyatt, Farber & Schreck

**Others Present**

David De Jesus  
Rick Hansen  
Nadeem Majaj  
John Bosler  
Jo Lynne Russo-Pereyra  
Justin Scott-Coe  
Sandra Rose  
Tom Love  
Terry Catlin  
Craig Miller  
Ryan Shaw  
Chris Berch  
Eunice Ulloa  
Jack Safely

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

Marsha Westropp  
Pete Hall  
John Schatz

Orange County Water District  
State of California, CIM  
John J. Schatz, Attorney at Law

Chair Zvirbulis called the Appropriative Pool Meeting to order at 9:05 a.m.

**AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to the agenda.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Appropriative Pool Meeting held July 12, 2012
2. Minutes of the Appropriative Pool Special Confidential Conference Call Meeting held August 30, 2012

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of June 2012
2. Watermaster VISA Check Detail for the month of June 2012
3. Combining Schedule for the Period July 1, 2011 through June 30, 2012
4. Treasurer's Report of Financial Affairs for the Period June 1, 2012 through June 30, 2012
5. Budget vs. Actual Report for the Period July 1, 2011 through June 30, 2012
6. Cash Disbursements for the month of July 2012
7. Watermaster VISA Check Detail for the month of July 2012
9. Combining Schedule for the Period July 1, 2011 through July 31, 2012
9. Treasurer's Report of Financial Affairs for the Period July 1, 2012 through July 31, 2012
10. Budget vs. Actual Report for the Period July 1, 2011 through July 31, 2012

**C. OBMP SEMI-ANNUAL STATUS REPORT 2012-1**

*Motion by Burton, second by Zielke, and by unanimous vote*

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

**II. BUSINESS ITEMS**

**A. COST SHARING AGREEMENT BETWEEN WATERMASTER AND INLAND EMPIRE UTILITIES AGENCY**

Mr. Kavounas stated this item is a Cost Sharing Agreement between Chino Basin Watermaster and Inland Empire Utilities Agency (IEUA); this is coming through the Watermaster process for consideration to support that agreement. Mr. Kavounas stated when the meeting package was drafted staff only had this agreement in draft form as staff was waiting on further review from IEUA. Mr. Kavounas stated it is his understanding that the agreement is now complete and will go to the Advisory Committee and Watermaster Board as the final agreement. Mr. Kavounas asked that Ms. Maurizio give a more detailed report on this item.

Ms. Maurizio stated this Cost Sharing Agreement is an agreement with IEUA for a 50/50 cost share for a Habitat Sustainability Program. Ms. Maurizio stated this comes out of the Mitigation Measure 4.4-3 from the Peace II Subsequent EIR (SEIR) which requires Watermaster, IEUA, and Orange County Water District to develop this program. Ms. Maurizio stated included within this program is the development of the Adaptive Management Plan, construction, installation of up to seventeen monitoring wells at nine separate sites, and vegetative monitoring sites. Ms. Maurizio stated this was approved in the Watermaster budget of which \$20,000 was budgeted last year, some of which was carried over this year, and then an additional \$200,000 this year; the anticipated cost is \$440,000 total with a 50/50 split between Watermaster and IEUA. Ms. Maurizio stated IEUA applied for a grant on behalf of this project, however, the result of the application results will not be known until April 2013. Ms. Maurizio stated if the grant is approved that will reduce the costs for both Watermaster and IEUA. Ms. Maurizio stated IEUA has now reviewed the Cost Sharing Agreement and the only comments their staff had to the

draft, which is in the meeting package, were capitalization and some punctuation corrections; those corrections will be made to go into the Advisory Committee and Watermaster Board packages.

Mr. Kavounas stated, as mentioned, this is part of the Mitigation Measure 4.4-3 which was also included in the meeting package for reference on page 98.

Ms. Rojo noted she read the agreement and it seemed to be silent as to staff allocation costs. Ms. Rojo inquired as to whom the lead agency on this accumulating the cost is, and who will be submitting back and forth, and then the question of salary allocations for project costs. Ms. Maurizio stated there will not be salary costs included. Ms. Maurizio stated as far as the back and forth, IEUA will be doing the bid for the construction of the wells and they will initially be making those payments, and Watermaster will initially be making the payments to Wildermuth Environmental Inc. (WEI) for the project management of the installation of the wells, and then each entity will bill each other for the 50%.

Mr. Jew stated he has three questions for staff starting on page 101 of the meeting packet regarding the draft agreement for items 3A, B, and C. Mr. Jew read the items and questions from the draft agreement. Mr. Jew inquired about soliciting other proposals to perform the project management tasks. Mr. Jew stated the \$440,000 describes this project including seventeen monitoring wells and nine separate sites; it also includes the mitigation measures, and he asked for more detail on how the \$440,000 number was settled on. Mr. Jew inquired as to the prognoses of IEUA getting the grant money and how much of a grant is being applied for.

Mr. Kavounas stated Mr. Jeske will answer Mr. Jew's questions.

Mr. Jeske stated staff did not solicit from other vendors for item B, which was for the work of WEI, because that work is based on the engineering work and modeling that WEI is doing to date regarding groundwater levels; it is much more effective to continue with WEI. Mr. Jeske stated this is one of the main reasons Watermaster is proceeding forward managing that part of the work, including identifying the locations for the monitoring wells. Mr. Jeske stated some of these wells can be used jointly between Hydraulic Control monitoring, which Watermaster is required to do, as well as monitoring that is being done for habitat preservation. Mr. Jeske stated we are looking at keeping those combined for efficiency. Mr. Jeske stated the part for IEUA is left to IEUA's process and that relates more to work that is being done with the US Bureau of Reclamation and habitat work, and it is his understanding there has been a consultant through that team who was previous retained for this type of work.

Mr. Love stated Tom Dodson was the author of the Supplemental Environmental Impact Report and in terms of the Prado Basin Habitat Sustainability Adaptive Management Plan, Mr. Dodson will probably be the primary consultant. Mr. Love stated there has also been a committee set up which includes Orange County Water District's staff (OCWD). Mr. Love stated OCWD commented on the SEIR and they are concerned about the sustainability of the habitat; that committee will also be involved in directing the work in an advisory role as we move forward.

Mr. Jeske stated in looking at the mitigation measures it is required that IEUA, Watermaster, OCWD and individual stakeholders choose and fund it. Mr. Jeske stated so far the only interested parties and participants have been the three water agencies which are IEUA, Watermaster, and OCWD; however, there are other stake holders that may ultimately determine to intervene into this process. Mr. Jeske stated he and Ms. Maurizio have provided information to Western Municipal Water District because they also have discharges in that area and they may want to combine their needs and projects with our needs and projects for efficiency. Mr. Jeske stated that would only serve to mitigate some of the costs to Watermaster agencies or IEUA agencies. Mr. Jeske stated the mitigation measures anticipated that in the beginning and the committee that is working on this anticipates leaving that door open.

Mr. Harder said he is involved in this and he agrees the more the merrier is great.

Mr. Love stated with regard to the grant, there is a very good probability, especially given the nature of this type of project, that we will be successful in receiving the grant. Mr. Love stated he was not sure of the amount that was applied for; however, the majority of DWR grants that IEUA has received over the years have been 50% matched.

Mr. Jeske stated the cost estimates were put together by the committee and they are rough estimates. Mr. Jeske stated he believes they have received fair estimates on the drilling for these small monitoring wells. Mr. Jeske offered further comment on this matter.

Mr. Kinsey stated what he is hearing is that IEUA, Watermaster, and OCWD who was not directly participating in the funding of this project; although if you read the mitigation measures further it states the participants also jointly fund the project. Mr. Kinsey stated OCWD are the ones who sat down and right-sized the mitigation program that we needed. Mr. Kinsey stated this project was alluded to as the more the merrier; this might provide broader benefits to agencies involved down in the Prado Basin area in that the information developed may help other agencies accomplish some of their tasks. Mr. Kinsey stated it would be fair if we could identify those then ultimately we could expect them to participate.

Mr. Jeske stated the first step was the baseline, and the first year's activity is identifying getting the wells in and continuing the baseline review and studies. Mr. Jeske stated this is a multiyear process; this agreement covers year one. Mr. Jeske stated we need to be in midyear and before the budget next year parties will need to be identifying the ongoing monitoring costs once the facilities and baselines are in place. Mr. Jeske stated by then we should know if other parties wish to participate, and then do any amendments to the work plans to meet their needs as well.

Mr. Harder inquired about OCWD participating in the funding. Mr. Jeske stated at this time they are participating with in-kind work on the fundamental work on the habitat, and they have not committed any dollar resources – it is necessary though, to move forward with Hydraulic Control. Mr. Jeske stated IEUA is interested through the Waste Water Program, it's important to get these monitoring wells in before the initiation of the Chino Creek Wellfield so we have that baseline data.

Chair Zvirbulis stated it is his understanding that this project is budgeted. Mr. Jeske stated that is correct, it is in the current budget.

It was asked if we are monitoring water levels and not water quality. Ms. Maurizio stated it is water levels; however, she believes when the wells are installed some water quality samples will be taken, but ongoing it will just be water levels. Mr. Miller stated the intent is to really monitor vegetation and not water quality; water levels will really be the focus. Mr. Miller stated one of the things OCWD has agreed to do is to spend more of the money on vegetative analysis instead of drilling a lot more wells; they are actually working with us to try and hold the costs down. Mr. Miller stated, with regard to the question, are our cost estimates adequate, he thinks they are very conservative for what we actually had to do in this first round of monitoring. Mr. Miller stated, again, we are going to primarily focus on vegetation. Mr. Miller stated the key is, if there is some decline in vegetation, who's responsibility is it going to be – is it something that happened because of hydrologic conditions or is it something that has happened because of our Hydraulic Control Program. Mr. Miller stated what we are trying to do is rule out impacts from hydrologic control.

Chair Zvirbulis inquired if there were any further questions.

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

***Moved to approve the Cost Sharing Agreement Between Watermaster and the Inland Empire Utilities Agency Regarding the Prado Basin Habitat Sustainability Program, as presented***

### III. REPORTS/UPDATES

#### A. LEGAL REPORT

1. Hearing on CSI Paragraph 15 Motion

Counsel Herrema stated this item is regarding the July 20, 2012 hearing on the California Steel Industries (CSI) Paragraph 15 motion. Counsel Herrema stated at the July 13, 2012 Pool meeting, a report was provided on CSI's then pending Paragraph 15 motion. That motion requested that the court confirm that the effect that some of its prior orders was to establish a joint ownership interest among CSI and Aqua Capital Management (ACM) in some disputed water rights. Counsel Herrema stated those water rights have the subject of a separately pending quiet title action which is pending before a different judge based on the 170.6 preemptory challenge to Judge Reichert hearing. Counsel Herrema stated two months ago CSI's motion was pending and there had been no other filings Counsel Herrema stated at that point the Watermaster Board did not direct any participation by Watermaster legal counsel. Counsel Herrema stated after that meeting CSI's follow up pleading was filed and the Watermaster Board directed legal counsel to file a partial joinder to CSI's motion. Counsel Herrema stated the content of the partial joinder, which was distributed to all the parties, was to lay out from Watermaster's perspective what the factual background was, as to these rights, and a finding that the court did have jurisdiction under Paragraph 15 of the Judgment, then to provide an order that confirmed and clarified its prior orders. Counsel Herrema stated that pleading took no position on the ultimate issue which was whether or not ACM was a legitimate purchaser of those water rights free and clear without regard to any CSI ownership interest; that was filed on July 19, 2012, and July 20, 2012 was the hearing. Counsel Herrema stated at that hearing Judge Reichert came prepared with a draft order. In that order the Judge indicated that Paragraph 15 did not compel him to make any order preempting the relief requested by CSI. Counsel Herrema stated the Judge did not want to make any order that could be seen as interfering with the separately pending quiet title action because he had been preemptively challenged from participating in that particular litigation. Counsel Herrema stated all the pleadings and the order have been posted to Watermaster's ftp site.

Mr. Kinsey stated recently the parties were really going through the Restated Judgment and looking at where nonproducing water entities would be placed in the different Pools, etc. and when we went through it, and we noticed that IEUA's role in the Judgment had changed from the original Judgment. Mr. Kinsey commented on nonproducing water entities and the history of their involvement. Mr. Kinsey stated the real question is, is there a reason why we might want to consider changing the treatment of IEUA given the fact that they are no longer the Watermaster and identify their role more on the line of Three Valleys Municipal Water District and Western Municipal Water District. Mr. Kinsey stated it is a thought this Pool has had when we were going through the Restated Judgment. Mr. Kinsey stated this is not something we are going to raise through the process; it is just something we are throwing out for all of your thoughts. Counsel Herrema stated legal and staff can take a further look at that and counsel believes that pertains a little bit more to the second item in legal updates.

2. Motion for Adoption of Restated Judgment, Transmittal of Annual Report, and Request for Approval of Intervention

Counsel Herrema stated this item is for the filing of the motion for adoption of the Restated Judgment, transmittal of the Annual Report, and the request for approval on an Intervention which was filed on Monday, September 10, 2012. Counsel Herrema stated the Restated Judgment was approved by the Pools, Advisory Committee, and Watermaster Board and there was no deadline from the court to file that other than at Watermaster's convenience.

Counsel Herrema stated the Annual Report was presented to the parties in July and approved by all. Counsel Herrema stated the intervention was approved by all Pools, Advisory Committee, and Watermaster Board back in February. Counsel Herrema stated what is typically done for filings, is to aggregate any intervention requests and try and file them collectively in groups to assist in saving on costs.

Mr. Jeske stated there is one other pending intervention request from the City of Chino which has not been processed with recommendations through the Pools, Advisory Committee and Watermaster Board; this is still to come forward when decisions are made and to how to process it.

A discussion regarding the City of Chino's intervention ensued.

3. California Steel Industries Settlement Agreement for Paragraph 31 Motion  
Counsel Herrema stated the outstanding appeal issue with CSI has been resolved through a settlement and that settlement has been distributed to all the parties.

## **B. GM REPORT**

1. Recharge Master Plan Update/Storage Issues Review Process

Mr. Kavounas mentioned that the RMPU Steering Committee is taking a look at the schedule and progress so far, and in his brief one week on the job there seems to be one thing that seems to be obvious is that we need to stay focused on the schedule, and if we stay on course, as we have been, we are going to be challenged in meeting our deadlines. Mr. Kavounas stated what is being considered, at this point, is looking at the tasks that are being worked on which are task 5, 6, and 7, and presenting them at the next committee meeting which is scheduled for next week. Mr. Kavounas stated we may present a little bit of an alternative way to move forward that would help speed up the process and would actually help us get more substance on paper as opposed to talking. Mr. Kavounas stated staff is working with Mr. Wildermuth on this. Mr. Kavounas stated with regard to storage issues, this discussion began before my time and he asked that Mr. Jeske address this matter.

Mr. Jeske stated with regard to recharge, he noted he saw at least one of all your city council members last week at San Bernardino Associated Governments (SANBAG), and all of those who are in San Bernardino County. Mr. Jeske stated at SANBAG the County made a presentation on a County vision. Mr. Jeske stated the County of San Bernardino has been collaborating with the community on creating a County vision for education, health care and water is not on the radar that is at a level equal to some of those important public services, which is a good thing. Mr. Jeske stated when looking at that plan, the finding is that within the County as a total, there are adequate water resources to sustain the anticipated demand and population growth within the 20-year planning period, and they are not always reflected in each agency's water supply assessments or Urban Water Management Plans but in the collective. Mr. Jeske stated the primary team that worked on it was Craig Miller from IEUA and his staff, Kirby Brill from Mojave Water Agency, Doug Hedrick from San Bernardino Valley Municipal Water District, and Celeste Cantu from SAWPA, it was a good project and process. Mr. Jeske stated they highlighted everything from storm water MS4 facilities, land use planning, urban landscape water conservation and interagency approaches. The presentation will be given again today at other meetings today in San Bernardino. Mr. Jeske stated he will make sure that Mr. Kavounas has copies of them all and is briefed on each one. Mr. Jeske offered final comment on this matter.

Mr. Jeske stated with regard to storage that was an issue that the Board had directed staff to look at current policies, as well as the Appropriative Pool. Mr. Jeske stated the Appropriative parties have been meeting and they have forwarded suggestions, along with the Non-Agricultural Pool has provided suggestions on storage. Mr. Jeske stated the recommendation would be for a few selected members from each Pool meet within the

next month to discuss and review some of the ideas, and how to possibly move forward with them. Mr. Jeske stated he thinks there have been excellent ideas presented.

2. Water Activity Reports (WARs)

Mr. Kavounas stated staff has collected a large number of the Water Activity Reports; however, there are a few missing and staff wants to encourage all parties to get those in as soon as possible.

3. IEUA Ordinance 70 – Meter Charge/Readiness-to-Serve Update

Mr. Kavounas stated the IEUA ordinance item was discussed last month. Mr. Jeske stated this item was brought up by the Agricultural Pool and he is pleased to announce this has been resolved. Mr. Jeske gave history on this matter in detail and reiterated this issue has been completely resolved by working with the IEUA staff. Mr. Jeske thanked IEUA for working on this matter so quickly.

Mr. Kinsey offered history when he worked at IEUA and spoke on how this ordinance was drafted and what was the intent of this ordinance. Mr. Kinsey offered comment on forming an assessment district which ultimately landed on being a surcharge against all the meter users. Mr. Kinsey reviewed the principal of that ordinance and discussed the double charge to appropriators. Mr. Kinsey offered final comments on this matter. A discussion regarding this matter ensued.

Added comment

Mr. Jeske offered comment on his working with CBWM staff and all of the parties over these last several months.

IV. INFORMATION

1. Cash Disbursements for August 2012

No comment was made on this item.

V. POOL MEMBER COMMENTS

Mr. Garibay thanked Mr. Jeske for his input and support over these last several months and noted that he appreciated his stepping in and assisting Watermaster. Chair Zvirbulis also noted his appreciation and thanked Mr. Jeske. Chair Zvirbulis stated on behalf of this Pool, welcome Peter Kavounas.

VI. OTHER BUSINESS

No comment was made.

The regular open Appropriative Pool meeting was convened to hold its confidential session at 9:42 a.m.

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

1. Annual Assessment Attorney Fees

Chair Zvirbulis stated there was one reportable action from the confidential session.

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

***Moved to authorize Watermaster to pay invoices to Appropriative Pool legal counsel upon approval by the Pool chair for a not-to-exceed amount of \$75,000 to be paid from the Appropriative Pool's current budget; funds expended are to be replenished through assessments at year-end, as presented***

The confidential session concluded at 11:17 a.m.

**VIII. FUTURE MEETINGS AT WATERMASTER**

* Thursday, September 13, 2012	8:00 a.m.	IEUA DYY Meeting
Thursday, September 13, 2012	9:00 a.m.	Appropriative Pool Meeting
Thursday, September 13, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Mtg.
Thursday, September 13, 2012	1:30 p.m.	Agricultural Pool Meeting
Thursday, September 20, 2012	9:00 a.m.	Advisory Committee Meeting
Thursday, September 20, 2012	10:00 a.m.	CB RMPU Steering Comm. and Storage Mtg.
Tuesday, September 25, 2012	9:00 a.m.	GRCC Meeting
Thursday, September 27, 2012	11:00 a.m.	Watermaster Board Meeting

\* Note: IEUA DYY Meeting changed from September 20<sup>th</sup> to September 13<sup>th</sup> for this month

Chair Zvirbulis adjourned the Appropriative Pool meeting at 11:18 a.m.

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

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



# **CHINO BASIN WATERMASTER**

## **I. BUSINESS ITEM ROUTINE**

### **A. MINUTES**

1. Non-Agricultural Pool Conference Call  
Meeting held on September 13, 2012





4. Treasurer's Report of Financial Affairs for the Period June 1, 2012 through June 30, 2012
5. Budget vs. Actual Report for the Period July 1, 2011 through June 30, 2012
6. Cash Disbursements for the month of July 2012
7. Watermaster VISA Check Detail for the month of July 2012
9. Combining Schedule for the Period July 1, 2011 through July 31, 2012
9. Treasurer's Report of Financial Affairs for the Period July 1, 2012 through July 31, 2012
10. Budget vs. Actual Report for the Period July 1, 2011 through July 31, 2012

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

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

**C. OBMP SEMI-ANNUAL STATUS REPORT 2012-1**

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

***Moved to approve the OBMP Semi-Annual Status Report 2012-1 as a receive and file report***

**II. BUSINESS ITEMS**

**A. COST SHARING AGREEMENT BETWEEN WATERMASTER AND INLAND EMPIRE UTILITIES AGENCY**

Mr. Kavounas gave a report.

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

***Moved to approve staff recommendation 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. Hearing on CSI Paragraph 15 Motion  
Counsel Herrema gave a report.
2. Motion for Adoption of Restated Judgment, Transmittal of Annual Report, and Request for Approval of Intervention  
Counsel Herrema gave a report.
3. California Steel Industries Settlement Agreement for Paragraph 31 Motion  
Counsel Herrema gave a report.

**B. GM REPORT**

1. Recharge Master Plan Update/Storage Issues Review Process  
Mr. Kavounas gave a report. Mr. Jeske gave a report.
2. Water Activity Reports (WARs)  
Mr. Kavounas gave a report.
3. IEUA Ordinance 70 – Meter Charge/Readiness-to-Serve Update  
Mr. Jeske gave a report.

**IV. INFORMATION**

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

**V. POOL MEMBER COMMENTS**

Mr. Geye discussed the selling of storage water through the 92% process and inquired what the current Metropolitan Water District (MWD) water rate is. A discussion regarding MWD rates and how Watermaster is going to deal with this matter ensued. Chair Bowcock offered comment on this matter and suggested the Non-Agricultural Pool meeting separately and then having a joint meeting.

**VI. OTHER BUSINESS**

Mr. Schatz discussed dual Pool membership.

**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, September 13, 2012	8:00 a.m.	IEUA DYY Meeting
Thursday, September 13, 2012	9:00 a.m.	Appropriative Pool Meeting
Thursday, September 13, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Mtg.
Thursday, September 13, 2012	1:30 p.m.	Agricultural Pool Meeting
Thursday, September 20, 2012	9:00 a.m.	Advisory Committee Meeting
Thursday, September 20, 2012	10:00 a.m.	CB RMPU Steering Comm. and Storage Mtg.
Tuesday, September 25, 2012	9:00 a.m.	GRCC Meeting
Thursday, September 27, 2012	11:00 a.m.	Watermaster Board Meeting

\* Note: IEUA DYY Meeting changed from September 20<sup>th</sup> to September 13<sup>th</sup> for this month

Chair Bowcock adjourned the Agricultural Pool meeting at 11:33 p.m.

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

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

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# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Agricultural Pool Meeting held on September 13, 2012
2. Special Confidential Agricultural Pool Meeting held on September 21, 2012



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

*September 13, 2012*

The Agricultural Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on September 13, 2012 at 1:30 p.m.

**Agricultural Pool Members Present**

Bob Feenstra, Chair	Dairy
Nathan deBoom	Dairy
Gene Koopman	Milk Producers Council
Jeff Pierson	Crops
Glen Durrington	Crops
Helen Arens	State of California, Department of Justice
Pete Hall	State of California, CIM

**Watermaster Board Members Present**

Paul Hofer	Crops
Geoffrey Vanden Heuvel	Dairy

**Watermaster Staff Present**

Peter Kavounas	General Manager
Ken Jeske	Interim CEO
Danielle Maurizio	Assistant General Manager
Joe Joswiak	Chief Financial Officer
Sherri Molino	Recording Secretary

**Watermaster Consultants Present**

Brad Herrema	Brownstein, Hyatt, Farber & Schreck
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**Others Present**

Tracy Egoscue	Egoscue Law Group
Dave Crosley	City of Chino
Gil Aldaco	City of Chino
Paul Deutsch	Amec
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 discussed the Agricultural Pool quorum and noted that the Pool needed to discuss the representatives from the State of California.

Chair Feenstra stated he wanted to take this time to welcome Peter Kavounas to our first official Agricultural Pool meeting. Chair Feenstra stated he and Mr. Pierson had the pleasure of previously meeting Peter at an introduction meeting. Mr. Pierson welcomed Peter and noted it is a tough loss for us with Ken; however, we will try and make it an easy transition. Chair Feenstra introduced each of the Pool members and Ms. Egoscue, the Agricultural Pool legal counsel.

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

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

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of June 2012
2. Watermaster VISA Check Detail for the month of June 2012
3. Combining Schedule for the Period July 1, 2011 through June 30, 2012
4. Treasurer's Report of Financial Affairs for the Period June 1, 2012 through June 30, 2012
5. Budget vs. Actual Report for the Period July 1, 2011 through June 30, 2012
6. Cash Disbursements for the month of July 2012
7. Watermaster VISA Check Detail for the month of July 2012
9. Combining Schedule for the Period July 1, 2011 through July 31, 2012
9. Treasurer's Report of Financial Affairs for the Period July 1, 2012 through July 31, 2012
10. Budget vs. Actual Report for the Period July 1, 2011 through July 31, 2012

**C. OBMP SEMI-ANNUAL STATUS REPORT 2012-1**

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

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

**II. BUSINESS ITEMS****A. COST SHARING AGREEMENT BETWEEN WATERMASTER AND INLAND EMPIRE UTILITIES AGENCY**

Mr. Kavounas stated this is the approval of a Cost Sharing Agreement, which is the necessary next step for a project which has already approved and is in the budget. Mr. Kavounas stated this Cost Sharing Agreement is in line with the Bright Line agreement between Watermaster and Inland Empire Utilities Agency (IEUA). Mr. Kavounas stated the project is briefly described in the staff letter and it comes out from one of the obligations of the mitigation measures from the EIR that came out of the Peace II Agreement. Mr. Kavounas noted costs will be split 50/50 between Watermaster and IEUA; total costs of \$440,000. Mr. Kavounas stated part of that agreement is that IEUA will be applying for a grant; if the grant is received the total costs will be reduced and the remaining balance will be split 50/50. Mr. Kavounas stated the agreement is shown as a draft Cost Sharing Agreement; however, IEUA has finished their review and that will now be changed and will go as a final to the Advisory Committee and Watermaster Board later this month.

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

***Moved to approve the cost sharing agreement between Chino Basin Watermaster and Inland Empire Utilities Agency, as presented***

**B. DATA REQUEST FOR PRIVATE PROPERTY TRANSACTION**

Chair Feenstra stated he had asked Watermaster staff to put this item on the agenda for today. Chair Feenstra stated in the Chino Basin, the City of Ontario and the City of Chino are both very involved in the water transactions - everything that is included in the basin; with properties being offered for sale, and there are some properties that are in escrow, and in order to clear escrow, there are requirements to understand what is in the ground as far as water quality information before escrow can be closed. Chair Feenstra stated he received a call from Peter Harringsma, realtor, about a piece of property that is under consideration right now on Chino Avenue. They need a review and information about water quality of the three wells which are on the property, but they would also like background that we have on file regarding the quality of the water, especially as it relates to any contamination. Chair Feenstra stated the only way he can get this information, in discussing this with Ms. Maurizio, was by filling out a form on behalf of that resident/property owner; however, Mr. Kavounas said some action needs to be taken from this Pool.

Mr. Kavounas stated, from his understanding, it is the custom of Watermaster that a process be gone through by mailing a letter to everyone who may have data that could be useful. Mr. Kavounas stated along with that, a postcard is included which they are instructed to send back to Watermaster if they object to the data being released. Staff then waits for a few weeks and if no postcards are received, staff releases the data that has been requested. Mr. Kavounas stated that is Watermaster's practice and in line of the policy of not releasing data unless authorized to do so. Mr. Kavounas stated what is being recommended by staff today is to follow that practice unless the committee chooses to do otherwise. Mr. Koopman stated he understands what the chair is saying in that it is our policy, and basically that is when a 3rd party has asked for the information. Mr. Koopman stated although this matter, from what he understands, it is an owner that has requested the information. This appears to be the land owner that has requested that information, which is different than the policy that we have for giving information to a 3<sup>rd</sup> party. Mr. Koopman stated he personally thinks they should know about the land on their own property and be given that information. Chair Feenstra stated he was told by staff that the land owner can certainly take samples on their own for their own property. Ms. Maurizio stated she wanted to make a clarification that the land owner, at any time, can request water quality data for their own properties; it only takes filling out a simple form. Ms. Maurizio stated in this case the land owner wants water quality data for a radius surrounding their property. Mr. Koopman stated that is not how he understood this transaction and staff is correct if they want well data from around the surrounding area; that goes back to our policy. Ms. Maurizio stated in this particular case there are three wells on the property and only one of them has water quality data, and that data is from 2000, so they are not going to gain a whole lot of information from that data. Ms. Maurizio offered the history on the water quality data collection on this property. Mr. deBoom inquired as to why the property owner want this data. Chair Feenstra stated the developer that is buying this property wants to know the quality of the water in that area mainly because that dairy may be continued to be used as a milk producing facility. Chair Feenstra stated they want to know that whatever they do with the property, does it contain drinkable water or what the water condition is. Chair Feenstra stated there are several large green tanks on the property which put up red flags. Mr. deBoom stated that will not affect the development of the property. Chair Feenstra stated it will not affect the development of the property; it affects the buyer paying for that property. A lengthy discussion regarding this matter ensued. Mr. Kavounas stated it is his understanding that the data is being requested by the realtor. Chair Feenstra stated it was presented to him, so he made the call to Watermaster. Chair Feenstra offered further details on the phone call he received from Mr. Herringma. Ms. Maurizio stated this request came from Chair Feenstra and she also heard from the realtor who wanted to know some general water quality information, and he was referred to the State of the Basin Report because that has some general summaries which are all public information on our website. Chair Feenstra offered comment on property owners wanting to know the water quality on their property and how that quality could affect that property – and if I were a buyer, I would want to know as much as possible about the water quality. Mr. Koopman inquired if we have access to the Aerojet, Boeing, General Electric, and Lockheed (ABGL) collected water sampling data. Ms. Maurizio stated she knows we have the recent samples; however, she does not know if we have the historic ones. Mr. Koopman stated this property has tanks on it and is being served potable water by the City of Ontario – how was it determined that the property needed potable water if the last sampling was done in 2000. Ms. Maurizio stated she will need to look into that. Ms. Maurizio stated Watermaster has the ABGL results and they may have not just made it into the database yet. Ms. Maurizio stated she has not seen the results taken from the past ABGL Group; however, they have shared their more recent results with Watermaster. Mr. Koopman stated the Regional Water Quality Control Board (RWQCB) has done samples on that property for many years now. Ms. Maurizio stated the ABGL Group did tap samples and did not do well samples; it also depends on if there was treatment. Mr. Koopman inquired to the average cost of putting their facility in at that property. Chair Feenstra stated in excess of \$300,000. A discussion regarding the sampling of that property ensued. Chair Feenstra stated he got reports from Lynn Preslo when she represented the ABGL Group and they took well samples in that entire area. Mr. Pierson stated his personal opinion is that we have a policy, and our policy is defined in that that we are not going to divulge information without going through a

process step-by-step. Mr. Pierson stated we also have property owners who are overlying agricultural well users that should have direct access to the information if they request it; if that user asks, we should give it to them, and if a 3<sup>rd</sup> party asks, whether it is a realtor or a developer they need to go through the owner of the wells for that information. Mr. Pierson stated we argued about this for months to try and get to a position where we are not the keeper of this information to give to the outside community – we do not want the liability of providing the information; it's public information, when it's public and other than that, we need to follow our policy/process. Mr. Pierson offered further comments on this matter and noted he does not feel we should be a part of this or we can just participate in a facilitator's capacity. Mr. deBoom inquired if we sent out a letter on Watermaster letterhead on why they want the samples and what we would do in this case. Chair Feenstra stated he did not know they were asking for data that was off their actual property. Chair Feenstra offered comment on the difference between information needed for just their property, opposed to other people's property. Mr. Durrington inquired if all three wells in question are on the actual property. Ms. Maurizio stated yes, those three wells are on the property. Mr. Pierson spoke on this matter and on water quality. Mr. Pierson stated when we get too involved in somebody else's property...where do we stop? Mr. Kavounas stated in light of the fact that they are looking for information beyond the private property which includes wells outside the property area; our recommendation would be to follow the practice which is consistent with the policy by sending out the letters which will be signed by the chair of this Pool and Watermaster. Chair Feenstra stated people will not let anyone give out their private water quality data. Ms. Egoscue stated she wants to ask a clarifying question in that was the original request for the representative sample outside the three wells or is that recommendation that was made by Watermaster because of the lack of information on the two wells; how did that distinction come about. Ms. Maurizio stated it was from a telephone conversation with and from Chair Feenstra; the question was presented about radius during that call. Ms. Egoscue stated her suggestion for this matter is a two-step process; to give the onsite data immediately to them and then the process for the radius needs to occur, and then go with what is needed to adhere to the policy for release of data. Chair Feenstra offered more information on this matter and apologized for anything misunderstood during his conversation with Ms. Maurizio and noted they only asked for their well data. Chair Feenstra offered comment on what the ABGL Group sampled. Ms. Maurizio stated Watermaster went out and sampled, we did tap and well and they only took from the tap. Chair Feenstra stated ABGL Group and Wildermuth Environmental (WEI) might have the needed information. Mr. Koopman stated if WEI has it then Watermaster will also have it. Chair Feenstra called for a motion. A discussion regarding this matter and a motion ensued. Counsel Herrema asked for clarification on the motion. The motion was reiterated to staff and counsel as presented in the motion by Mr. Koopman.

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

***Moved to approved providing the water quality well information that Watermaster has on this particular property on a letter signed by Agnes Vander Dussen-Koetsier and also to provide her with additional information on who she could contact, and b) Any other information needed outside the parameter of those three wells will need to go through the Watermaster Release of Data Procedure, as presented***

#### C. OLD BUSINESS

##### 1. IEUA Ordinance 70 – Meter Charge/Readiness-to-Serve Update

Mr. Kavounas stated this item is from a follow up from its meeting in July Agricultural Pool meeting for an IEUA ordinance charge. Mr. Jeske stated the summary for this matter is that IEUA is no longer going to charge us for this ordinance charge. The parties thanked IEUA for the prompt response on this matter. Mr. Koopman offered final history and comment on this matter.

**III. REPORTS/UPDATES****A. LEGAL REPORT****1. Hearing on CSI Paragraph 15 Motion**

Counsel Herrema stated this item is regarding the July 20, 2012 hearing on the California Steel Industries (CSI) Paragraph 15 motion. Counsel Herrema stated at the July 13, 2012 Pool meeting a report was provided on CSI's then pending Paragraph 15 motion. That motion requested that the court confirm that the effect that some of its prior orders was to establish a joint ownership interest among CSI and Aqua Capital Management (ACM) in some disputed water rights. Counsel Herrema stated those water rights have been the subject of a separately pending quiet title action which is pending before a different judge based on the 170.6 preemptory challenge to Judge Reichert hearing that. Counsel Herrema stated at the time we talked two months ago CSI's motion was pending and there had been no other filings. Counsel Herrema stated at that point the Watermaster Board did not direct any participation by Watermaster legal counsel. Counsel Herrema stated after that meeting CSI's follow-up pleading was filed and the Watermaster Board directed legal counsel to file a partial joinder to CSI's motion. Counsel Herrema stated that pleading took no position on the ultimate issue, which was whether or not ACM was a legitimate purchaser of those water rights free and clear without regard to any CSI ownership interest; that was filed on July 19, 2012, and July 20, 2012 was the hearing. Counsel Herrema stated at that hearing Judge Reichert came prepared with a draft order. In that order the Judge indicated that Paragraph 15 did not compel him to make any order preempting the relief requested by CSI. Counsel Herrema stated the Judge did not want to make any order that could be seen as interfering with the separately pending quiet title action because he had been preemptively challenged from participating in that particular litigation. Counsel Herrema stated all the pleadings and the order have been posted to Watermaster's FTP site. Mr. Geoffrey Vanden Heuvel inquired to counsel if there was any update as to the action in Judge Ochoa's court. Counsel Herrema stated he believes there has been no further action.

**2. Motion for Adoption of Restated Judgment, Transmittal of Annual Report, and Request for Approval of Intervention**

Counsel Herrema stated this item is for the filing of the motion for adoption of the Restated Judgment, transmittal of the Annual Report, and the request for approval on an Intervention which was filed on Monday, September 10, 2012. Counsel Herrema stated the Restated Judgment was approved by the Pools, Advisory Committee, and Watermaster Board and there was no deadline from the court to file that other than at Watermaster's convenience. Counsel Herrema noted the adoption of the Restated Judgment was done when Mr. McKinney was here in the absence of Ms. Egoscue. Counsel Herrema stated the Annual Report was presented to the parties in July and approved by all. Counsel Herrema stated the intervention was approved by all Pools, Advisory Committee, and Watermaster Board back in February. Counsel Herrema offered a brief description of the intervention. Counsel Herrema stated what is typically done for filings are to aggregate any intervention requests and try and file them collectively in groups to assist in saving on costs. Counsel Herrema noted this was pointed out at the Appropriative Pool meeting this morning that there is one other pending intervention request from the City of Chino which has not been processed with recommendations through the Pools, Advisory Committee and Watermaster Board; this is still to come forward when decisions are made and to how to process it.

**3. California Steel Industries Settlement Agreement for Paragraph 31 Motion**

Counsel Herrema stated the outstanding appeal issue with CSI has been resolved through a settlement and that settlement has been distributed to all the parties. A discussion regarding this matter ensued.

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

Mr. Kavounas stated this is his second week at Watermaster and he has been working diligently on getting up to speed on all the projects being worked on. Mr. Kavounas stated he did sit in on a Recharge Master Plan Update (RMPU) meeting in August to start the education process sooner. Mr. Kavounas stated the RMPU committee is making progress; however, at the rate we are going, it is going to be a challenge to provide items to the court if we do not get a move on. Mr. Kavounas stated this group has held regular meetings and staff, with the assistance of Mr. Jeske and Mr. Wildermuth has come up with a recommendation that will be presented to the group next Thursday to hopefully get us back on track.

Mr. Jeske stated with regard to recharge, he recently attended a San Bernardino Associated Governments (SANBAG) function, which was put on by San Bernardino County. Mr. Jeske stated at SANBAG the county made a presentation on a county vision. Mr. Jeske stated the County of San Bernardino has been collaborating with the community on creating a county vision for education, health care and water, and it is not on the radar that is at a level equal to some of those important public services, which is a good thing. Mr. Jeske stated when looking at that plan, the finding is that within the county as a total, there are adequate water resources to sustain the anticipated demand and population growth within the 20-year planning period, and they are not always reflected in each agency's water supply assessments or Urban Water Management Plans, but in the collective. Mr. Jeske stated the primary team that worked on it was Craig Miller from IEUA and his staff, Kirby Brill from Mojave Water Agency, Doug Hedrick from San Bernardino Valley Municipal Water District, and Celeste Cantu from SAWPA, it was a good project and process. Mr. Jeske stated they highlighted everything from storm water MS4 facilities, land use planning, urban landscape water conservation and interagency approaches. The presentation will be given again today at other meetings in San Bernardino.

Mr. Jeske stated during his interim position the Watermaster Board asked that he work on storage issues and he did have meetings with the Appropriators; they have met with themselves as a Pool and asked that they come up with straw man proposal. Mr. Jeske stated the Appropriative Pool and Non-Agricultural Pool both suggested a small sub-group to meet with Mr. Kavounas to work through the items that are being recommended to come up with a joint recommendation.

Mr. Geoffrey Vanden Heuvel noted his concern regarding the amount of storage space that is in the Chino Basin which was identified in the Peace Agreement, which was really reserved for a joint project that would be a benefit to all of us collectively; however, that has not happened. Mr. Geoffrey Vanden Heuvel stated over the past 9, 10, or 11 years there has been a lot of water transferred to the appropriators, and then think of all the unpumped agriculture water that was transferred. Mr. Geoffrey Vanden Heuvel asked that the members recognize all of the growth and reclaimed water that agriculture has been using, and then got traded essentially for water rights that went into the Appropriative Pool. What we find today is that there were limits in the Peace Agreement with limits on how much the individual appropriators could accumulate in these storage accounts. Those limits were based on the Judgment clearly stating that you can't store water without a Storage Agreement and collectively we have not paid a lot of attention, and now there is a lot of water that has accumulated; however, they do not have Storage Agreements but they have all this water. The parties need to get their heads together on what is going to be done to rectify this matter. Mr. Geoffrey Vanden Heuvel noted the Agricultural Pool has not been invited into those meetings and now they have some ideas on what to do, and now they have brought in the Non-Agricultural Pool but they have not invited the Agricultural Pool, and does this not concern the Agricultural Pool. We as an Agricultural Pool view our role as two-fold. One is to clearly watch our interest as agriculture, and the interests of agriculture in the Chino Basin were defined by those who were there when the Judgment

was written. The idea was, agriculture went along with the Judgment, and all we really wanted out of the Judgment was the ability to operate as agriculture until we eventually transitioned out of the Chino Basin; we all knew eventually this would urbanize. We did not take for ourselves any special proprietary individual property owner property rights in the water right which is unique in the Chino Basin Judgment as opposed to other Judgments where water rights are directly tied to the land. So yes, we have a primary interest to make sure that our farming community can continue to operate and have access to the water; that is our primary goal. Mr. Geoffrey Vanden Heuvel stated he thinks this Agricultural Pool has also felt that it had a responsibility to stand up for and be a watch dog for the total; the integrity of the Judgment including not only the right to pump the water but also the right to store water. I would challenge, just a little bit, the notion that agriculture does not have an interest, and he would say when the appropriators want this with us, that we could have a full briefing and an analysis as to what the broader public policy implications are of whatever they are proposing. Mr. Geoffrey Vanden Heuvel stated there is a public good that needs to be accomplished here, respected, and promoted.

Chair Feenstra stated he hopes that Mr. Kavounas notices how much passion there is about agriculture and the issues and discussions that take place.

Mr. Jeske stated he believes the parties are working and saying the same things; however, he has not heard the appropriators say to leave agriculture out of the discussions. Mr. Jeske stated what they have said is that they wanted some time because they have such divergent issues amongst the different types of appropriators, that they wanted to talk through and find out what each other's needs were before they sat down and met with others. In the course of doing just that, and coming up with some recommendations, it was immediately apparent to them that those same recommendations affected parties that had stored water in the Non-Agricultural Pool. Mr. Jeske stated that was made very clear through the entire Paragraph 31 meetings, and even in the settlement agreement discussions that revolve around the settlement agreement, on how those two Pools would communicate to each other. Mr. Jeske stated he has never heard them say to exclude agriculture. Mr. Jeske stated start by working with each of the Pools with the General Manager in pulling them together. Mr. Jeske stated the reason for this item being on the agenda under the report section, is to see what the interest is in the Agricultural Pool. Mr. Jeske stated it is now just time to get this started.

Mr. Durrington stated on the twenty-year plan Mr. Jeske did not mention any reclaimed water – does anybody use reclaimed water besides agriculture. Mr. Jeske stated he did not mention reclaimed water because he did not go through the entire 100 pages of information that is on the county website; yes, reclaimed water was a big element in the plan. Mr. Jeske offered further comment on this matter. A lengthy discussion regarding this matter ensued.

Mr. Hofer stated within the visioning process he would like to know, because it is intriguing to him that the county has taken this on and there seems to be lot of time, effort, and dollars spent on it, and it would be wise, and he is glad Watermaster is tracking this. Mr. Hofer stated he thinks we, as agriculture, should also be tracking all this. Mr. Hofer offered further comment on this matter. Mr. Hofer stated there is enough water for everybody, because San Bernardino is a big county, and he is very interested to see kind of what the end game is for this visioning process, and what the weight is of this document. He would like to see how much input agriculture has had into this on an overall basis.

Mr. Geoffrey Vanden Heuvel stated he attended the workshop of the visioning committee and he did have some opportunity to have some input into it. Mr. Geoffrey Vanden Heuvel offered final comments on this matter. Mr. Geoffrey Vanden Heuvel stated there is plenty of water, but there is not plenty of cheap water.

Chair Feenstra stated the action this Pool wants is to be included in the conversations with each other and to always have representation from the Agricultural Pool. A lengthy discussion regarding the workshops and this matter ensued.

2. Water Activity Reports (WARs)  
No comment was made.

#### IV. INFORMATION

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

#### V. POOL MEMBER COMMENTS

Mr. Koopman stated his comments today have to do with agriculture water usage for other purposes, specifically for dairies that are in the City of Ontario and City of Chino who are using agriculture wells. Mr. Koopman stated if somebody is using agriculture water and is an agriculture user we do an intervention; however, what do we do when it is the other way, and how do we get that done? Mr. Koopman discussed this concern further. Chair Feenstra offered comment on Mr. Koopman's concerns and comments. A discussion regarding what is and is not agriculture ensued. Mr. Jeske stated that would be a huge undertaking for Watermaster to take on and there is a whole series of issues related to this matter. Mr. Koopman stated we do get monitoring reports and he would assume that even dairies that are empty would also get that letter to report their production, and he discussed what the form that is to be filled out looked like. Chair Feenstra stated this will be discussed at another meeting. A discussion regarding Caltrans ensued.

Chair Feenstra stated what he would like to see on a future agenda is the uses of recycled water within the Chino Basin, primarily focusing on recycled water for fire flow, etc.

Chair Feenstra stated he is getting requests from a few property owners, from within the Chino Basin, to start receiving bottled water or they may want us to look into whether they should be hooked up a green tank. Chair Feenstra stated there have been people who have specifically asked us to address this with the Watermaster. Chair Feenstra stated this does not have to be addressed today; however, what do we do when we have a request from those in the farmer/dairy preserve requesting potable water, and what are we going to use as the criteria for them being served. Mr. Koopman stated we do not have the authority to do anything with that regard. Chair Feenstra stated it is our fiduciary responsibility that we assure people within the dairy area safe drinking water. A lengthy discussion regarding this matter ensued.

#### VI. OTHER BUSINESS

No comment was made.

The regular open Agricultural Pool meeting was convened to hold its confidential session at 2:37 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.

1. Agricultural Pool Legal Counsel Report

The confidential session concluded at 3:10 p.m.

The action from the confidential session is for the Agricultural Pool to hold a Special Confidential meeting on Friday, September 21, 2012 at 10:00 a.m. regarding a status updates.

**VIII. FUTURE MEETINGS AT WATERMASTER**

* Thursday, September 13, 2012	8:00 a.m.	IEUA DYY Meeting
Thursday, September 13, 2012	9:00 a.m.	Appropriative Pool Meeting
Thursday, September 13, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Mtg.
Thursday, September 13, 2012	1:30 p.m.	Agricultural Pool Meeting
Thursday, September 20, 2012	9:00 a.m.	Advisory Committee Meeting
Thursday, September 20, 2012	10:00 a.m.	CB RMPU Steering Comm. and Storage Mtg.
Tuesday, September 25, 2012	9:00 a.m.	GRCC Meeting
Thursday, September 27, 2012	11:00 a.m.	Watermaster Board Meeting

\* Note: IEUA DYY Meeting changed from September 20<sup>th</sup> to September 13<sup>th</sup> for this month

Chair Feenstra adjourned the Agricultural Pool meeting at 3:12 p.m.

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

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

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

*September 21, 2012*

The Special Confidential Agricultural Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on September 21, at 10:00 a.m.

**Agricultural Pool Members Present**

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

**Watermaster Board Members Present**

Paul Hofer	Crops
Geoffrey Vanden Heuvel	Dairy

**Watermaster Staff Present**

Peter Kavounas	General Manager
Sherri Molino	Recording Secretary

**Others Present**

Tracy Egoscue	Egoscue Law Group
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Chair Feenstra called the Special Confidential Agricultural Pool meeting to order at 10:07 a.m.

**AGENDA - ADDITIONS/REORDER**

Chair Feenstra stated this committee wants to discuss the representatives from the State of California to serve as the full members or to serve as an alternate for clarification purposes. Chair Feenstra stated this administration decision was for quorum purposes. Chair Feenstra stated the State of California will have Pete Hall and Helen Arens as full directors and will have Carole Boyd as their alternate. Chair Feenstra spoke.

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

***Moved to approve the Agricultural Pool slate change, as presented***

Chair Feenstra thanked the board members for attending this special meeting on a Friday.

A discussion took place on welcoming Peter Kavounas as the new Watermaster General Manager.

Chair Feenstra convened the open meeting to hold its confidential session at 10:09 a.m.

**I. 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.

1. Status Update

The confidential session concluded at 11:21 a.m.

Chair Feenstra stated there was one action taken during closed as follows:

Geoff Vanden Heuvel, Pete Hall, Jeff Pierson, and Bob Feenstra will represent the Agricultural Pool in all future storage steering committee meetings.

**VIII. FUTURE MEETINGS AT WATERMASTER**

Thursday, September 20, 2012	9:00 a.m.	Advisory Committee Meeting
Thursday, September 20, 2012	10:00 a.m.	CB RMPU Steering Comm. and Storage Mtg.
Friday, September 21, 2012	10:00 a.m.	Ag Pool Special Confidential Meeting
Tuesday, September 25, 2012	9:00 a.m.	GRCC Meeting
Thursday, September 27, 2012	11:00 a.m.	Watermaster Board Meeting
Thursday, October 4, 2012	10:00 a.m.	CB RMPU Steering Comm. and Storage Mtg.
Thursday, October 11, 2012	9:00 a.m.	Appropriative Pool Meeting
Thursday, October 11, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Mtg.
Thursday, October 11, 2012	1:30 p.m.	Agricultural Pool Meeting
Thursday, October 18, 2012	8:00 a.m.	IEUA DYY Meeting
Thursday, October 18, 2012	9:00 a.m.	Advisory Committee Meeting
Thursday, October 18, 2012	10:00 a.m.	CB RMPU Steering Comm. and Storage Mtg.
Thursday, October 25, 2012	11:00 a.m.	Watermaster Board Meeting

Chair Feenstra adjourned the Special Confidential Agricultural Pool meeting at 11:32 a.m.

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

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



# CHINO BASIN WATERMASTER

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

### B. FINANCIAL REPORTS

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

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

### B. FINANCIAL REPORTS

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





# 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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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

**DATE:** October 11, 2012  
**TO:** Pool Members  
**SUBJECT:** Cash Disbursement Report – Financial Report B1 (August 31, 2012)

### SUMMARY

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

**Recommendation** – Staff recommends the Cash Disbursements for August 2012 be received and filed as presented.

**Fiscal Impact** – Funds disbursed were included in the FY 2012-2013 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 August 2012 were \$326,052.03. The most significant expenditures during the month were to Wildermuth Environmental, Inc. in the amount of \$133,784.74 (check number 16286 dated August 22, 2012); John J. Schatz in the amount of \$30,094.53 (check number 16239 dated August 7, 2012); and Inland Empire Utilities Agency in the amount of \$17,000.00 (check number 16238 dated August 7, 2012).

### Actions:

October 11, 2012 Appropriative Pool –  
October 11, 2012 Non-Agricultural Pool –  
October 11, 2012 Agricultural Pool –  
October 18, 2012 Advisory Committee –  
October 25, 2012 Watermaster Board –

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**August 2012**

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/01/2012	16221	INLAND EMPIRE UTILITIES AGENCY	90009436	1012 · Bank of America Gen'l Ckg	
Bill	06/30/2012	90009436		90009436	8456 · IEUA Readiness To Serve	552.90
TOTAL						552.90
Bill Pmt -Check	08/07/2012	16222	A&R BRIDGESTONE FIRESTONE AUTO CARE	3-5908	1012 · Bank of America Gen'l Ckg	
Bill	07/17/2012	3-5908		Field truck maintenance	6177 · Vehicle Repairs & Maintenance	21.45
TOTAL						21.45
Bill Pmt -Check	08/07/2012	16223	APPLIED COMPUTER TECHNOLOGIES	2071	1012 · Bank of America Gen'l Ckg	
Bill	07/27/2012	2071		Database Services - July 2012	6052.2 · Applied Computer Technol	2,990.00
TOTAL						2,990.00
Bill Pmt -Check	08/07/2012	16224	ARROWHEAD MOUNTAIN SPRING WATER	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	07/27/2012	0023230253		Office Water Bottle - July 2012	6031.7 · Other Office Supplies	45.24
TOTAL						45.24
Bill Pmt -Check	08/07/2012	16225	BOWCOCK, ROBERT	BOWCOCK, ROBERT	1012 · Bank of America Gen'l Ckg	
Bill	07/19/2012	7/19 Special Brd Mtg		7/19/12 Special Board Meeting	6311 · Board Member Compensation	125.00
Bill	07/20/2012	7/20 Special Brd Mtg		7/20/12 Special Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	08/07/2012	16226	CHARLES Z. FEDAK & COMPANY	CHARLES Z. FEDAK & COMPANY	1012 · Bank of America Gen'l Ckg	
Bill	07/27/2012			Progress Billing - July 2012	6062 · Audit Services	4,210.00
TOTAL						4,210.00
Bill Pmt -Check	08/07/2012	16227	COMPUTER NETWORK	84841	1012 · Bank of America Gen'l Ckg	
Bill	07/30/2012	84841		Replacement desktop computer for GM	6055 · Computer Hardware	2,117.13
TOTAL						2,117.13
Bill Pmt -Check	08/07/2012	16228	CURATALO, JAMES	CURATALO, JAMES	1012 · Bank of America Gen'l Ckg	
Bill	07/19/2012	7/19 Special Brd Mtg		7/19/12 Special Board Meeting	6311 · Board Member Compensation	125.00
Bill	07/20/2012	7/20 Special Brd Mtg		7/20/12 Special Board Meeting	6311 · Board Member Compensation	125.00
Bill	07/26/2012	7/26 Board Mtg		7/26/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	08/07/2012	16229	DE BOOM, NATHAN	DE BOOM, NATHAN	1012 · Bank of America Gen'l Ckg	
Bill	07/12/2012	7/12 Ag Pool Mtg		7/12/12 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**  
**August 2012**

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/07/2012	16230	DGO AUTO DETAILING	DGO AUTO DETAILING	1012 · Bank of America Gen'l Ckg	
Bill	07/27/2012			Wash 4 trucks on 7/11/12 and 7/26/12	6177 · Vehicle Repairs & Maintenance	200.00
TOTAL						200.00
Bill Pmt -Check	08/07/2012	16231	DURRINGTON, GLEN	AG POOL MEMBER COMPENSATION	1012 · Bank of America Gen'l Ckg	
Bill	07/12/2012	7/12 Ag Pool Mtg		7/12/12 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	08/07/2012	16232	ELIE, STEVEN	7/20/12 Special Board Meeting	1012 · Bank of America Gen'l Ckg	
Bill	07/20/2012	7/20 Special Brd Mtg		7/20/12 Special Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	08/07/2012	16233	FEENSTRA, BOB	FEENSTRA, BOB	1012 · Bank of America Gen'l Ckg	
Bill	07/12/2012	7/12 Ag Pool Mtg		7/12/12 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/19/2012	7/19 Special Brd Mtg		7/19/12 Special Board Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/20/2012	7/20 Special Brd Mtg		7/20/12 Special Board Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/26/2012	7/26 Board Meeting		7/26/12 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						500.00
Bill Pmt -Check	08/07/2012	16234	GEYE, BRIAN	7/26/12 Board Meeting	1012 · Bank of America Gen'l Ckg	
Bill	07/26/2012	7/26 Board Mtg		7/26/12 Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						125.00
Bill Pmt -Check	08/07/2012	16235	HALL, PETE*	HALL, PETE*	1012 · Bank of America Gen'l Ckg	
Bill	07/12/2012	7/12 Ag Pool Mtg		7/12/12 Ag Pool Mtg	8470 · Ag Meeting Attend -Special	125.00
Bill	07/19/2012	7/19 RMPU Mtg		7/19/12 RMPU Mtg	8470 · Ag Meeting Attend -Special	125.00
Bill	07/26/2012	7/26 Board Mtg		7/26/12 Board Mtg	8470 · Ag Meeting Attend -Special	125.00
TOTAL						375.00
Bill Pmt -Check	08/07/2012	16236	HOGAN LOVELLS	2674659	1012 · Bank of America Gen'l Ckg	
Bill	07/31/2012	2674659		Non-Ag Legal Services - July 2012	8567 · Non-Ag Legal Service	3,496.50
TOTAL						3,496.50
Bill Pmt -Check	08/07/2012	16237	HUITSING, JOHN	Ag Pool Member Compensation	1012 · Bank of America Gen'l Ckg	
Bill	07/12/2012	7/12 Ag Pool Mtg		7/12/12 Ag Pool Meeting	8411 · Compensation	25.00
				Ag Pool Member Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						125.00

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**August 2012**

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount	
Bill Pmt -Check	08/07/2012	16238	INLAND EMPIRE UTILITIES AGENCY	1800002077	1012 · Bank of America Gen'l Ckg		
Bill	07/25/2012	1800002077		7690.2 Turner Basin Project	2500 · Accrued Expenses	17,000.00	
TOTAL						17,000.00	
Bill Pmt -Check	08/07/2012	16239	JOHN J. SCHATZ	JOHN J. SCHATZ	1012 · Bank of America Gen'l Ckg		
Bill	06/30/2012			Jan - June 2012	8367 · Legal Service	30,094.53	
TOTAL						30,094.53	
Bill Pmt -Check	08/07/2012	16240	KOOPMAN, GENE	AG Pool Member Meeting Compensation	1012 · Bank of America Gen'l Ckg		
Bill	07/12/2012	7/12 Ag Pool Mtg		7/12/12 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	08/07/2012	16241	KRUGER, W. C. "BILL"	KRUGER, W. C. "BILL"	1012 · Bank of America Gen'l Ckg		
Bill	07/19/2012	7/19 Special Brd Mtg		7/19/12 Special Board Meeting	6311 · Board Member Compensation	125.00	
Bill	07/20/2012	7/20 Special Brd Mtg		7/20/12 Special Board Meeting	6311 · Board Member Compensation	125.00	
TOTAL						250.00	
P29	Bill Pmt -Check	08/07/2012	16242	KUHN, BOB	KUHN, BOB	1012 · Bank of America Gen'l Ckg	
	Bill	07/19/2012	7/29 Special Brd Mtg		7/19/12 Special Board Meeting	6311 · Board Member Compensation	125.00
	Bill	07/20/2012	7/20 Special Brd Mtg		7/20/12 Special Board Meeting	6311 · Board Member Compensation	125.00
	Bill	07/26/2012	7/26 Board Mtg		7/26/12 Board Meeting	6311 · Board Member Compensation	125.00
	Bill	07/31/2012	7/31 Admin Mtg		7/31/12 Administrative Meeting	6311 · Board Member Compensation	125.00
TOTAL						500.00	
Bill Pmt -Check	08/07/2012	16243	LANTZ, PAULA	LANTZ, PAULA	1012 · Bank of America Gen'l Ckg		
Bill	07/12/2012	7/12 Appro Pool Mtg		7/12/12 Appropriative Pool Meeting	6311 · Board Member Compensation	125.00	
Bill	07/19/2012	7/19 Special Brd Mtg		7/19/12 Special Board Meeting	6311 · Board Member Compensation	125.00	
Bill	07/20/2012	7/20 Special Brd Mtg		7/20/12 Special Board Meeting	6311 · Board Member Compensation	125.00	
Bill	07/24/2012	7/24 Conference Call		7/24/12 Conference Call	6311 · Board Member Compensation	125.00	
Bill	07/26/2012	7/26 Board Mtg		7/26/12 Board Meeting	6311 · Board Member Compensation	125.00	
TOTAL						625.00	
Bill Pmt -Check	08/07/2012	16244	LINO, LAVENDER	July 20, 2012 Court Hearing Transcript	1012 · Bank of America Gen'l Ckg		
Bill	07/31/2012			July 20, 2012 Court Hearing Transcript	6906.8 · OBMP - Reports	140.00	
TOTAL						140.00	
Bill Pmt -Check	08/07/2012	16245	PARK PLACE COMPUTER SOLUTIONS, INC.	465	1012 · Bank of America Gen'l Ckg		
Bill	07/31/2012	465		IT Services - July 2012	6052.1 · Park Place Comp Solutn	2,700.00	
TOTAL						2,700.00	

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**August 2012**

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/07/2012	16246	PHILADELPHIA INSURANCE COMPANY	78842363	1012 · Bank of America Gen'l Ckg	
Bill	07/27/2012	78842363		78842363	6085 · Business Insurance Package	7.20
TOTAL						<u>7.20</u>
Bill Pmt -Check	08/07/2012	16247	PIERSON, JEFFREY	PIERSON, JEFFREY	1012 · Bank of America Gen'l Ckg	
Bill	07/12/2012	7/12 Ag Pool Mtg		7/12/12 Ag Pool Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/19/2012	7/19 Special Brd Mtg		7/19/12 Special Board Meeting	6311 · Board Member Compensation	125.00
Bill	07/19/2012	7/19 RMPU Mtg		7/19/12 RMPU Meeting	8470 · Ag Meeting Attend -Special	125.00
Bill	07/26/2012	7/26 Board Mtg		7/26/12 Board Meeting	8470 · Ag Meeting Attend -Special	125.00
TOTAL						<u>500.00</u>
Bill Pmt -Check	08/07/2012	16248	VANDEN HEUVEL, GEOFFREY	6311	1012 · Bank of America Gen'l Ckg	
Bill	07/12/2012	7/12 Ag Pool Mtg		7/12/12 Ag Pool Meeting	6311 · Board Member Compensation	125.00
Bill	07/19/2012	7/19 Special Brd Mtg		7/19/12 Special Board Meeting	6311 · Board Member Compensation	125.00
Bill	07/20/2012	7/20 Special Brd Mtg		7/20/12 Special Board Meeting	6311 · Board Member Compensation	125.00
TOTAL						<u>375.00</u>
P30 Bill Pmt -Check	08/07/2012	16249	VANDEN HEUVEL, ROB	AG POOL MEMBER COMPENSATION	1012 · Bank of America Gen'l Ckg	
Bill	07/12/2012	7/12 Ag Pool Mtg		7/12/12 Ag Pool Meeting	8411 · Compensation	25.00
				AG Pool Member Meeting Compensation	8470 · Ag Meeting Attend -Special	100.00
TOTAL						<u>125.00</u>
Bill Pmt -Check	08/07/2012	16250	VERIZON	VERIZON	1012 · Bank of America Gen'l Ckg	
Bill	07/26/2012	012519116950792103		012519116950792103	6022 · Telephone	480.77
Bill	07/27/2012	012561121521714508		012561121521714508	7405 · PE4-Other Expense	175.73
TOTAL						<u>656.50</u>
Bill Pmt -Check	08/07/2012	16251	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	08/01/2012	08-k2 213849		Service for August 2012	6024 · Building Repair & Maintenance	106.53
TOTAL						<u>106.53</u>
General Journal	08/08/2012	08/08/2012	Payroll and Taxes for 07/22/12-08/04/12	Payroll and Taxes for 07/22/12-08/04/12	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 07/22/12-08/04/12	1012 · Bank of America Gen'l Ckg	18,234.68
				Payroll Taxes for 07/22/12-08/04/12	1012 · Bank of America Gen'l Ckg	6,973.76
TOTAL						<u>25,208.44</u>
Bill Pmt -Check	08/08/2012	16252	ACWA JOINT POWERS INSURANCE AUTHORITY 00198		1012 · Bank of America Gen'l Ckg	
Bill	08/06/2012	00198		Prepayment - September 2012	1409 · Prepaid Life, BAD&D & LTD	56.89
				August 2012	60191 · Life & Disab.Ins Benefits	92.46

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**August 2012**

Financial Report - B1

	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
TOTAL							149.35
	Bill Pmt -Check	08/08/2012	16253	CALPERS 457 PLAN	Payroll and Taxes for 07/22/12-08/04/12	1012 · Bank of America Gen'l Ckg	
	General Journal	08/08/2012	08/08/2012	CALPERS 457 PLAN	Employee 457 deductions for 07/22/12-08/04/12	2000 · Accounts Payable	2,094.55
TOTAL							<u>2,094.55</u>
	Bill Pmt -Check	08/08/2012	16254	COMPUTER NETWORK	84882	1012 · Bank of America Gen'l Ckg	
	Bill	08/06/2012	84882		Laptop computer for GM	6055 · Computer Hardware	708.38
TOTAL							<u>708.38</u>
	Bill Pmt -Check	08/08/2012	16255	EGOSCUE LAW GROUP	10111	1012 · Bank of America Gen'l Ckg	
	Bill	07/31/2012	10111		Ag Pool Legal Services - July 2012	8467 · Ag Legal & Technical Services	5,692.50
TOTAL							<u>5,692.50</u>
	Bill Pmt -Check	08/08/2012	16256	GREAT AMERICA LEASING CORP.	12563021	1012 · Bank of America Gen'l Ckg	
	Bill	07/31/2012	12563021		Monthly Invoice	6043.1 · Ricoh Lease Fee	2,788.53
					Usage for Black Copies	6043.2 · Ricoh Usage & Maintenance Fee	173.14
					Usage for Color Copies	6043.2 · Ricoh Usage & Maintenance Fee	302.53
TOTAL							<u>3,264.20</u>
	Bill Pmt -Check	08/08/2012	16257	PAYCHEX	2012072600	1012 · Bank of America Gen'l Ckg	
	Bill	07/31/2012	2012072600		July 2012	6012 · Payroll Services	241.60
TOTAL							<u>241.60</u>
	Bill Pmt -Check	08/08/2012	16258	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
	General Journal	08/10/2012	08/10/2012	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS retirement for 07/22/12-08/04/12	2000 · Accounts Payable	5,366.84
TOTAL							<u>5,366.84</u>
	Bill Pmt -Check	08/08/2012	16259	QUILL	4682888	1012 · Bank of America Gen'l Ckg	
	Bill	07/26/2012	4682888		Refill paper for minute books	6031.7 · Other Office Supplies	245.08
TOTAL							<u>245.08</u>
	Bill Pmt -Check	08/08/2012	16260	USA-FACT INC	1976970-IN	1012 · Bank of America Gen'l Ckg	
	Bill	08/07/2012	1976970-IN		Background check for GM candidate	6016 · New Employee Search Costs	187.48
TOTAL							<u>187.48</u>
	Check	08/15/2012	08/15/2012	Service Charge	Service Charge	1012 · Bank of America Gen'l Ckg	
					Service Charge	6039.1 · Banking Service Charges	282.84
TOTAL							<u>282.84</u>

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**August 2012**

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/15/2012	16261	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	07/30/2012	XXXX-XXXX-XXXX-9341		Lunch for 7/19 Board Meeting	6312 · Meeting Expenses	337.47
TOTAL						337.47
Bill Pmt -Check	08/15/2012	16262	CORELOGIC INFORMATION SOLUTIONS	80569262	1012 · Bank of America Gen'l Ckg	
Bill	07/30/2012	80569262		80569262	7103.7 · Grdwtr Qual-Computer Svc	62.50
				80569262	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	08/15/2012	16263	DAILY BULLETIN	18069340	1012 · Bank of America Gen'l Ckg	
Bill	08/15/2012	18069340		9/20/12-8/06/13	6112 · Subscriptions/Publications	252.00
TOTAL						252.00
Bill Pmt -Check	08/15/2012	16264	HALL, PETE*	AG POOL MEMBER COMPENSATION	VOIDED	
Bill Pmt -Check	08/15/2012	16265	HSBC BUSINESS SOLUTIONS	7003-7309-1000-2744	1012 · Bank of America Gen'l Ckg	
Bill	07/16/2012	7003730910002744		Miscellaneous office supplies	6031.7 · Other Office Supplies	308.75
TOTAL						308.75
Bill Pmt -Check	08/15/2012	16266	PREMIERE GLOBAL SERVICES	11862605	1012 · Bank of America Gen'l Ckg	
Bill	07/30/2012	11865605		Agenda call on 7/03/12	8312 · Meeting Expenses	9.48
				Agenda call on 7/03/12	8412 · Meeting Expenses	9.47
				Agenda call on 7/03/12	8512 · Meeting Expense	9.47
				Non-Ag pool meeting call	8512 · Meeting Expense	189.24
				Special board conference call on 7/19	6312 · Meeting Expenses	155.22
				Special board conference call on 7/19	6312 · Meeting Expenses	9.70
				Service fee	6022 · Telephone	14.95
				Service fee	6022 · Telephone	8.99
TOTAL						406.52
Bill Pmt -Check	08/15/2012	16267	PRINTING RESOURCES	58399	1012 · Bank of America Gen'l Ckg	
Bill	08/08/2012	58399		Name plates and Badges	6031.7 · Other Office Supplies	136.17
TOTAL						136.17
Bill Pmt -Check	08/15/2012	16268	SANTA ANA WATERSHED PROJECT AUTH.	FY 2012-13 Basin Monit. Prgm. Task Force	1012 · Bank of America Gen'l Ckg	
Bill	08/15/2012	9139		Basin Monitoring Program Task Force Contribution	6903 · OBMP SAWPA Group	10,593.00
TOTAL						10,593.00
Bill Pmt -Check	08/15/2012	16269	UNION 76	300-732-989	1012 · Bank of America Gen'l Ckg	
Bill	07/30/2012	300732989		July 2012	6175 · Vehicle Fuel	109.62

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**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**August 2012**

	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amount</u>
TOTAL							109.62
	Bill Pmt -Check	08/15/2012	16270	VERIZON BUSINESS	07133882	1012 · Bank of America Gen'l Ckg	
	Bill	08/15/2012	07133882		07133882	6053 · Internet Expense	1,544.99
TOTAL							<u>1,544.99</u>
	Bill Pmt -Check	08/15/2012	16271	VERIZON WIRELESS	1107861390	1012 · Bank of America Gen'l Ckg	
	Bill	08/15/2012	1107681390		Monthly service	6022 · Telephone	187.85
TOTAL							<u>187.85</u>
	Bill Pmt -Check	08/20/2012	16272	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
	Bill	08/20/2012	1394905143		Medical Insurance - September 2012	60182.1 · Medical Insurance	4,439.43
TOTAL							<u>4,439.43</u>
	Bill Pmt -Check	08/20/2012	16273	CUCAMONGA VALLEY WATER DISTRICT	Lease due September 1, 2012	1012 · Bank of America Gen'l Ckg	
	Bill	08/20/2012			Lease due September 1, 2012	1422 · Prepaid Rent	5,984.00
TOTAL							<u>5,984.00</u>
<b>P33</b>	Bill Pmt -Check	08/20/2012	16274	DAN VASILE	DAN VASILE	1012 · Bank of America Gen'l Ckg	
	Bill	08/20/2012			New employee physical for GM	6016 · New Employee Search Costs	120.00
TOTAL							<u>120.00</u>
	Bill Pmt -Check	08/20/2012	16275	GUARANTEED JANITORIAL SERVICE, INC.	6-29212	1012 · Bank of America Gen'l Ckg	
	Bill	08/20/2012	6-29212		Monthly service - August 2012	6024 · Building Repair & Maintenance	865.00
TOTAL							<u>865.00</u>
	Bill Pmt -Check	08/20/2012	16276	IAAP PROFESSIONAL DEVELOPMENT DAY	October 6, 2012 IAAP Prof. Development Day	1012 · Bank of America Gen'l Ckg	
	Bill	08/20/2012			Wilson/Molino-IAAP Professional Development	6191 · Conferences - General	150.00
TOTAL							<u>150.00</u>
	Bill Pmt -Check	08/20/2012	16277	LEGAL SHIELD	111802	1012 · Bank of America Gen'l Ckg	
	Bill	08/20/2012	111802		Employee deductions - August 2012	60194 · Other Employee Insurance	77.70
TOTAL							<u>77.70</u>
	Bill Pmt -Check	08/20/2012	16278	PITNEY BOWES CREDIT CORPORATION	6684246-AU12	1012 · Bank of America Gen'l Ckg	
	Bill	08/20/2012	6684246-AU12		Leasing charges	6044 · Postage Meter Lease	547.37
TOTAL							<u>547.37</u>
	Bill Pmt -Check	08/20/2012	16279	STANDARD INSURANCE CO.	Policy # 00-640888-0009	1012 · Bank of America Gen'l Ckg	
	Bill	08/20/2012			Policy # 00-640888-0009	60181 · Life & Disab.Ins Benefits	327.57

CHINO BASIN WATERMASTER  
Cash Disbursements For The Month  
August 2012

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						327.57
Bill Pmt -Check	08/20/2012	16280	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2012				60182.4 · Retiree Medical	136.61
TOTAL						136.61
Bill Pmt -Check	08/20/2012	16281	UNITED HEALTHCARE	0028588430	1012 · Bank of America Gen'l Ckg	
Bill	08/20/2012	0028588430		Dental insurance - September 2012	60182.2 · Dental & Vision Ins	393.85
TOTAL						393.85
Bill Pmt -Check	08/20/2012	16282	WESTERN DENTAL SERVICES, INC.	WESTERN DENTAL SERVICES, INC.	1012 · Bank of America Gen'l Ckg	
Bill	08/20/2012			Dental insurance - August 2012	60182.2 · Dental & Vision Ins	28.88
TOTAL						28.88
Bill Pmt -Check	08/22/2012	16283	ONTARIO, CITY OF	ONTARIO, CITY OF	1012 · Bank of America Gen'l Ckg	
Bill	08/22/2012			Encroachment permit for water quality samples	7103.6 · Grdwtr Qual-Supplies	298.00
TOTAL						298.00
P34	Bill Pmt -Check	08/22/2012	16284	GROOMAN'S PUMP & WELL DRILLING, INC.	1012 · Bank of America Gen'l Ckg	
	Bill	07/26/2012	13081	13081	7102.7 · In-line Meter	533.68
	Bill	07/26/2012	13082	13082	7102.7 · In-line Meter	617.17
	Bill	07/26/2012	13083	13083	7102.7 · In-line Meter	519.54
TOTAL						1,670.39
Bill Pmt -Check	08/22/2012	16285	MCCALL'S METER SALES & SERVICE	22773	1012 · Bank of America Gen'l Ckg	
Bill	07/26/2012	22773		22773	7102.5 · In-line Meter-Computer	100.00
				22773	7102.7 · In-line Meter	200.00
TOTAL						300.00
Bill Pmt -Check	08/22/2012	16286	WJLDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	07/31/2012	2012166		2012166	7108.7 · Hydraulic Control - Prado Basin	8,843.00
Bill	07/31/2012	2012167		2012167	6906 · OBMP Engineering Services	1,036.25
Bill	07/31/2012	2012168		2012168	6906 · OBMP Engineering Services	26,252.00
Bill	07/31/2012	2012170		2012170	7104.3 · Grdwtr Level-Engineering	6,841.02
Bill	07/31/2012	2012171		2012171	7107.2 · Grd Level-Engineering	6,471.25
Bill	07/31/2012	2012172		2012172	7107.2 · Grd Level-Engineering	30,304.61
Bill	07/31/2012	2012173		2012173	7108.3 · Hydraulic Control-Engineering	7,062.59
Bill	07/31/2012	2012174		2012174	7108.3 · Hydraulic Control-Engineering	1,228.87
Bill	07/31/2012	2012175		2012175	7108.3 · Hydraulic Control-Engineering	3,257.23
Bill	07/31/2012	2012177		2012177	7202.3 · Comp Recharge-Implementation	13,424.00

**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**August 2012**

Financial Report - B1

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	07/31/2012	2012178			7303 · PE3&5-Engineering	12,314.50
Bill	07/31/2012	2012179			7402 · PE4-Engineering	310.00
Bill	07/31/2012	2012169			7103.3 · Grdwtr Qual-Engineering	7,898.75
Bill	07/31/2012	2012176			7108.7 · Hydraulic Control - Prado Basin	1,470.00
Bill	07/31/2012	2012180			7502.1 · PE6&7-Engineering Serv (Plume)	537.50
					7502.1 · PE6&7-Engineering Serv (Plume)	<u>6,533.17</u>
TOTAL						133,784.74
General Journal	08/24/2012	08/24/2012	Payroll and Payroll Taxes for 08/05/12-08/18/12	Payroll and Payroll Taxes for 08/05/12-08/18/12	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 08/05/12-08/18/12	1012 · Bank of America Gen'l Ckg	18,136.49
				Payroll Taxes for 08/05/12-08/18/12	1012 · Bank of America Gen'l Ckg	<u>6,883.57</u>
TOTAL						25,020.06
General Journal	08/29/2012	08/29/2012	Payroll and Payroll Taxes for 08/19/12-09/01/12 (P)	Payroll and Payroll Taxes for 08/19/12-09/01/12 (P)	1012 · Bank of America Gen'l Ckg	
				Payroll Taxes for 08/19/12-09/01/12 (P)	1012 · Bank of America Gen'l Ckg	415.38
				Payroll Check for 08/19/12-09/01/12 (P)	1012 · Bank of America Gen'l Ckg	1,255.17
				Payroll Check for 08/19/12-09/01/12 (P)	1012 · Bank of America Gen'l Ckg	<u>1,242.05</u>
TOTAL						2,912.60
P35 General Journal	08/31/2012	08/31/2012	Wage Works Direct Debits - August 2012	Wage Works Direct Debits - August 2012	1012 · Bank of America Gen'l Ckg	
				Wage Works Direct Debits - August 2012	1012 · Bank of America Gen'l Ckg	616.55
				Wage Works Direct Debits - August 2012	1012 · Bank of America Gen'l Ckg	616.55
				Wage Works Direct Debits - August 2012	1012 · Bank of America Gen'l Ckg	<u>76.25</u>
TOTAL						1,309.35
General Journal	08/31/2012	08/31/2012	Payroll and Taxes for 08/19/12-09/01/12	Payroll and Taxes for 08/19/12-09/01/12	1012 · Bank of America Gen'l Ckg	
				Direct Deposit for 08/19/12-09/01/12	1012 · Bank of America Gen'l Ckg	13,662.20
				Payroll Taxes for 08/19/12-09/01/12	1012 · Bank of America Gen'l Ckg	5,449.27
				Direct Deposit for 08/19/12-09/01/12	1012 · Bank of America Gen'l Ckg	2,086.02
				Payroll Taxes for 08/19/12-09/01/12	1012 · Bank of America Gen'l Ckg	<u>83.38</u>
TOTAL						21,280.87
					<b>Total Disbursements:</b>	<u><u>326,052.03</u></u>

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# CHINO BASIN WATERMASTER

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

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

**DATE:** October 11, 2012  
**TO:** Pool Members  
**SUBJECT:** VISA Check Detail Report – Financial Report B2 (August 31, 2012)

### SUMMARY

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

**Recommendation** – Staff recommends the VISA Check Detail Report for August 2012 be received and filed as presented.

**Fiscal Impact** – Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### BACKGROUND

A monthly VISA Check Detail report is provided to keep all members apprised of Watermaster expenditures charged against the General Manager, Assistant General Manager and Chief Financial Officer's Bank of America VISA card.

### DISCUSSION

Total cash disbursement during the month of August 2012 was \$337.47. This payment was processed by check number 16261 dated August 15, 2012. The monthly charges for August 2012 were for routine and customary expenditures and properly documented with receipts.

### Actions:

October 11, 2012 Appropriative Pool –  
October 11, 2012 Non-Agricultural Pool –  
October 11, 2012 Agricultural Pool –  
October 18, 2012 Advisory Committee –  
October 25, 2012 Watermaster Board –

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CHINO BASIN WATERMASTER  
 VISA Check Detail Report  
 August 2012

Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	08/15/2012	16261	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 · Bank of America Gen'l Ckg	
Bill	07/30/2012	XXXX-XXXX-XXXX-9341		Lunch for 7/19 Board Meeting	6312 · Meeting Expenses	337.47
TOTAL					<b>Total Disbursements:</b>	<u>337.47</u>

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# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

**DATE:** October 11, 2012  
**TO:** Pool Members  
**SUBJECT:** Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2012 through August 31, 2012 - Financial Report B3 (August 31, 2012)

### SUMMARY

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

**Recommendation** – Staff recommends the Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2012 through August 31, 2012 be received and filed as presented.

**Fiscal Impact** – Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Working Capital for the period July 1, 2012 through August 31, 2012 is provided to keep all members apprised of the FY 2012/2013 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:

October 11, 2012 Appropriative Pool –  
October 11, 2012 Non-Agricultural Pool –  
October 11, 2012 Agricultural Pool –  
October 18, 2012 Advisory Committee –  
October 25, 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, 2012 THROUGH AUGUST 31, 2012

Financial Report - B3

WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS			GROUNDWATER OPERATIONS		EDUCATION FUNDS	GRAND TOTALS	BUDGET 2012-2013	
		APPROPRIATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT	SB222 FUNDS				
<b>Administrative Revenues:</b>										
Administrative Assessments		-		60,000				60,000	\$6,537,663	
Interest Revenue		-	-	-			-	-	39,600	
Mutual Agency Project Revenue	-							-	152,938	
Grant Income								-	0	
Miscellaneous Income								-	0	
<b>Total Revenues</b>	-	-	-	60,000	-	-	-	60,000	6,730,201	
<b>Administrative &amp; Project Expenditures:</b>										
Watermaster Administration	173,762							173,762	428,643	
Watermaster Board-Advisory Committee	16,608							16,608	197,279	
Ag Pool Misc. Expense - Ag Fund			-					-	400	
Pool Administration		7,314	13,741	20,186				41,241	522,959	
Optimum Basin Mgmt Administration	205,753							205,753	1,209,186	
OBMP Project Costs	562,556							562,556	4,020,806	
Debt Service	504,688							504,688	501,055	
Basin Recharge Improvements	17,000							17,000	272,829	
Education Funds Use							-	-	257	
Mutual Agency Project Costs								-	10,000	
<b>Total Administrative/OBMP Expenses</b>	<b>190,370</b>	<b>1,289,996</b>	<b>7,314</b>	<b>13,741</b>	<b>20,186</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,521,608</b>	<b>7,163,413</b>
<del>Net Administrative/OBMP Expenses</del>	<del>(190,370)</del>	<del>(1,289,996)</del>								
Allocate Net Admin Expenses To Pools	190,370		131,322	52,492	6,556				-	
Allocate Net OBMP Expenses To Pools		785,308	541,726	216,538	27,045				-	
Allocate Debt Service to App Pool		504,688	504,688						-	
Agricultural Expense Transfer*			282,771	(282,771)					-	
<b>Total Expenses</b>			<b>1,467,821</b>	<b>-</b>	<b>53,787</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,521,608</b>	<b>7,163,413</b>
<b>Net Administrative Income</b>			<b>(1,467,821)</b>	<b>-</b>	<b>6,213</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,461,608)</b>	<b>(433,212)</b>
<b>Other Income/(Expense)</b>										
Replenishment Water Assessments						-		-	0	
Non-Ag Stored Water Purchases			-					-	0	
Interest Revenue						-		-	0	
MWD Water Purchases						-		-	0	
Non-Ag Stored Water Purchases			-					-	0	
MWD Water Purchases						-		-	0	
Groundwater Replenishment						-		-	0	
Refund-Excess Reserves			-		-			-	0	
Refund-Recharge Debt			-					-	0	
<b>Net Other Income/(Expense)</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	
<b>Net Transfers To/(From) Reserves</b>	<b>(1,461,608)</b>		<b>(1,467,821)</b>	<b>-</b>	<b>6,213</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,461,608)</b>	<b>(433,212)</b>
Working Capital, July 1, 2012			5,104,343	477,493	138,074	24,627	158,251	256	5,903,045	
Working Capital, End Of Period			3,636,522	477,493	144,287	24,627	158,251	256	4,441,437	4,441,437
<b>10/11 Assessable Production</b>			78,410,414	31,342,082	3,914,499				113,666,995	
<b>10/11 Production Percentages</b>			68.983%	27.574%	3.444%				100.000%	

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

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# CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

**DATE:** October 11, 2012  
**TO:** Pool Members  
**SUBJECT:** Treasurer's Report of Financial Affairs for the Period August 1, 2012 through August 31, 2012 - Financial Report B4 (August 31, 2012)

### SUMMARY

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

**Recommendation** – Staff recommends the Treasurer's Report of Financial Affairs for the Period August 1, 2012 through August 31, 2012 be received and filed as presented.

**Fiscal Impact** – Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### BACKGROUND

A Treasurer's Report of Financial Affairs for the Period August 1, 2012 through August 31, 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:

October 11, 2012 Appropriative Pool –  
October 11, 2012 Non-Agricultural Pool –  
October 11, 2012 Agricultural Pool –  
October 18, 2012 Advisory Committee –  
October 25, 2012 Watermaster Board –

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

Financial Report - B4

**DEPOSITORIES:**

Cash on Hand - Petty Cash			\$ 500
Bank of America			
Governmental Checking-Demand Deposits	\$	198,627	
Zero Balance Account - Payroll	\$	-	198,627
Local Agency Investment Fund - Sacramento			4,722,502
<b>TOTAL CASH IN BANKS AND ON HAND</b>			<b>\$ 4,921,629</b>
TOTAL CASH IN BANKS AND ON HAND	8/31/2012		5,232,495
	7/31/2012		5,232,495
<b>PERIOD INCREASE (DECREASE)</b>			<b>\$ (310,866)</b>

**CHANGE IN CASH POSITION DUE TO:**

Decrease/(Increase) in Assets:			
Accounts Receivable			\$ -
Assessments Receivable			16,623
Prepaid Expenses, Deposits & Other Current Assets			(1,383)
(Decrease)/Increase in Liabilities			
Accounts Payable			113,763
Accrued Payroll, Payroll Taxes & Other Current Liabilities			(22,869)
Transfer to/(from) Reserves			(417,000)
<b>PERIOD INCREASE (DECREASE)</b>			<b>\$ (310,866)</b>

**SUMMARY OF FINANCIAL TRANSACTIONS:**

	Petty Cash	Gov't'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 7/31/2012	\$ 500	\$ 509,493	\$ -	\$ 4,722,502	\$ 5,232,495
Deposits	-	15,186	-	-	15,186
Transfers	-	(54,396)	54,396	-	-
Withdrawals/Checks	-	(271,656)	(54,396)	-	(326,052)
<b>Balances as of 8/31/2012</b>	<b>\$ 500</b>	<b>\$ 198,627</b>	<b>\$ -</b>	<b>\$ 4,722,502</b>	<b>\$ 4,921,629</b>
<b>PERIOD INCREASE OR (DECREASE)</b>	<b>\$ -</b>	<b>\$ (310,866)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (310,866)</b>

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

**INVESTMENT TRANSACTIONS**

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

\* The earnings rate for L.A.I.F. is a daily variable rate; 0.36% was the effective yield rate at the Quarter ended June 30, 2012.

**INVESTMENT STATUS  
August 31, 2012**

<u>Financial Institution</u>	<u>Principal Amount</u>	<u>Number of Days</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Local Agency Investment Fund	\$ 4,722,502			
<b>TOTAL INVESTMENTS</b>	<b>\$ 4,722,502</b>			

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

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

Respectfully submitted,

Joseph S. Joswiak  
Chief Financial Officer  
Chino Basin Watermaster



# CHINO BASIN WATERMASTER

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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

**DATE:** October 11, 2012  
**TO:** Pool Members  
**SUBJECT:** Budget vs. Actual Report for the Period July 1, 2012 through August 31, 2012 - Financial Report - B5 (August 31, 2012)

### SUMMARY

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

**Recommendation** – Staff recommends the Budget vs. Actual Report for the Period July 1, 2012 through August 31, 2012 be received and filed as presented.

**Fiscal Impact** – Funds disbursed were included in the FY 2012-2013 Watermaster Budget.

### BACKGROUND:

A Budget vs. Actual Report for the period July 1, 2012 through August 31, 2012 is provided to keep all members apprised of the total revenues and expenses for the current fiscal year. The expense section is categorized into four distinct sections. Those sections are: General and Administrative Expenses; Optimal Basin Management Program Expenses; Project Expenses; and Other Income/Expenses.

### DISCUSSION:

The Budget vs. Actual report has been created from QuickBooks Enterprise Solutions 9.0, the Watermaster accounting system. The Budget vs. Actual report provided, balances to the supporting documentation in the Watermaster accounting system, as well as the supporting bank statements.

There were no Budget Transfers or Budget Amendments proposed or presented for the accounting period of August 2012 or during last month's Pool, Advisory and Board meetings.

Year-To-Date (YTD) for the two months ending August 31, 2012, all but four categories were at or below the projected budget. Overall, the (YTD) Actual Expenses were \$609,894 or 29.4% below the (YTD) Budgeted Expenses of \$2,071,502. The four categories above budget were the Watermaster Legal Services (6070's) over budget by the amount of \$9,115; Non-Agricultural Pool Administration Expenses

(8500's) over budget by the amount of \$2,354; Groundwater Quality Monitoring Expenses (7103's) over budget by the amount of \$1,610; and Program Element 3&5-Water Supply/Desalter Expenses (7300's) over budget by the amount of \$228. All four expense categories which were over budget were the direct result of increased activities and allocating the budget in equal 1/12 portions throughout the fiscal year. The Year-To-Date expenses in these categories are running ahead of budget and should level off as the fiscal year progresses. At the current time, a budget transfer request is not scheduled to adjust any categories in the next month.

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 August 31, 2012, the total (YTD) Watermaster salary expenses are \$44,330 or 17.9% below the (YTD) budgeted amount of \$247,929. The following details are provided:

	Jul '12 - Aug '12	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>WM Salary Expense</b>					
6011 · WM Staff Salaries	78,301.08	80,058.45	-1,757.37	97.81%	462,560.00
6011.2 · WM Staff - Admin. Paid Leave	2,380.75	0.00	2,380.75	100.0%	0.00
6201 · Advisory Committee - WM Staff Salaries	1,228.06	3,685.00	-2,456.94	33.33%	22,105.00
6301 · Watermaster Board - WM Staff Salaries	2,038.64	5,184.00	-3,145.36	39.33%	31,104.00
8301 · Appropriative Pool - WM Staff Salaries	1,966.92	4,917.50	-2,950.58	40.0%	29,505.00
8401 · Agricultural Pool - WM Staff Salaries	2,041.90	4,321.70	-2,279.80	47.25%	25,930.00
8501 · Non-Agricultural Pool - WM Staff Salaries	2,000.22	2,452.50	-452.28	81.56%	14,715.00
6901 · OBMP - WM Staff Salaries	27,054.42	37,425.70	-10,371.28	72.29%	224,554.00
7101.1 · Production Monitor - WM Staff Salaries	10,681.53	17,999.30	-7,317.77	59.34%	107,996.00
7102.1 · In-line Meter - WM Staff Salaries	1,090.69	1,756.20	-665.51	62.11%	10,537.00
7103.1 · Grdwater Quality - WM Staff Salaries	4,395.61	10,010.70	-5,615.09	43.91%	60,064.00
7104.1 · Grdwater Level - WM Staff Salaries	12,584.67	15,096.20	-2,511.53	83.36%	90,577.00
7105.1 · Sur Wtr Qual - WM Staff Salaries	0.00	519.70	-519.70	0.0%	3,118.00
7107.1 · Grd Level Monitoring - WM Staff Salaries	0.00	280.00	-280.00	0.0%	1,680.00
7108.1 · Hydraulic Control - WM Staff Salaries	2,693.67	1,247.20	1,446.47	215.98%	7,483.00
7201 · Comp Recharge - WM Staff Salaries	12,141.95	21,875.00	-9,733.05	55.51%	131,250.00
7301 · PE3&5 - WM Staff Salaries	578.98	6,441.80	-5,862.82	8.99%	38,651.00
7401 · PE4 - WM Staff Salaries	0.00	2,114.70	-2,114.70	0.0%	12,688.00
7501.1 · PE 6&7 - WM Staff Salaries (Plume)	2,257.72	4,000.00	-1,742.28	56.44%	24,000.00
7501 · PE6&7 - WM Staff Salaries	350.22	1,253.80	-903.58	27.93%	7,523.00
7601 · PE8&9 - WM Staff Salaries	1,736.94	7,823.30	-6,086.36	22.2%	46,940.00
7701 · Inactive Well - WM Staff Salaries	0.00	70.00	-70.00	0.0%	420.00
<b>Subtotal WM Staff Costs</b>	<b>165,523.97</b>	<b>228,532.75</b>	<b>-63,008.78</b>	<b>72.43%</b>	<b>1,353,400.00</b>
60185 · Vacation	20,781.10	8,816.30	11,964.80	235.71%	52,898.00
60186 · Sick Leave	13,274.87	7,053.50	6,221.37	188.2%	42,321.00
60187 · Holidays	4,019.47	3,526.75	492.72	113.97%	42,321.00
<b>Subtotal WM Paid Leaves</b>	<b>38,075.44</b>	<b>19,396.55</b>	<b>18,678.89</b>	<b>196.3%</b>	<b>137,540.00</b>
<b>Total WM Salary Costs</b>	<b>203,599.41</b>	<b>247,929.30</b>	<b>-44,329.89</b>	<b>82.12%</b>	<b>1,490,940.00</b>

The chart listed below summarizes the Brownstein Hyatt Farber Schreck (BHFS) expenses as of August 31, 2012 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and

complete format. As of August 31, 2012, the BHFS expenses are \$12,944 or 9.8% below the (YTD) budgeted amount of \$131,747. As approved during the July 2012 meetings, the Pools, Advisory Committee and the Board meeting for the month of August were not held. As a result, the related meeting expenses from (BHFS) were lower than budgeted. For the month of August, there were some individual line items that were over the budgeted amount, but overall the BHFS expenses were on target with the overall legal budget. The following details are provided:

	Jul '12 - Aug '12	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>6070 · Watermaster Legal Services</b>					
6071 · BHFS Legal - Court Coordination	10,237.95	5,991.70	4,246.25	170.87%	35,950.00
6072 · BHFS Legal - Annotated Judgment	11,202.75	12,666.69	-1,463.94	88.44%	57,000.00
6073 · BHFS Legal - Personnel Matters	9,318.15	7,625.00	1,693.15	122.21%	7,625.00
6074 · BHFS Legal - Interagency Issues	4,021.20	7,320.00	-3,298.80	54.93%	43,920.00
6075 · BHFS Legal - Replenishmnt Water	0.00	0.00	0.00	0.0%	0.00
6076 · BHFS Legal - Storage Issues	2,846.70	0.00	2,846.70	100.0%	0.00
6078 · BHFS Legal - Miscellaneous	10,283.15	5,191.70	5,091.45	198.07%	31,150.00
<b>Total 6070 · Watermaster Legal Services</b>	<b>47,909.90</b>	<b>38,795.09</b>	<b>9,114.81</b>	<b>123.5%</b>	<b>175,645.00</b>
6275 · BHFS Legal - Advisory Committee	2,094.28	4,880.00	-2,785.72	42.92%	29,280.00
6375 · BHFS Legal - Board Meeting	6,917.99	14,040.00	-7,122.01	49.27%	84,240.00
8375 · BHFS Legal - Appropriative Pool	5,337.63	4,880.00	457.63	109.38%	29,280.00
8475 · BHFS Legal - Agricultural Pool	2,519.53	4,880.00	-2,360.47	51.63%	29,280.00
8575 · BHFS Legal - Non-Ag Pool	2,327.75	4,880.00	-2,552.25	47.7%	29,280.00
8575.1 · BHFS Legal - Paragraph 15 CSI/Aqua	9,853.28	0.00	9,853.28	100.0%	0.00
<b>Total BHFS Legal Services</b>	<b>29,050.46</b>	<b>33,560.00</b>	<b>-4,509.54</b>	<b>86.56%</b>	<b>201,360.00</b>
<b>6907.3 · WM Legal Counsel</b>					
6907.30 · Peace II - CEQA	497.70	0.00	497.70	100.0%	0.00
6907.31 · South Archibald Plume	0.00	5,300.00	-5,300.00	0.0%	31,800.00
6907.32 · Chino Airport Plume	0.00	5,300.00	-5,300.00	0.0%	31,800.00
6907.33 · Desalter/Hydraulic Control	5,018.40	8,350.00	-3,331.60	60.1%	50,100.00
6907.34 · Santa Ana River Water Rights	5,397.75	5,541.70	-143.95	97.4%	33,250.00
6907.35 · Paragraph 31 Motion	20,191.50	11,866.67	8,324.83	170.15%	17,800.00
6907.36 · Santa Ana River Habitat	584.45	3,525.00	-2,940.55	16.58%	21,150.00
6907.37 · Water Auction	0.00	0.00	0.00	0.0%	0.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	1,991.70	-1,991.70	0.0%	11,950.00
6907.39 · Recharge Master Plan	10,152.65	7,416.70	2,735.95	136.89%	44,500.00
6907.40 · Storage Agreements	0.00	2,966.70	-2,966.70	0.0%	17,800.00
6907.41 · Prado Basin Habitat Sustainability	0.00	2,966.70	-2,966.70	0.0%	17,800.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	4,166.70	-4,166.70	0.0%	25,000.00
<b>Total 6907 · WM Legal Counsel</b>	<b>41,842.45</b>	<b>59,391.87</b>	<b>-17,549.42</b>	<b>70.45%</b>	<b>302,950.00</b>
<b>Total Brownstein, Hyatt, Farber, Schreck Costs</b>	<b>118,802.81</b>	<b>131,746.96</b>	<b>-12,944.15</b>	<b>90.18%</b>	<b>679,955.00</b>

**OBMP Engineering Services and Legal Costs:**

For August 31, 2012, the 6900 (Optimum Basin Mgmt Program) section was below the Year-To-Date (YTD) budget by \$11,040 or 5.5%. 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 \$11,559 while some other

line item activities were below the budget \$29,108. Above the budget line items were the Peace II CEQA of \$498; the Paragraph 31 Motion of \$8,325; and the Recharge Master Plan of \$2,736. The individual legal projects/activities that were below budget for the Year-To-Date (YTD) period were the South Archibald Plume of \$5,300; the Chino Airport Plume of \$5,300; the Desalter/Hydraulic Control of \$3,332; the Santa Ana River Habitat of \$144; the Santa Ana River Habitat of \$2,940; the Regional Water Quality Control Board of \$1,991; Storage Agreements of \$2,967; Prado Basin Habitat Sustainability of \$2,967; and Unanticipated Legal Expenses of \$4,167. For the two months ended August 31, 2012, the overall cumulative (YTD) budget was \$59,391 and the actual (BHFS) legal expenses totaled \$41,842 which resulted in an under budget variance of \$17,549 or 29.5%.

The chart listed below summarizes the Optimum Basin Management Program (OBMP) expenses as of August 31, 2012 compared to the Year-To-Date (YTD) budget. Please be advised that the "\$ Over Budget" and the "% of Budget" columns are a comparison of the (YTD) Actual to the (YTD) Budget, not the 12-month Annual Budget. The 12-month Annual Budget column is presented only to provide the data in a full and complete format. Overall, the Optimum Basin Management Program (OBMP) category was \$189,638 compared to a (YTD) budget of \$200,678 for an under budget of \$11,040 or 5.5% as of August 31, 2012.

	Jul '12 - Aug '12	Budget	\$ Over Budget	% of Budget	Annual Budget
<b>6900 · Optimum Basin Mgmt Plan</b>					
6901 · WM Staff Salaries	27,054.42	37,425.70	-10,371.28	72.29%	224,554.00
6903 · OBMP SAWPA Group	10,593.00	11,000.00	-407.00	96.3%	11,000.00
<b>6906 · OBMP Engineering Services</b>					
6906.1 · OBMP - Watermaster Model Update	53,176.00	33,276.00	19,900.00	159.8%	99,828.00
6906.8 · OBMP - Reports	140.00	0.00	140.00	100.0%	0.00
6906 · OBMP Engineering Services - Other	56,784.50	57,423.50	-639.00	98.89%	344,541.00
<b>Total 6906 · OBMP Engineering Services</b>	<b>110,100.50</b>	<b>90,699.50</b>	<b>19,401.00</b>	<b>121.39%</b>	<b>444,369.00</b>
<b>6907 · OBMP Legal Fees</b>					
<b>6907.3 · WM Legal Counsel</b>					
6907.30 · Peace II - CEQA	497.70	0.00	497.70	100.0%	0.00
6907.31 · South Archibald Plume	0.00	5,300.00	-5,300.00	0.0%	31,800.00
6907.32 · Chino Airport Plume	0.00	5,300.00	-5,300.00	0.0%	31,800.00
6907.33 · Desalter/Hydraulic Control	5,018.40	8,350.00	-3,331.60	60.1%	50,100.00
6907.34 · Santa Ana River Water Rights	5,397.75	5,541.70	-143.95	97.4%	33,250.00
6907.35 · Paragraph 31 Motion	20,191.50	11,866.67	8,324.83	170.15%	17,800.00
6907.36 · Santa Ana River Habitat	584.45	3,525.00	-2,940.55	16.58%	21,150.00
6907.37 · Water Auction	0.00	0.00	0.00	0.0%	0.00
6907.38 · Reg. Water Quality Cntrl Board	0.00	1,991.70	-1,991.70	0.0%	11,950.00
6907.39 · Recharge Master Plan	10,152.65	7,416.70	2,735.95	136.89%	44,500.00
6907.40 · Storage Agreements	0.00	2,966.70	-2,966.70	0.0%	17,800.00
6907.41 · Prado Basin Habitat Sustainability	0.00	2,966.70	-2,966.70	0.0%	17,800.00
6907.90 · WM Legal Counsel - Unanticipated	0.00	4,166.70	-4,166.70	0.0%	25,000.00
<b>Total 6907 · WM Legal Counsel</b>	<b>41,842.45</b>	<b>59,391.87</b>	<b>-17,549.42</b>	<b>70.45%</b>	<b>302,950.00</b>
<b>Total 6907 · OBMP Legal Fees</b>	<b>41,842.45</b>	<b>59,391.87</b>	<b>-17,549.42</b>	<b>70.45%</b>	<b>302,950.00</b>
<b>6909 · OBMP Other Expenses</b>					
6909.1 · OBMP Meetings	48.11	0.00	48.11	100.0%	0.00
6909.3 · Other OBMP Expenses	0.00	494.25	-494.25	0.0%	1,977.00
6909.4 · Printing	0.00	0.00	0.00	0.0%	0.00
6909.5 · Ad Hoc Litigation Committee	0.00	0.00	0.00	0.0%	0.00
6909.6 · OBMP Expenses - Miscellaneous	0.00	1,666.70	-1,666.70	0.0%	10,000.00
<b>Total 6909 · OBMP Other Expenses</b>	<b>48.11</b>	<b>2,160.95</b>	<b>-2,112.84</b>	<b>2.23%</b>	<b>11,977.00</b>
<b>Total 6900 · Optimum Basin Mgmt Plan</b>	<b>189,638.48</b>	<b>200,678.02</b>	<b>-11,039.54</b>	<b>94.5%</b>	<b>994,850.00</b>

The OBMP Implementation Projects (accounts 7100's – 7700's) were all (Under) budget as of July 31, 2012 with the exception of the Groundwater Quality Monitoring category (7103's) which was over budget by the amount of \$1,610; and the Water Supply/Desalter category (7300's) which was over budget by the amount of \$228. These two over budget categories were a direct result of increased activities and allocating the budget in equal 1/12 portions throughout the fiscal year. The Year-To-Date expenses in these categories were slightly ahead of budget and should level off as the fiscal year progresses. At the current time, a budget transfer request is not scheduled to adjust this category in the next month.

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 August 31, 2012, the total (YTD) Engineering expenses are \$28,728 or 7.6% below the (YTD) budget amount of \$379,339. The following details are provided:

As noted below, \$44,810.55 has been "Carried Over" from FY 2011/12 per the Watermaster policy 4.17 which was approved during FY 2011/12. These amounts, along with any other "Carried Over" expenses will not be included in the upcoming Assessment process because these dollar amounts were previously funded from last year's Assessment process.

	Jul '11 - Aug '12	Budget	\$ Over Budget	% of Budget	Annual Budget
6906 · OBMP Engineering Services - Other	56,784.50	57,423.50	-639.00	98.89%	344,541.00
6906.1 · OBMP - Watermaster Model Update	53,176.00	33,276.00	19,900.00	159.8%	99,828.00
6906.8 · OBMP - Reports	140.00	0.00	140.00	100.0%	0.00
7103.3 · Grdwtr Qual-Engineering	19,447.50	11,176.00	8,271.50	174.01%	67,056.00
7103.31 · Grdwtr Qual-Engineering-SubContractor	5,322.46	0.00	5,322.46	100.0%	0.00
7103.5 · Grdwtr Qual-Lab Svcs	658.00	6,428.00	-5,770.00	10.24%	38,568.00
7104.3 · Grdwtr Level-Engineering	24,994.55	32,066.00	-7,071.45	77.95%	192,396.00
7104.8 · Grdwtr Level-Contracted Serv	0.00	1,666.70	-1,666.70	0.0%	10,000.00
7104.9 · Grdwtr Level-Capital Equip	0.00	3,481.25	-3,481.25	0.0%	13,925.00
7107.2 · Grd Level-Engineering	55,945.41	48,378.20	7,567.21	115.64%	167,769.00
7107.3 · Grd Level-SAR Imagery	14,000.00	0.00	14,000.00	100.0%	90,000.00
7107.6 · Grd Level-Contract Svcs	0.00	21,216.70	-21,216.70	0.0%	122,300.00
7107.61 · Grd Level-Chino Hills ASR	3,423.75	25,084.30	-21,660.55	13.65%	150,506.00
7107.8 · Grd Level-Cap Equip Exte	0.00	8,511.50	-8,511.50	0.0%	20,546.00
7108.3 · Hydraulic Control-Engineering	22,342.86	21,919.70	423.16	101.93%	131,518.00
7108.4 · Hydraulic Control-Lab Svcs	10,432.00	11,276.80	-844.80	92.51%	67,661.00
7108.7 · Hydraulic Control-PradoBasin Habitat	32,463.76	42,189.55	-9,725.79	76.95%	208,856.25
7108.9 · Hydraulic Control-Contract Svcs	0.00	750.00	-750.00	0.0%	4,500.00
7109.3 · Recharge & Well - Engineering	0.00	3,590.00	-3,590.00	0.0%	21,540.00
7202.3 · Comp Recharge-Implementation	26,122.75	16,669.30	9,453.45	156.71%	100,016.00
7303 · PE3&5-Engineering - Other	12,314.50	5,057.30	7,257.20	243.5%	30,344.00
7402 · PE4-Engineering	4,831.25	8,677.00	-3,845.75	55.68%	52,062.00
7403 · PE4-Contract Svcs	0.00	2,500.00	-2,500.00	0.0%	15,000.00
7502 · PE6&7-Engineering	1,141.39	15,265.60	-14,124.21	7.48%	61,822.30
7502.1 · PE6&7-Engineering Svcs (Plume)	7,070.67	0.00	7,070.67	100.0%	0.00
7504 · PE6&7-Contract Svcs	0.00	848.00	-848.00	0.0%	5,088.00
7602 · PE8&9-Engineering	0.00	1,888.00	-1,888.00	0.0%	11,328.00
<b>Total Wildermuth Environmental, Inc. Costs</b>	<b>350,611.35</b>	<b>379,339.40</b>	<b>-28,728.05</b>	<b>92.43%</b>	<b>2,027,170.55 *</b>

\* Wildermuth and Subcontractor Engineering Budget of \$1,982,360 plus Carryover Funds from FY 2011/12 of \$44,810.55 = \$2,027,170.55  
Carryover Funds FY 2011/12 = \$24,500.00 (7107.2), \$1,000.00 (7107.6), \$4,500.00 (7107.8), \$8,856.25 (7108.7) and \$5,954.30 (7502) = \$44,810.55

**Other Income and Expense:**

There are no significant items to report within the category of Other Income and Expenses for the month of August 31, 2012.

With the approval of the new "Carry Over" funding policy during the previous fiscal year (FY 2011/12), there were amounts of \$433,212.48 carried over into the current fiscal year budget (FY 2012/13) as follows:

<b>"Carried Over" Expenses At June 30, 2012</b>	
Verizon VoIP Equipment, Installation	\$ 1,500.00
GM Search Expenses - Balance of Contract	\$ 9,000.00
Wildermuth Project Expenses	\$ 44,810.55
Chino Hills ASR Project	\$ 104,977.00
Recharge Improvement Projects	\$ 272,829.00
Appropriative Pool Legal Services Fund Balance	\$ 95.93
<b>Total Balance, June 30, 2012</b>	<b>\$ 433,212.48</b>
<b>"Carried Over" Balance, July 1, 2012</b>	<b>\$ 433,212.48</b>
<b>Less: (Invoices Received To Date FY 2012/13)</b>	
GM Search Expenses - Balance of Contract	\$ (9,000.00)
Wildermuth Project Expenses	\$ (44,810.55)
Recharge Project - Turner Basin Invoice from IEUA	\$ (17,000.00)
<b>Updated Balance as of August 31, 2012</b>	<b>\$ 362,401.93</b>

Watermaster carried over \$272,829 in the Recharge Improvements Project categories. The amount of \$162,236 has been appropriated for use for the upcoming 3-year Turner Basin Improvements (7690.2), estimated in the range of \$270K+. The amount of \$30,900 has been appropriated for the Hickory Basin improvement project (7690.3) while the remaining amount of \$79,693 has been appropriated for Other Recharge Improvement Projects (7690.9).

As invoices are received from the vendors and booked against these items listed above, the "Carried Over" balance will be reduced throughout the current fiscal year. At June 30, 2013, any remaining balances of the FY 2011/12 expenses (if any), along with any new FY 2012/13 expenses, will then be "Carried Over" into the FY 2013/14 budget. During the audit fieldwork, there were discussions with the Charles Z. Fedak & Company senior auditor and Watermaster staff regarding the proper accounting treatment of the "Carried Over" funding process. The senior auditor has approved and concurs with the current accounting treatment and process for recording the "Carried Over" funding.

With the exceptions previously noted, there were no other unusual or significant transactions or events which occurred during the month of August 2012. Looking ahead, the month of September should not bring any unexpected expenses or provide significant budget variances.

**Audit Field Work:**

Auditors from the audit firm of Charles Z. Fedak & Company were previously onsite at the Watermaster offices on July 16<sup>th</sup> and 17<sup>th</sup> to conduct scheduled field work for the upcoming FY 2011/2012 financial audit. Final field work was completed on October 1<sup>st</sup> and 2<sup>nd</sup> with the Annual Financial and Audit Reports scheduled for issuance in November 2012 and the presentation to the Board in either December 2012 or January 2013.

The preliminary report to Watermaster staff from the senior auditor revealed no operational or internal control issues or concerns. There is a pending adjustment/item with regards to GASB No. 27 which deals with Accounting for Pensions by State and Local Government Employers. As a direct result of the ongoing pension discussions and public scrutiny within California, the auditors have been ensuring that all of their public agency/government clients are following GASB No. 27. According to the Summary of Statement No. 27, "Employers that participate in *cost sharing multiple employer defined pension plans* are required to recognize pension expenditures/expense equal to the employer's contractually required contributions and a liability for unpaid contributions".

Since Watermaster has less than 100 active members/employees, Watermaster is required by CalPERS to participate in a risk pool. Watermaster currently is a member of the "Miscellaneous 2.5% at 55 Risk Pool". There are approximately 163 governmental agencies participating as part of this risk pool. Some of the public agencies who are currently participants of this pool are the Association of California Water Agencies, City of Lake Elsinore, Crestline Village Water District, Lake Arrowhead Community Services District, Monte Vista County Water District, and Rancho Cucamonga Fire Protection District, just to name a few.

According to CalPERS, "At the time of joining a risk pool, a Side Fund is created to account for the difference between the funded status of the pool and the funded status of your plan". According to recent information from CalPERS, Watermaster's Side Fund is estimated to be \$124,512. CalPERS calculates the interest due and principal reduction each year and reduces the Side Fund balance. Watermaster staff will be requesting from CalPERS a current amortization schedule for the outstanding liability amount to determine if the estimated balance of \$124,512 should be paid off in full to reduce current and future interest expense. The auditors are going to be making a final determination shortly, but they initially are recommending that Watermaster record any outstanding liability on the Balance Sheet for the CalPERS Side Fund. There also could be a prior period adjustment to the prior year's Balance Sheet. The previous audit firm of Mayer Hoffman McCann did not request or require Watermaster to book this entry on the Balance Sheet.

**Actions:**

- October 11, 2012 Appropriative Pool –
- October 11, 2012 Non-Agricultural Pool –
- October 11, 2012 Agricultural Pool –
- October 18, 2012 Advisory Committee –
- October 25, 2012 Watermaster Board –

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

	1/12th of the Total Budget				2/12th (17%) of the Total Budget				100% of the Total Budget			
	For The Month of August 2012				Year-To-Date as of August 31, 2012				Fiscal Year End as of June 30, 2013			
	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%	0.00	0.00	0.00	0.0%	152,938.00	152,938.00	0.00	100.0%
4110 · Admin Asmnts-Approp Pool	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	6,285,952.00	6,285,952.00	0.00	100.0%
4120 · Admin Asmnts-Non-Agri Pool	0.00	0.00	0.00	0.0%	60,000.00	60,000.00	0.00	100.0%	251,711.00	251,711.00	0.00	100.0%
4700 · Non Operating Revenues	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	39,600.00	39,600.00	0.00	100.0%
4900 · Miscellaneous Income	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
<b>Total Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>60,000.00</b>	<b>60,000.00</b>	<b>0.00</b>	<b>100.0%</b>	<b>6,730,201.00</b>	<b>6,730,201.00</b>	<b>0.00</b>	<b>100.0%</b>
<b>Gross Profit</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>60,000.00</b>	<b>60,000.00</b>	<b>0.00</b>	<b>100.0%</b>	<b>6,730,201.00</b>	<b>6,730,201.00</b>	<b>0.00</b>	<b>100.0%</b>
<b>Expense</b>												
6010 · Salary Costs	43,400.43	46,269.77	-2,868.34	93.8%	79,918.34	90,758.45	-10,840.11	88.06%	519,684.00	519,684.00	0.00	100.0%
6020 · Office Building Expense	7,642.95	8,304.00	-661.05	92.04%	15,834.76	16,608.00	-773.24	95.34%	104,845.00	104,845.00	0.00	100.0%
6030 · Office Supplies & Equip.	813.05	1,750.00	-936.95	46.46%	1,941.28	3,500.00	-1,558.72	55.47%	24,500.00	24,500.00	0.00	100.0%
6040 · Postage & Printing Costs	4,149.58	4,297.33	-147.75	96.56%	7,458.47	9,194.70	-1,736.23	81.12%	62,368.00	62,368.00	0.00	100.0%
6050 · Information Services	8,560.91	9,858.00	-1,297.09	86.84%	20,919.27	25,299.35	-4,380.08	82.69%	143,796.00	143,796.00	0.00	100.0%
6060 · Contract Services	1,550.00	1,500.00	50.00	103.33%	14,760.00	15,000.00	-240.00	98.4%	43,400.00	43,400.00	0.00	100.0%
6070 · Watermaster Legal Services	18,138.15	15,584.99	2,553.16	116.38%	47,909.90	38,795.09	9,114.81	123.5%	175,645.00	175,645.00	0.00	100.0%
6080 · Insurance	0.00	0.00	0.00	0.0%	17,476.72	19,393.00	-1,916.28	90.12%	19,393.00	19,393.00	0.00	100.0%
6110 · Dues and Subscriptions	252.00	850.00	-598.00	29.65%	12,187.00	13,035.00	-848.00	93.49%	27,500.00	27,500.00	0.00	100.0%
6140 · WM Admin Expenses	0.00	208.34	-208.34	0.0%	0.00	416.60	-416.60	0.0%	2,500.00	2,500.00	0.00	100.0%
6150 · Field Supplies	0.00	100.00	-100.00	0.0%	0.00	100.00	-100.00	0.0%	1,400.00	1,400.00	0.00	100.0%
6170 · Travel & Transportation	1,424.06	1,505.00	-80.94	94.62%	2,635.13	2,992.50	-357.37	88.06%	21,170.00	21,170.00	0.00	100.0%
6190 · Conferences & Seminars	150.00	125.00	25.00	120.0%	150.00	3,625.00	-3,475.00	4.14%	15,000.00	15,000.00	0.00	100.0%
6200 · Advisory Comm - WM Board	0.00	4,448.67	-4,448.67	0.0%	3,322.34	8,898.30	-5,575.96	37.34%	53,385.00	53,385.00	0.00	100.0%
6300 · Watermaster Board Expenses	1,722.11	11,966.17	-10,244.06	14.39%	13,285.54	24,007.30	-10,721.76	55.34%	143,894.00	143,894.00	0.00	100.0%
8300 · Appr PI-WM & Pool Admin	3,091.95	4,940.42	-1,848.47	62.59%	7,314.03	9,976.73	-2,662.70	73.31%	59,380.93	59,380.93	0.00	100.0%
8400 · Agri Pool-WM & Pool Admin	473.85	5,273.58	-4,799.73	8.99%	4,695.90	10,547.20	-5,851.30	44.52%	63,283.00	63,283.00	0.00	100.0%
8467 · Ag Legal & Technical Services	275.00	17,583.33	-17,308.33	1.56%	7,170.00	35,166.70	-27,996.70	20.39%	211,000.00	211,000.00	0.00	100.0%
8470 · Ag Meeting Attend -Special	125.00	1,441.67	-1,316.67	8.67%	1,875.00	2,883.30	-1,008.30	65.03%	17,300.00	17,300.00	0.00	100.0%
8471 · Ag Pool Expense	0.00	0.00	0.00	0.0%	0.00	16,250.00	-16,250.00	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%	0.00	100.00	-100.00	0.0%	400.00	400.00	0.00	100.0%
8500 · Non-Ag PI-WM & Pool Admin	4,267.05	8,916.25	-4,649.20	47.86%	20,186.46	17,832.50	2,353.96	113.2%	106,995.00	106,995.00	0.00	100.0%
6500 · Education Funds Use Expens	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	257.00	257.00	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	-24,413.62	-61,046.50	36,632.88	39.99%	-47,428.40	-122,093.00	74,664.60	38.85%	-732,558.00	-732,558.00	0.00	100.0%
6900 · Optimum Basin Mgmt Plan	132,184.69	105,591.72	26,592.97	125.19%	189,638.48	200,678.02	-11,039.54	94.5%	994,850.00	994,850.00	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	9,166.86	17,861.33	-8,694.47	51.32%	16,114.05	35,722.70	-19,608.65	45.11%	214,336.00	214,336.00	0.00	100.0%
7101 · Production Monitoring	7,919.30	9,062.17	-1,142.87	87.39%	13,223.90	18,124.30	-4,900.40	72.96%	108,746.00	108,746.00	0.00	100.0%
7102 · In-line Meter Installation	28,353.54	25,513.53	2,840.01	111.13%	30,983.51	34,360.40	-3,376.89	90.17%	106,162.00	106,162.00	0.00	100.0%
7103 · Grdwtr Quality Monitoring	20,487.14	14,478.16	6,008.98	141.5%	30,565.95	28,956.40	1,609.55	105.56%	173,738.00	173,738.00	0.00	100.0%

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	1/12th of the Total Budget				2/12th (17%) of the Total Budget				100% of the Total Budget			
	For The Month of August 2012				Year-To-Date as of August 31, 2012				Fiscal Year End as of June 30, 2013			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
7104 · Gdwtr Level Monitoring	24,115.07	27,081.08	-2,966.01	89.05%	37,778.99	55,143.45	-17,364.46	68.51%	318,898.00	318,898.00	0.00	100.0%
7105 · Sur Wtr Qual Monitoring	0.00	259.83	-259.83	0.0%	0.00	519.70	-519.70	0.0%	3,118.00	3,118.00	0.00	100.0%
7107 · Ground Level Monitoring	36,593.30	34,729.58	1,863.72	105.37%	73,369.16	208,447.70	-135,078.54	35.2%	659,428.00	659,428.00	0.00	100.0%
7108 · Hydraulic Control Monitoring	45,169.53	34,263.50	10,906.03	131.83%	67,932.29	77,383.25	-9,450.96	87.79%	420,018.25	420,018.25	0.00	100.0%
7109 · Recharge & Well Monitoring Prog	0.00	1,795.00	-1,795.00	0.0%	0.00	3,590.00	-3,590.00	0.0%	21,540.00	21,540.00	0.00	100.0%
7200 · PE2- Comp Recharge Pgm	19,311.38	45,063.84	-25,752.46	42.85%	246,752.95	298,615.85	-51,862.90	82.63%	1,374,719.00	1,374,719.00	0.00	100.0%
7300 · PE3&5-Water Supply/Desalte	0.00	6,332.92	-6,332.92	0.0%	12,893.48	12,665.80	227.68	101.8%	75,995.00	75,995.00	0.00	100.0%
7400 · PE4- Mgmt Plan	4,698.40	6,854.16	-2,155.76	68.55%	5,184.13	13,708.40	-8,524.27	37.82%	82,250.00	82,250.00	0.00	100.0%
7500 · PE6&7-CoopEfforts/SaltMgmt	1,465.23	7,706.59	-6,241.36	19.01%	10,820.00	21,367.40	-10,547.40	50.64%	98,433.30	98,433.30	0.00	100.0%
7600 · PE8&9-StorageMgmt/Conj Use	665.83	4,884.84	-4,219.01	13.63%	1,736.94	9,769.60	-8,032.66	17.78%	58,618.00	58,618.00	0.00	100.0%
7690 · Recharge Improvement Debt Pymt	0.00	0.00	0.00	0.0%	521,688.00	773,884.00	-252,196.00	67.41%	773,884.00	773,884.00	0.00	100.0%
7700 · Inactive Well Protection Prgm	0.00	76.67	-76.67	0.0%	0.00	153.30	-153.30	0.0%	920.00	920.00	0.00	100.0%
9502 · G&A Expenses Allocated-Projects	15,246.76	43,185.17	-27,938.41	35.31%	31,314.35	86,370.30	-55,055.95	36.26%	518,222.00	518,222.00	0.00	100.0%
<b>Total Expense</b>	<b>416,999.50</b>	<b>468,615.11</b>	<b>-51,615.61</b>	<b>88.99%</b>	<b>1,521,607.92</b>	<b>2,121,747.29</b>	<b>-600,139.37</b>	<b>71.72%</b>	<b>7,163,413.48</b>	<b>7,163,413.48</b>	<b>0.00</b>	<b>100.0%</b>
<b>Net Ordinary Income</b>	<b>-416,999.50</b>	<b>-468,615.11</b>	<b>51,615.61</b>	<b>88.99%</b>	<b>-1,461,607.92</b>	<b>-2,061,747.29</b>	<b>600,139.37</b>	<b>70.89%</b>	<b>-433,212.48</b>	<b>-433,212.48</b>	<b>0.00</b>	<b>100.0%</b>
<b>Other Income</b>												
4210 · Approp Pool-Replenishment	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4220 · Non-Ag Pool-Replenishment	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4225 · Interest 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%
4226 · LAIF Fair Market Value	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
4600 · Groundwater Sales	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 Other Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>Other Expense</b>												
5010 · Groundwater Replenishment	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
5100 · Other Water Purchases	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9996 · Refund-Excess Reserves-Approp.	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9997 · Refund-Excess Reserves-NonAg	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9998 · Refund-Recharge Debt-Approp.	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%
9999 · To/(From) Reserves	-416,999.50	-468,615.11	51,615.61	88.99%	-1,461,607.92	-2,061,747.29	600,139.37	70.89%	-433,212.48	-433,212.48	0.00	100.0%
<b>Total Other Expense</b>	<b>-416,999.50</b>	<b>-468,615.11</b>	<b>51,615.61</b>	<b>88.99%</b>	<b>-1,461,607.92</b>	<b>-2,061,747.29</b>	<b>600,139.37</b>	<b>70.89%</b>	<b>-433,212.48</b>	<b>-433,212.48</b>	<b>0.00</b>	<b>100.0%</b>
<b>Net Other Income</b>	<b>416,999.50</b>	<b>468,615.11</b>	<b>-51,615.61</b>	<b>88.99%</b>	<b>1,461,607.92</b>	<b>2,061,747.29</b>	<b>-600,139.37</b>	<b>70.89%</b>	<b>433,212.48</b>	<b>433,212.48</b>	<b>0.00</b>	<b>100.0%</b>
<b>Net Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

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



# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM

### A. MATERIAL PHYSICAL ANALYSIS - VULCAN





# 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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PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

**DATE:** October 11, 2012  
**TO:** Pool Members  
**SUBJECT:** Material Physical Injury Analysis for Vulcan Materials Company's 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 to date. Subsequently, Vulcan Materials Company 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 Vulcan Material Company's 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 that 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 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 stated that the requested amount is 20,000.000 acre-feet and the purpose of the storage account was 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.

Then on May 4, 2012, California Steel Industries submitted an Application for an LSA for recharge of stormwater at its NPDES stormwater basin. A Material Physical Injury analysis was completed for the California Steel Industries Application, and it determined that storage pursuant to the Application would not cause Material Physical Injury. The Pools deferred the item because it was a request for stormwater recharge rather than supplemental recharge, and they requested that it be worked concurrently with Recharge Master Plan Update discussions. It was not presented to the Advisory Committee or Watermaster Board.

Due to the many pending issues regarding supplemental storage, none of the Applications have not been acted upon by Watermaster. The Advisory Committee took 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**

On September 12, 2012, Vulcan Materials Company submitted an Application for a Local Supplemental Storage Agreement (attached). The Application states that the requested amount is 1,200.000 acre-feet and that the method of storage is via recharge. A Form 2, Application for Recharge, was also submitted (attached). As stated on the form, the purposes of the storage account are to stabilize or reduce future water costs/assessments, facilitate utilization of other available sources of supply, facilitate replenishment under certain well sites, and preserve pumping right for a changed future potential use.

Attached, please find WEI's Analysis of Material Physical Injury for Vulcan Materials Company's pending Application for a Local Supplemental Storage Agreement. WEI's analysis concludes:

- The recharge plan in Vulcan Material Company's LSA application has the potential to cause Material Physical Injury.
- This potential Material Physical Injury could be avoided if Vulcan Materials were to demonstrate, to Watermaster's satisfaction, that the water recharged at the Vulcan Pit will not become contaminated through contact with the soil, or that any water quality degradation caused by contact with the soil will not result in a chemical concentration in the recharge water to increase to a level that would exceed a maximum contaminant level established in California Code of Regulation Title 22 or a notification level established by the Department of Public Health.

- Vulcan Materials Company will have to submit an application to Watermaster to recapture the water stored in the proposed LSA, and a separate Material Physical Injury analysis will need to be performed on the recapture plan.

Staff recommends receiving and filing WEI's Material Physical Injury Analysis for Vulcan Materials Company'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:**

October 11, 2012 Appropriative Pool –  
October 11, 2012 Non-Agricultural Pool –  
October 11, 2012 Agricultural Pool –  
October 18, 2012 Advisory Committee –  
October 25, 2012 Watermaster Board –

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**APPLICATION  
FOR  
LOCAL STORAGE AGREEMENT**

**APPLICANT**

Vulcan Materials Company \_\_\_\_\_ September 12, 2012 \_\_\_\_\_  
 Name of Party Date Requested Date Approved

405 North Indian Hill Boulevard \_\_\_\_\_ 1,200 Acre-feet \_\_\_\_\_ Acre-feet  
 Street Address Amount Requested Amount Approved

Claremont \_\_\_\_\_ CA \_\_\_\_\_ 91711 \_\_\_\_\_  
 City State Zip Code

Telephone: (909) 621-1266 \_\_\_\_\_ Facsimile: (909) 621-1196 \_\_\_\_\_

**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?

California Title 22 Drinking Water \_\_\_\_\_  
 MZ-3 \_\_\_\_\_

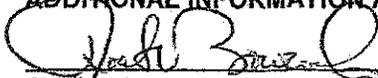
**MATERIAL PHYSICAL INJURY**

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?

\* The Vulcan Groundwater Recharge Facility property has never used or stored any hazardous materials as defined by the State of California or United States Environmental Protection Agency. The aggregate mine was developed on previously natural alluvium and is free from all chemical pollution and contamination. Water quality to be recharged exceeds the requirements of the Santa Ana Regional Water Quality Control Boards Basin Plan objectives.

ADDITIONAL INFORMATION ATTACHED Yes [ ] No [X]

  
Applicant

**TO BE COMPLETED BY WATERMASTER:**

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

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

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

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

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

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



**MATERIAL PHYSICAL INJURY**

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

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

\* The Vulcan Groundwater Recharge Facility property has never used or stored any hazardous materials as defined by the State of California or United States Environmental Protection Agency. The aggregate mine was developed on previously natural alluvium and is free from all chemical pollution and contamination. Water quality to be recharged exceeds the requirements of the Santa Ana Regional Water Quality Control Boards Basin Plan objectives.

**ADDITIONAL INFORMATION ATTACHED** Yes [ ] No [X]

  
Applicant

**TO BE COMPLETED BY WATERMASTER:**

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

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

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

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

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

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

**CHINO BASIN WATERMASTER**  
**STANDARD**  
**LOCAL STORAGE AGREEMENT # \_\_\_\_\_**

**THIS AGREEMENT** is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between Chino Basin Watermaster, (herein "Watermaster") and Vulcan Materials Company, (herein "Local Storage Party") pursuant to the Judgment entered January 27, 1978 and the Peace Agreement and Implementation Plan dated June 29, 2000.

**STORAGE AUTHORITY.** The authority is hereby granted to the above Storage Party, pursuant to the terms and conditions hereof, to store 1,200 acre-feet of water in the Chino Basin and to recapture the same for reasonable beneficial use as indicated on the forms or attachments below. The right to store water under this Local Storage Agreement is not transferable or assignable.

Excess Carry Over     Local Supplemental or Imported     Both

**STORAGE APPROVAL .** In submitting the Application for Local Storage, Applicant presented the following forms in addition to Form 1:

- Form 2    Application for Recharge
- Form 3    Application for Sale or Transfer of Right to Produce Water in Storage
- Form 4    Application or Amendment to Application to Recapture Water in Storage
- Form 5    Application Transfer Annual Production Right or Safe Yield
- Form 6    Application by a Party to the Judgment to Participate in a Storage & Recovery Program
- Form 7    Application for Reimbursement or Credit Against OBMP Assessments

All additional forms are included herein by reference and deemed approved or conditioned as attached.

**TERM OF AGREEMENT.** This Agreement shall continue in effect coterminous with the Peace Agreement unless or until the Agreement is modified, amended or terminated by Watermaster action. Except for losses or other factors as Watermaster may establish, any water in storage at the time of termination of this Agreement shall remain to the credit of Storage Party for subsequent recapture in its normal operations, i.e., termination of the Agreement shall affect termination of the right to place water in storage, but shall not impair the integrity of water stored or the right to recapture the same. Local Storage Agreements do not require court approval.

This Agreement and all provisions thereof are applicable to and binding upon not only the parties hereto, but also upon their respective heirs, executors, administrators, successors, assigns, lessors and licensees and upon the agents, employees and attorneys in fact of all such persons.

The following standard terms and conditions are deemed incorporated in any local storage agreement approved by Watermaster.

**ASSIGNMENT OF STORAGE CAPACITY.** Storage capacity is not assignable. Water in storage may be assigned, sold, leased or transferred as herein or subsequently approved.

**LOSSES ATTRIBUTABLE TO STORED WATER.** Pursuant to the Peace Agreement, losses may be applied to water stored hereunder after July 1, 2005.

**RECAPTURE.** Storage Party may recapture Stored Water by the direct extraction of groundwater from Chino Basin as herein approved by Watermaster. Each Storage Party shall apply to Watermaster in writing using Form 4 at least thirty (30) days prior to commencement of direct recapture if Form 4 is not included herewith, or if the recapture plan is different than that originally submitted to Watermaster. Watermaster shall determine whether significant adverse impacts will result to the Chino Basin and to other producers by reason of such production and shall either confirm, deny, or modify such proposed extraction schedule.

**PROCEDURES AND ACCOUNTING FOR WATER STORED.** Watermaster shall maintain a continuing account of water stored in and recaptured from Storage Party's account, which shall be available for review upon reasonable notice by Storage Party.

**REPORTS TO WATERMASTER.** Storage Party shall file with Watermaster such reports, forms, or additional information as is reasonably required by Watermaster in order to provide full information as to storage, losses and recapture of Stored Water hereunder.

**WATERMASTER'S RIGHT OF INSPECTION.** Watermaster shall have the right to inspect at reasonable times the records and facilities of Storage Party with relation to storage and recapture of water in the Chino Basin.

**NOTICE.** Any notices may be given by mail and postage prepaid addressed as follows:

Watermaster	Chino Basin Watermaster 8632 Archibald Avenue, Suite 109 Rancho Cucamonga, CA 91730
Storage Party	As set forth on the application.

**ADDITIONAL CONDITIONS OR TERMS.** In granting approval of this storage agreement, Watermaster placed the following additional conditions in the agreement:

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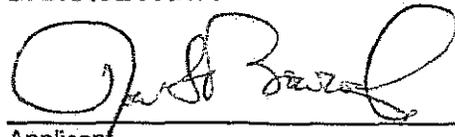
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**IN WITNESS WHEREOF,** the parties hereto have caused this Agreement to be duly executed by their authorized officers.

**WATERMASTER**

**STORAGE PARTY**

\_\_\_\_\_  
Watermaster Approval

  
\_\_\_\_\_  
Applicant



October 5, 2012

Chino Basin Watermaster  
Attention: Mr. Peter Kavounas, CEO  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

**Subject: *Analysis of Material Physical Injury for the Vulcan Material's Applications for a Local Storage Agreement, Pending as of September 12, 2012***

Dear Mr. Kavounas:

Pursuant to your direction, Wildermuth Environmental, Inc. (WEI) conducted a material physical injury (MPI) analysis of Vulcan Material's revised September 12, 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 practices. 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).

Vulcan Material's proposed LSA project description does not contain the operational detail required to apply the Watermaster groundwater models to evaluate MPI as it doesn't contain a recapture plan. As such, this MPI analysis only considers recharge and storage.

This MPI analysis is based on the Judgment and our professional experience in the Chino Basin, including the collection and analysis of monitoring data, past evaluations of Chino Basin storage programs, groundwater modeling of various Chino Basin groundwater management alternatives, and prior MPI analyses—specifically, the recent modeling investigations for the Dry-year Yield Program Expansion (2007-2008), the *Production Optimization and Evaluation of the Peace II Project Description* (2009), the final *2010 State of the Basin Report, Vulcan Basin Environmental Assessment Review* (2006) and *Work Plan for Site Assessment – Vulcan Basin* (2006), all of which were prepared by WEI.

## **Vulcan Material's LSA Application of September 12, 2012**

Vulcan Materials submitted Watermaster forms 1, 2, and 8, applying for an LSA of 1,200 acre-ft and intends to fill that storage with up to 100 acre-ft/yr of municipal drinking water obtained from the Fontana Water Company. Form 2 states that the recharge will occur in MZ3 and specifically in the "Vulcan Groundwater Recharge Facility" (VGRF), a facility that does not currently exist. Based on verbal information conveyed to me, I have assumed that the VGRF is the existing Vulcan Pit, located in Fontana and adjacent to the West Fontana Channel. Vulcan Materials did not include a recapture plan in its LSA application, so it is unclear as to how the stored water will be recaptured and used.

**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 slightly increase groundwater levels in the Basin, followed by a return to the groundwater levels that would have existed had the proposed storage program never occurred. The proposed project will produce a localized increase in groundwater levels in the specific area where recharge occurs. The depth to groundwater beneath the general area of recharge 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 slightly increase groundwater levels in the Basin, followed by a return to the groundwater levels that would have existed had the proposed storage program never occurred. There may be a regional imbalance because recharge may not occur or be tributary to where the stored water will actually be produced. The impact of the proposed storage program on the balance of recharge discharge cannot be determined until Vulcan Materials precisely specifies how the storage water will be recaptured. That said, the recharge of supplemental water in MZ3 should improve the hydrologic balance in MZ3 regardless of where the stored water is eventually recovered.

**Total Dissolved Solids and Total Nitrogen Concentrations of Recharge Water.** The total dissolved solids and total nitrogen concentrations of the recharge water are less than the drinking water standards and their respective Basin Plan Objectives, and, as such, there will be no adverse total dissolved solids or total nitrogen concentration impacts from the recharge and storage of FWC water in MZ3.

**Water Quality Impacts on Other Pumpers.** The Vulcan Pit has been the subject of several environmental investigations to date; most of the resultant reports are confidential and were not available for review in this analysis. WEI has conducted a review of some of these reports in a past investigation conducted for the Watermaster. Areas of concern were identified that were above the pit floor. We also review GeoTracker<sup>1</sup> database which did not provide useful information. Based on an October 4, 2012 conversation with Robert Bowcock who represents Vulcan Materials, the recharge will occur on the pit floor and the precise location on the pit floor is unknown. None of the documents that WEI reviewed in its 2006 work contained a comprehensive environmental assessment of the pit floor. One report indicated the presence of a maintenance site on the pit floor in the 1990s<sup>2</sup>. Elevated arsenic concentration was detected in the soil on the west side of the

<sup>1</sup> <http://geotracker.waterboards.ca.gov/>

<sup>2</sup> Environmental Profiles Inc., 2002. Comprehensive Site Report, CalMat Fontana, 8747 Lime Avenue, Fontana, California, June 5, 2002.

property above the pit floor and the origin of the arsenic was suggested to be "most likely" natural<sup>3</sup>. Natural or not, the identified range of arsenic concentration in the soil is problematic for recharge in the absence of a demonstration to the contrary. The presence of arsenic in the soils on the pit floor in the area of proposed recharge is unknown to us at this time. Based on the information available to us at the time of this writing, there may be contaminated soils on pit floor.

The site has never been used for recharge and therefore contaminated soils in the pit, if any, could still be present. Recharging water through such soils could result in groundwater contamination. No definitive conclusion on potential water quality impacts on other pumpers can be determined in the absence of a specific plan for recharge in the basin that indicates precisely where the recharge will occur and that the soils underlying the recharge area are free from contamination. This plan should include a characterization of the soils underlying the actual recharge area and the area of conveyance from the FWC turnout to the area of recharge to determine if these soils are contaminated and if they would contaminate the recharge water. The potential for MPI exists but can be resolved: Vulcan Materials needs to provide existing reports or conduct new studies that provide Watermaster assurances that the recharged water will not become contaminated through contact with soils or that any water quality degradation caused by contact with the soil will not result in a chemical concentration in the recharge water to increase to level that would exceed a maximum contaminant level established in California Code of Regulation Title 22 or a notification level established by the Department of Public Health.

### **Conclusion**

At of the time of this writing, the recharge plan in Vulcan Material's LSA application has the potential to cause MPI. It is our opinion that this potential MPI could be avoided if Vulcan Materials were to demonstrate, to Watermaster's satisfaction, that the water recharged at the Vulcan Pit will not become contaminated through contact with the soil or that any water quality degradation caused by contact with the soil will not result in a chemical concentration in the recharge water to increase to level that would exceed a maximum contaminant level established in California Code of Regulation Title 22 or a notification level established by the Department of Public Health.

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Please call me if you have any questions or need further assistance.

Yours truly,

**Wildermuth Environmental, Inc.**



Mark J. Wildermuth, PE  
President

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<sup>3</sup> CDM, 2005. Subsurface Investigation at the Fontana Operation, Fontana, California, 8747 Lime Avenue, Fontana, California, December 6, 2005.

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# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM

### B. APPLICATION FOR RECHARGE

**Consider Approval for Application for Recharge - Vulcan Materials Company** has submitted an Application for Recharge for 1,200 acre-feet to be placed into a Local Supplemental Storage Account. Date of Application: September 12, 2012. Consider Approval of the Vulcan Material Company's Application in so far as Recharge is concerned if it demonstrates, to Watermaster's satisfaction, that the water recharged at the Vulcan Pit will not become contaminated through contact with the soil, or that any water quality degradation caused by contact with the soil will not result in a chemical concentration in the recharge water to increase to a level that would exceed a maximum contaminant level established in California Code of Regulation Title 22 or a notification level established by the Department of Public Health. Also, Watermaster should expressly condition the Storage element so that it is expressly subject to subsequent Watermaster determinations on: (1) the quantity of Local Supplemental Water in Storage; (2) the priority among all competing applications for Local Storage Agreements; and (3) the general terms and conditions concerning Preemptive Replenishment and Storage.





# CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

**DATE:** October 11, 2012  
**TO:** Pool Members  
**SUBJECT:** Vulcan Materials Company Application for Recharge

### SUMMARY

**Issue** – On September 12, 2012, Vulcan Materials Company submitted an Application for a Local Supplemental Storage Agreement for 1,200,000 acre-feet to be placed into a Local Supplemental Storage Account, inclusive of an Application for Recharge. Vulcan Materials Company has requested prompt Watermaster action on its Application. However, there are nine pending Applications for Local Storage Agreements (LSAs) (collectively "Applications") that have been deferred pending review of their contents for: (1) completeness; (2) consistency with the Peace II Measures and their relative priority; and (3) stakeholder input and a Watermaster determination on the general terms and conditions concerning Preemptive Replenishment and Storage. The Vulcan Materials Company Application has been deemed complete and Wildermuth Environmental, Inc. (WEI) has performed a Material Physical Injury analysis on it. The analysis concluded that the recharge plan in Vulcan Material's Application has the potential to cause Material Physical Injury, and that the Material Physical Injury can be avoided. There still remain open questions concerning the availability of Local Storage under present accounting (Second Amendment to the Peace Agreement), the relative priority among pending Applications and the complete set of Preemptive Replenishment and Storage rules.

**Recommendation** – Watermaster should approve Vulcan Materials Company's Application in so far as Recharge is concerned if it demonstrates, to Watermaster's satisfaction, that the water recharged at the Vulcan Pit will not become contaminated through contact with the soil, or that any water quality degradation caused by contact with the soil will not result in a chemical concentration in the recharge water to increase to a level that would exceed a maximum contaminant level established in California Code of Regulation Title 22 or a notification level established by the Department of Public Health. Also, Watermaster should expressly condition the Storage element so that it is expressly subject to subsequent Watermaster determinations on: (1) the quantity of Local Supplemental Water in Storage; (2) the priority among all competing Applications for Local Storage Agreements; and (3) the general terms and conditions concerning Preemptive Replenishment and Storage. This means that Vulcan Materials Company may begin Recharging Water upon approval by Watermaster as provided herein. However, its intention to hold, store and recover the Supplemental Water is still subject to the stated subsequent Watermaster determinations. Furthermore, this action would be without prejudice to other pending Applications or the priority among competing Applications. Staff and counsel expect that

Watermaster can reasonably make the referenced determinations on a timeline consistent with the Recharge Master Plan Update. This approach will allow Vulcan Materials Company to proceed with recharge activities subject to the ongoing regulation of Watermaster of Storage Agreements on equitable, non-discriminatory grounds but without prejudice to other pending Applications. Moreover, Watermaster will (1) Continue monitoring as planned in the Optimum Basin Management Program, (2) Use all new or revised information when analyzing the hydrologic balance as required by the Peace Agreement and Peace II Agreement and report to Watermaster if a potential for material physical injury is discovered so that it may be further addressed by Watermaster on a non-discriminatory basis, and (3) Approve the Application for Recharge element as presented.

**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.

Similar to this Vulcan Materials Company Application, Applications for Supplemental by both the City of Upland and the San Antonio Water Company, inclusive of Applications for Recharge, were discussed extensively during the December 2011 and January 2012 Pool meetings, and during the February 2012 Advisory and Board meetings. Ultimately, both Applications were approved subject to further Watermaster determinations concerning: (1) the determination of available capacity for Local Supplemental Storage Agreements pursuant to Section 2 of the Second Amendment to the Peace Agreement (100,000 acre-foot cap); (2) the establishment of rules concerning the priority among competing Applications for Local Supplemental Storage; and (3) the general terms and conditions applicable to Storage and Preemptive Replenishment in connection with the Recharge Master Plan. Accordingly until these determinations have been made, the storage and recovery of any water recharged by the City of Upland and by San Antonio Water Company are not guaranteed. Also stated was that no Party with a pending Application for a Local Supplemental Storage Agreement will be prejudiced by Watermaster's conditional action on the City of Upland's and San Antonio Water Company's Applications.

On October 8, 2012, a Notice was issued for Vulcan Materials Company's Application for a LSA for 1,200,000 acre-feet to be placed into a Local Supplemental Storage Account. Inclusive of this Notice was their Application for Recharge for 1,200,000 acre-feet of Fontana Water Company retail water into the "Vulcan Groundwater Recharge Facility."

## **DISCUSSION**

On September 12, 2012, Vulcan Materials Company submitted Form 1, an Application for a Local Supplemental Storage Agreement (attached). The Application identifies the maximum quantity of the storage account to be 1,200.00 acre-feet to be placed into a Local Supplemental Storage Account. The Application states that the purposes of storing water are to stabilize or reduce future water costs/assessments, facilitate utilization of other available sources of supply, facilitate replenishment under certain well sites, and preserve pumping right for a changed future potential use.

The Application states that the method of placement in storage is via percolation/recharge and a Form 2, Application for Recharge, is included. The Application for Recharge (attached) states that the "Vulcan Groundwater Recharge Facility" will be utilized and that the source of water is Fontana Water Company

retail water. The Application does not state the method and location of recapture. At the time of recapture, the Vulcan Materials Company will need to submit appropriate recapture forms.

This Application for Recharge will first be considered by each of the respective Pool committees during this month of October 2012. Per the Watermaster Rules and Regulations, 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. Therefore, the Application will be considered by the Advisory Committee on November 15, 2012 and then by the Watermaster Board on November 15, 2012.

The Material Physical Injury analysis performed by WEI (attached) states that the recharge plan in Vulcan Material Company's Application has the potential to cause Material Physical Injury. It is WEI's opinion that this potential Material Physical Injury could be avoided if Vulcan Materials Company were to demonstrate, to Watermaster's satisfaction, that the water recharged at the Vulcan Pit will not become contaminated through contact with the soil, or that any water quality degradation caused by contact with the soil will not result in a chemical concentration in the recharge water to increase to a level that would exceed a maximum contaminant level established in California Code of Regulation Title 22 or a notification level established by the Department of Public Health.

Staff recommends approval of the Application for Recharge as presented, if it demonstrates, to Watermaster's satisfaction, that the Material Physical Injury can be avoided. Once approved, Vulcan Materials Company may begin recharging the water as described in the Application. However, Vulcan Materials Company is recharging the water at some risk because Watermaster's approval of the storage element of the Local Supplemental Storage Agreement is subject to further Watermaster determinations concerning: (1) the determination of available capacity for Local Supplemental Storage Agreements pursuant to Section 2 of the Second Amendment to the Peace Agreement (100,000 acre-foot cap); (2) the establishment of rules concerning the priority among competing Applications for Local Supplemental Storage; and (3) the general terms and conditions applicable to Storage and Preemptive Replenishment in connection with the Recharge Master Plan. Accordingly until these determinations have been made, the storage and recovery of any water recharged by Vulcan Materials Company is not guaranteed. Moreover, no party with a pending Application for Local Supplemental Storage Agreements will be prejudiced by Watermaster's conditional action on Vulcan Materials Company's Application.

**Actions:**

- October 11, 2012 Appropriative Pool –
- October 11, 2012 Non-Agricultural Pool –
- October 11, 2012 Agricultural Pool –
- November 15, 2012 Advisory Committee –
- November 15, 2012 Watermaster Board –

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APPLICATION FOR LOCAL STORAGE AGREEMENT

APPLICANT

Vulcan Materials Company Name of Party September 12, 2012 Date Requested Date Approved 405 North Indian Hill Boulevard Street Address 1,200 Acre-feet Amount Requested Acre-feet Amount Approved Claremont CA 91711 City State Zip Code Telephone: (909) 621-1266 Facsimile: (909) 621-1196

TYPE OF WATER TO BE PLACED IN STORAGE

[ ] Excess Carry Over [X] Local Supplemental or Imported [ ] Both

PURPOSE OF STORAGE - Check all that may apply

- [X] Stabilize or reduce future water costs/assessments. [X] Facilitate utilization of other available sources of supply. [X] Facilitate replenishment under certain well sites. [X] 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

- [X] 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?

California Title 22 Drinking Water

MZ-3

MATERIAL PHYSICAL INJURY

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

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

\*The Vulcan Groundwater Recharge Facility property has never used or stored any hazardous materials as defined by the State of California or United States Environmental Protection Agency. The aggregate mine was developed on previously natural alluvium and is free from all chemical pollution and contamination. Water quality to be recharged exceeds the requirements of the Santa Ana Regional Water Quality Control Boards Basin Plan objectives.

ADDITIONAL INFORMATION ATTACHED Yes [ ] No [X]

  
Applicant

**TO BE COMPLETED BY WATERMASTER:**

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

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

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

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

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

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



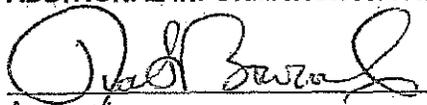
**MATERIAL PHYSICAL INJURY**

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

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

\* The Vulcan Groundwater Recharge Facility property has never used or stored any hazardous materials as defined by the State of California or United States Environmental Protection Agency. The aggregate mine was developed on previously natural alluvium and is free from all chemical pollution and contamination. Water quality to be recharged exceeds the requirements of the Santa Ana Regional Water Quality Control Boards Basin Plan objectives.

**ADDITIONAL INFORMATION ATTACHED** Yes [ ] No [X]

  
Applicant

**TO BE COMPLETED BY WATERMASTER:**

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

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

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

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

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

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

**CHINO BASIN WATERMASTER**  
**STANDARD**  
**LOCAL STORAGE AGREEMENT # \_\_\_\_\_**

**THIS AGREEMENT** is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between Chino Basin Watermaster, (herein "Watermaster") and Vulcan Materials Company, (herein "Local Storage Party") pursuant to the Judgment entered January 27, 1978 and the Peace Agreement and Implementation Plan dated June 29, 2000.

**STORAGE AUTHORITY.** The authority is hereby granted to the above Storage Party, pursuant to the terms and conditions hereof, to store 1,200 acre-feet of water in the Chino Basin and to recapture the same for reasonable beneficial use as indicated on the forms or attachments below: The right to store water under this Local Storage Agreement is not transferable or assignable.

Excess Carry Over     Local Supplemental or Imported     Both

**STORAGE APPROVAL .** In submitting the Application for Local Storage, Applicant presented the following forms in addition to Form 1:

- Form 2    Application for Recharge
- Form 3    Application for Sale or Transfer of Right to Produce Water in Storage
- Form 4    Application or Amendment to Application to Recapture Water in Storage
- Form 5    Application Transfer Annual Production Right or Safe Yield
- Form 6    Application by a Party to the Judgment to Participate in a Storage & Recovery Program
- Form 7    Application for Reimbursement or Credit Against OBMP Assessments

All additional forms are included herein by reference and deemed approved or conditioned as attached.

**TERM OF AGREEMENT.** This Agreement shall continue in effect coterminous with the Peace Agreement unless or until the Agreement is modified, amended or terminated by Watermaster action. Except for losses or other factors as Watermaster may establish, any water in storage at the time of termination of this Agreement shall remain to the credit of Storage Party for subsequent recapture in its normal operations, i.e., termination of the Agreement shall affect termination of the right to place water in storage, but shall not impair the integrity of water stored or the right to recapture the same. Local Storage Agreements do not require court approval.

This Agreement and all provisions thereof are applicable to and binding upon not only the parties hereto, but also upon their respective heirs, executors, administrators, successors, assigns, lessors and licensees and upon the agents, employees and attorneys in fact of all such persons.

The following standard terms and conditions are deemed incorporated in any local storage agreement approved by Watermaster.

**ASSIGNMENT OF STORAGE CAPACITY.** Storage capacity is not assignable. Water in storage may be assigned, sold, leased or transferred as herein or subsequently approved.

**LOSSES ATTRIBUTABLE TO STORED WATER.** Pursuant to the Peace Agreement, losses may be applied to water stored hereunder after July 1, 2005.

**RECAPTURE.** Storage Party may recapture Stored Water by the direct extraction of groundwater from Chino Basin as herein approved by Watermaster. Each Storage Party shall apply to Watermaster in writing using Form 4 at least thirty (30) days prior to commencement of direct recapture if Form 4 is not included herewith, or if the recapture plan is different than that originally submitted to Watermaster. Watermaster shall determine whether significant adverse impacts will result to the Chino Basin and to other producers by reason of such production and shall either confirm, deny, or modify such proposed extraction schedule.

**PROCEDURES AND ACCOUNTING FOR WATER STORED.** Watermaster shall maintain a continuing account of water stored in and recaptured from Storage Party's account, which shall be available for review upon reasonable notice by Storage Party.

**REPORTS TO WATERMASTER.** Storage Party shall file with Watermaster such reports, forms, or additional information as is reasonably required by Watermaster in order to provide full information as to storage, losses and recapture of Stored Water hereunder.

**WATERMASTER'S RIGHT OF INSPECTION.** Watermaster shall have the right to inspect at reasonable times the records and facilities of Storage Party with relation to storage and recapture of water in the Chino Basin.

**NOTICE.** Any notices may be given by mail and postage prepaid addressed as follows:

Watermaster

Chino Basin Watermaster  
8632 Archibald Avenue, Suite 109  
Rancho Cucamonga, CA 91730

Storage Party

As set forth on the application.

**ADDITIONAL CONDITIONS OR TERMS.** In granting approval of this storage agreement, Watermaster placed the following additional conditions in the agreement:

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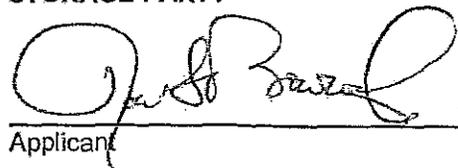
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**IN WITNESS WHEREOF,** the parties hereto have caused this Agreement to be duly executed by their authorized officers.

**WATERMASTER**

**STORAGE PARTY**

\_\_\_\_\_  
Watermaster Approval

  
\_\_\_\_\_  
Applicant



October 5, 2012

Chino Basin Watermaster  
Attention: Mr. Peter Kavounas, CEO  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

**Subject: *Analysis of Material Physical Injury for the Vulcan Material's Applications for a Local Storage Agreement, Pending as of September 12, 2012***

Dear Mr. Kavounas:

Pursuant to your direction, Wildermuth Environmental, Inc. (WEI) conducted a material physical injury (MPI) analysis of Vulcan Material's revised September 12, 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 practices. 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).

Vulcan Material's proposed LSA project description does not contain the operational detail required to apply the Watermaster groundwater models to evaluate MPI as it doesn't contain a recapture plan. As such, this MPI analysis only considers recharge and storage.

This MPI analysis is based on the Judgment and our professional experience in the Chino Basin, including the collection and analysis of monitoring data, past evaluations of Chino Basin storage programs, groundwater modeling of various Chino Basin groundwater management alternatives, and prior MPI analyses—specifically, the recent modeling investigations for the Dry-year Yield Program Expansion (2007-2008), the *Production Optimization and Evaluation of the Peace II Project Description* (2009), the final *2010 State of the Basin Report, Vulcan Basin Environmental Assessment Review* (2006) and *Work Plan for Site Assessment – Vulcan Basin* (2006), all of which were prepared by WEI.

## **Vulcan Material's LSA Application of September 12, 2012**

Vulcan Materials submitted Watermaster forms 1, 2, and 8, applying for an LSA of 1,200 acre-ft and intends to fill that storage with up to 100 acre-ft/yr of municipal drinking water obtained from the Fontana Water Company. Form 2 states that the recharge will occur in MZ3 and specifically in the "Vulcan Groundwater Recharge Facility" (VGRF), a facility that does not currently exist. Based on verbal information conveyed to me, I have assumed that the VGRF is the existing Vulcan Pit, located in Fontana and adjacent to the West Fontana Channel. Vulcan Materials did not include a recapture plan in its LSA application, so it is unclear as to how the stored water will be recaptured and used.

**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 slightly increase groundwater levels in the Basin, followed by a return to the groundwater levels that would have existed had the proposed storage program never occurred. The proposed project will produce a localized increase in groundwater levels in the specific area where recharge occurs. The depth to groundwater beneath the general area of recharge 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 slightly increase groundwater levels in the Basin, followed by a return to the groundwater levels that would have existed had the proposed storage program never occurred. There may be a regional imbalance because recharge may not occur or be tributary to where the stored water will actually be produced. The impact of the proposed storage program on the balance of recharge discharge cannot be determined until Vulcan Materials precisely specifies how the storage water will be recaptured. That said, the recharge of supplemental water in MZ3 should improve the hydrologic balance in MZ3 regardless of where the stored water is eventually recovered.

**Total Dissolved Solids and Total Nitrogen Concentrations of Recharge Water.** The total dissolved solids and total nitrogen concentrations of the recharge water are less than the drinking water standards and their respective Basin Plan Objectives, and, as such, there will be no adverse total dissolved solids or total nitrogen concentration impacts from the recharge and storage of FWC water in MZ3.

**Water Quality Impacts on Other Pumpers.** The Vulcan Pit has been the subject of several environmental investigations to date; most of the resultant reports are confidential and were not available for review in this analysis. WEI has conducted a review of some of these reports in a past investigation conducted for the Watermaster. Areas of concern were identified that were above the pit floor. We also review GeoTracker<sup>1</sup> database which did not provide useful information. Based on an October 4, 2012 conversation with Robert Bowcock who represents Vulcan Materials, the recharge will occur on the pit floor and the precise location on the pit floor is unknown. None of the documents that WEI reviewed in its 2006 work contained a comprehensive environmental assessment of the pit floor. One report indicated the presence of a maintenance site on the pit floor in the 1990s<sup>2</sup>. Elevated arsenic concentration was detected in the soil on the west side of the

<sup>1</sup> <http://geotracker.waterboards.ca.gov/>

<sup>2</sup> Environmental Profiles Inc., 2002. Comprehensive Site Report, CalMat Fontana, 8747 Lime Avenue, Fontana, California, June 5, 2002.

property above the pit floor and the origin of the arsenic was suggested to be "most likely" natural<sup>3</sup>. Natural or not, the identified range of arsenic concentration in the soil is problematic for recharge in the absence of a demonstration to the contrary. The presence of arsenic in the soils on the pit floor in the area of proposed recharge is unknown to us at this time. Based on the information available to us at the time of this writing, there may be contaminated soils on pit floor.

The site has never been used for recharge and therefore contaminated soils in the pit, if any, could still be present. Recharging water through such soils could result in groundwater contamination. No definitive conclusion on potential water quality impacts on other pumpers can be determined in the absence of a specific plan for recharge in the basin that indicates precisely where the recharge will occur and that the soils underlying the recharge area are free from contamination. This plan should include a characterization of the soils underlying the actual recharge area and the area of conveyance from the FWC turnout to the area of recharge to determine if these soils are contaminated and if they would contaminate the recharge water. The potential for MPI exists but can be resolved; Vulcan Materials needs to provide existing reports or conduct new studies that provide Watermaster assurances that the recharged water will not become contaminated through contact with soils or that any water quality degradation caused by contact with the soil will not result in a chemical concentration in the recharge water to increase to level that would exceed a maximum contaminant level established in California Code of Regulation Title 22 or a notification level established by the Department of Public Health.

### **Conclusion**

At of the time of this writing, the recharge plan in Vulcan Material's LSA application has the potential to cause MPI. It is our opinion that this potential MPI could be avoided if Vulcan Materials were to demonstrate, to Watermaster's satisfaction, that the water recharged at the Vulcan Pit will not become contaminated through contact with the soil or that any water quality degradation caused by contact with the soil will not result in a chemical concentration in the recharge water to increase to level that would exceed a maximum contaminant level established in California Code of Regulation Title 22 or a notification level established by the Department of Public Health.

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Please call me if you have any questions or need further assistance.

Yours truly,

**Wildermuth Environmental, Inc.**



Mark J. Wildermuth, PE  
President

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<sup>3</sup> CDM, 2005. Subsurface Investigation at the Fontana Operation, Fontana, California, 8747 Lime Avenue, Fontana, California, December 6, 2005.

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# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM (Ag Pool Only)

### C. WATER QUALITY SAMPLING OF PRIVATE AGRICULTURAL POOL WELL(S)





# CHINO BASIN WATERMASTER

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

PETER KAVOUNAS, P.E.  
General Manager

## STAFF REPORT

**DATE:** October 11, 2012  
**TO:** Agricultural Pool Members  
**SUBJECT:** Water Quality Sampling of Private Agricultural Pool Well(s)

### SUMMARY

**Issue** – Watermaster received a request from Bob Feenstra to collect and analyze water quality samples from one or more wells on a private property in Ontario.

**Recommendation** – Authorize Watermaster Staff to collect and analyze the samples and charge the expenses against account 8471: Ag Pool Expense-Special Project(s).

**Financial Impact** – The expenses of these samples are within the \$65,000 budget of Account 8471: Ag Pool Expense-Special Project(s).

### BACKGROUND

Watermaster initiated a comprehensive groundwater quality monitoring program as part of the implementation of the OBMP. Watermaster provides funds for this groundwater quality monitoring program in its annual budget. The groundwater quality monitoring program consists of the following four components:

1. An Annual "Key Well" Water Quality Monitoring Program consisting of 120 wells which are mostly privately owned agricultural wells in the southern portion of Chino Basin that are otherwise not included in an established sampling program.
2. Annual sampling at nine HCMP multi-port monitoring wells strategically placed between the Chino Basin Desalter well fields and the Santa Ana River. Results of the annual sampling are used to analyze the effect of desalter pumping over time by comparing water quality of the native groundwater and the Santa Ana River.
3. Monthly sampling at four near-river wells to characterize the Santa Ana River's influence to nearby groundwater.
4. A cooperative basin-wide data collection effort known as the Chino Basin Data Collection (CBDC) program which relies on municipal producers and other government agencies to supply groundwater quality data on a cooperative basis.

All water quality data are routinely collected, QA/QC'd, and loaded into Watermaster's relational database. Watermaster's database is used to create detailed maps, for modeling purposes, for the triennial ambient water quality analysis, for hydraulic control assessment, for the Biennial State of the Basin Report, and to assess the overall health of the Basin.

## **DISCUSSION**

Watermaster recently received a request from Agricultural Pool Chair Bob Feenstra that one or more private Agricultural Pool wells at a property in Ontario be sampled and have water quality analyses performed. The property has three wells on it: two that regularly operate and one backup well. At this time, it is believed that all three of the wells are capable of being sampled.

Assuming that a well is operable, the total cost to sample and analyze the water is approximately \$1275 per well, which includes lab fees of approximately \$850; staff time for site visit, calibration, driving, and sampling of \$325; and the cost to have a spigot installed of approximately \$100. If multiple wells are sampled in the same day, the cost per well decreases slightly because there are distributed costs for VOC travel blank lab fees, and for staff time for calibration and driving.

Watermaster does not have funds for this type of special water quality sampling in its water quality budget this year. However, the Agricultural Pool regularly budgets funds in account 8471: Ag Pool Expense-Special Project(s). This fiscal year \$65,000 is budgeted in this account. This account is also used to fund the SAWPA TMDL Task Force, and it is anticipated that there will be more than sufficient funds to cover the TMDL Task Force and these special water quality samplings and analyses. (The expenses of the TMDL Task Force have historically been: \$6,389.00 in June 2012, \$10,342.00 in June 2011, and \$22,264.12 in June 2010.)

Staff recommends that the Agricultural Pool authorize Watermaster Staff to collect and analyze the samples and charge the expenses against account 8471: Ag Pool Expense-Special Project(s).

### **Actions:**

October 11, 2012 Agricultural Pool –



# CHINO BASIN WATERMASTER

## IV. INFORMATION

1. Cash Disbursements for September 2012



**CHINO BASIN WATERMASTER**  
**Cash Disbursements For The Month**  
**September 2012**

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/04/2012	16287	DGO AUTO DETAILING		1012 - Bank of America Gen'l Ckg	
Bill	08/23/2012			Wash 4 trucks on 8/08/12 and 8/22/12	6177 - Vehicle Repairs & Maintenance	200.00
TOTAL						200.00
Bill Pmt -Check	09/06/2012	16288	APPLIED COMPUTER TECHNOLOGIES	2075	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2012	2075		Database Services - August 2012	6052.2 - Applied Computer Technol	3,746.60
TOTAL						3,746.60
Bill Pmt -Check	09/06/2012	16289	ARROWHEAD MOUNTAIN SPRING WATER	0023230253	1012 - Bank of America Gen'l Ckg	
Bill	08/31/2012	0023230253		Office Water Bottle - August 2012	6031.7 - Other Office Supplies	39.71
TOTAL						39.71
Bill Pmt -Check	09/06/2012	16290	BROWNSTEIN HYATT FARBER SCHRECK		1012 - Bank of America Gen'l Ckg	
Bill	07/31/2012	511190		511190	8375 - BHFS Legal - Appropriative Pool	2,245.68
				511190	8475 - BHFS Legal - Agricultural Pool	2,045.68
				511190	8575 - BHFS Legal - Non-Ag Pool	1,531.25
				511190	6275 - BHFS Legal - Advisory Committee	2,094.28
				511190	6375 - BHFS Legal - Board Meeting	6,233.54
				511190	6071 - BHFS Legal - Court Coordination	8,860.50
				511190	6072 - BHFS Legal - Annotated Judgment	6,772.05
				511190	6074 - BHFS Legal - Interagency Issues	1,160.10
				511190	6076 - BHFS Legal - Storage Issues	1,096.20
				511190	6078 - BHFS Legal - Miscellaneous	5,225.15
				511190	6907.30 - Peace II - CEQA	497.70
				511190	6907.33 - Desalter/Hydraulic Control	426.60
				511190	6907.39 - Recharge Master Plan	3,388.05
				511190	8575.1 - Paragraph 15 - CSI/Aqua Capital	8,692.73
Bill	07/31/2012	511191		511191	6073 - BHFS Legal - Personnel Matters	6,657.75
Bill	07/31/2012	511192		511192	6907.34 - Santa Ana River Water Rights	3,217.05
Bill	07/31/2012	511193		511193	6907.35 - Paragraph 31 Motion	9,124.20
Bill	07/31/2012	511194		511194	6907.36 - Santa Ana River Habitat	329.40
TOTAL						69,597.91
Bill Pmt -Check	09/06/2012	16291	CALPERS 457 PLAN	Payroll and Taxes for 08/05/12-08/18/12	1012 - Bank of America Gen'l Ckg	
General Journal	08/24/2012	08/24/2012	CALPERS 457 PLAN	Employee deductions for 08/05/12-08/18/12	2000 - Accounts Payable	2,094.55
TOTAL						2,094.55
Bill Pmt -Check	09/06/2012	16292	CHARLES Z. FEDAK & COMPANY		1012 - Bank of America Gen'l Ckg	
Bill	08/31/2012			Progress Billing - August 2012	6062 - Audit Services	1,550.00

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**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							1,550.00
	Bill Pmt -Check	09/06/2012	16293	COMPUTER NETWORK		1012 - Bank of America Gen'l Ckg	
	Bill	08/24/2012	85009		1 TB External Hard Drive	6055 - Computer Hardware	237.05
	Bill	08/24/2012	85011		Keyboard and labor	6055 - Computer Hardware	125.00
					Roxio 2012 software	6054 - Computer Software	92.00
	Bill	08/24/2012	85014		Upgraded monitors	6055 - Computer Hardware	81.89
TOTAL							535.94
	Bill Pmt -Check	09/06/2012	16294	DIRECTV	019447404	1012 - Bank of America Gen'l Ckg	
	Bill	08/31/2012	019447404		8/19/12 - 9/18/12	6031.7 - Other Office Supplies	89.99
TOTAL							89.99
	Bill Pmt -Check	09/06/2012	16295	EUROFINS EATON ANALYTICAL		1012 - Bank of America Gen'l Ckg	
	Bill	08/09/2012	L0094697		L0094697	7108.4 - Hydraulic Control-Lab Svcs	615.00
	Bill	08/09/2012	L0094696		L0094696	7108.4 - Hydraulic Control-Lab Svcs	2,065.00
	Bill	08/09/2012	L0093254		L0093254	7108.4 - Hydraulic Control-Lab Svcs	2,065.00
	Bill	08/09/2012	L0093253		L0093253	7108.4 - Hydraulic Control-Lab Svcs	615.00
	Bill	08/09/2012	L0093250		L0093250	7108.4 - Hydraulic Control-Lab Svcs	1,770.00
	Bill	08/09/2012	L0093304		L0093304	7108.4 - Hydraulic Control-Lab Svcs	1,532.00
	Bill	08/14/2012	L0095240		L0095240	7108.4 - Hydraulic Control-Lab Svcs	1,770.00
TOTAL							10,432.00
	Bill Pmt -Check	09/06/2012	16296	FOREVER YOUNG PORTRAITURE	08162012	1012 - Bank of America Gen'l Ckg	
	Bill	08/22/2012	08162012		08162012	6312 - Meeting Expenses	150.00
TOTAL							150.00
	Bill Pmt -Check	09/06/2012	16297	GOLDEN METERS SERVICE	295	1012 - Bank of America Gen'l Ckg	
	Bill	08/27/2012	295		295	7102.8 - In-line Meter-Calib & Test	350.00
TOTAL							350.00
	Bill Pmt -Check	09/06/2012	16298	GREAT AMERICA LEASING CORP.	12682250	1012 - Bank of America Gen'l Ckg	
	Bill	08/31/2012	12682250		Invoice - Monthly Service	6043.1 - Ricoh Lease Fee	2,788.53
					Usage for Black Copies	6043.2 - Ricoh Usage & Maintenance Fee	40.58
					Usage for Color Copies	6043.2 - Ricoh Usage & Maintenance Fee	131.65
					San Bernardino County property tax-3 machines	6043.1 - Ricoh Lease Fee	503.10
TOTAL							3,463.86
	Bill Pmt -Check	09/06/2012	16299	HALL, PETE*	AG POOL MEMBER COMPENSATION	1012 - Bank of America Gen'l Ckg	
	Bill	08/31/2012	7/19/12 Advisory Com		7/19/12 Advisory Committee Meeting - to replace of 8470 - Ag Meeting Attend -Special		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>
TOTAL							125.00
	Bill Pmt -Check	09/06/2012	16300	HSBC BUSINESS SOLUTIONS	7003-7309-1000-2744	1012 - Bank of America Gen'l Ckg	
	Bill	08/31/2012	7003730910002744		Miscellaneous office supplies	6031.7 - Other Office Supplies	264.34
TOTAL							264.34
	Bill Pmt -Check	09/06/2012	16301	KRUGER, W. C. "BILL"	8/16/12 RMPU Meeting	1012 - Bank of America Gen'l Ckg	
	Bill	08/16/2012	8/16 RMPU Mtg		8/16/12 RMPU Meeting	6311 - Board Member Compensation	125.00
TOTAL							125.00
	Bill Pmt -Check	09/06/2012	16302	KUHN, BOB		1012 - Bank of America Gen'l Ckg	
	Bill	08/15/2012	8/15 Admin Mtg		8/15/12 Administrative Meeting	6311 - Board Member Compensation	125.00
	Bill	08/21/2012	8/21 Admin Mtg		8/21/12 Administrative Meeting	6311 - Board Member Compensation	125.00
	Bill	08/30/2012	8/30 Admin Mtg		8/30/12 Administrative Meeting	6311 - Board Member Compensation	125.00
	Bill	08/31/2012	8/31 Admin Mtg		8/31/12 Administrative Meeting	6311 - Board Member Compensation	125.00
TOTAL							500.00
P91	Bill Pmt -Check	09/06/2012	16303	MCCALL'S METER SALES & SERVICE		1012 - Bank of America Gen'l Ckg	
	Bill	08/08/2012	22823		22823	7102.5 - In-line Meter-Repair & Maint.	24,071.35
	Bill	08/14/2012	22840		22840	7102.5 - In-line Meter-Repair & Maint.	150.00
					22840	7102.8 - In-line Meter-Calib & Test	225.00
	Bill	08/28/2012	22913		22913	7102.5 - In-line Meter-Repair & Maint.	2,676.08
					22913	7102.8 - In-line Meter-Calib & Test	450.00
TOTAL							27,572.43
	Bill Pmt -Check	09/06/2012	16304	MIJAC ALARM	323185	1012 - Bank of America Gen'l Ckg	
	Bill	09/01/2012	323185		Building monitoring 9/01/12-11/30/12	6026 - Security Services	396.00
TOTAL							396.00
	Bill Pmt -Check	09/06/2012	16305	PARK PLACE COMPUTER SOLUTIONS, INC.	466	1012 - Bank of America Gen'l Ckg	
	Bill	08/31/2012	466		IT Services - August 2012	6052.1 - Park Place Comp Solutn	2,025.00
TOTAL							2,025.00
	Bill Pmt -Check	09/06/2012	16306	PAYCHEX	2012083000	1012 - Bank of America Gen'l Ckg	
	Bill	08/31/2012	2012083000		August 2012	6012 - Payroll Services	325.02
TOTAL							325.02
	Bill Pmt -Check	09/06/2012	16307	PREMIERE GLOBAL SERVICES	12079761	1012 - Bank of America Gen'l Ckg	
	Bill	08/31/2012	12079761		Call on 7/24/12	6909.1 - OBMP Meetings	34.16
					Service fee	6022 - Telephone	0.80

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Type	Date	Num	Name	Memo	Account	Paid Amount
				Service fee	6022 · Telephone	14.95
TOTAL						49.91
Bill Pmt -Check	09/06/2012	16308	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	08/24/2012	08/24/2012	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS retirement for 08/05/12-08/18/12	2000 · Accounts Payable	5,366.84
TOTAL						5,366.84
Bill Pmt -Check	09/06/2012	16309	PURCHASE POWER	8000909000168851	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2012	8000909000168851		FedEx shipments	6042 · Postage - General	138.35
TOTAL						138.35
Bill Pmt -Check	09/06/2012	16310	R&D PEST SERVICES	0158619	1012 · Bank of America Gen'l Ckg	
Bill	09/05/2012	0158619		Ongoing building treatment - outside	6024 · Building Repair & Maintenance	85.00
TOTAL						85.00
Bill Pmt -Check	09/06/2012	16311	VERIZON		1012 · Bank of America Gen'l Ckg	
Bill	08/28/2012	012561121521714508		012561121521714508	7405 · PE4-Other Expense	177.15
Bill	08/31/2012	012519116950792103		012519116950792103	6022 · Telephone	483.82
TOTAL						660.97
Bill Pmt -Check	09/06/2012	16312	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2012	001017890001		Vision premium - September 2012	60182.2 · Dental & Vision Ins	26.71
TOTAL						26.71
Bill Pmt -Check	09/06/2012	16313	YUKON DISPOSAL SERVICE	08-K2 213849	1012 · Bank of America Gen'l Ckg	
Bill	09/04/2012	08-k2 213849		Disposal service - September 2012	6024 · Building Repair & Maintenance	106.53
TOTAL						106.53
Bill Pmt -Check	09/13/2012	16314	SEVEN STAR PAINTING CO.		1012 · Bank of America Gen'l Ckg	
Bill	09/06/2012			Paint GM office	6024 · Building Repair & Maintenance	380.00
TOTAL						380.00
General Journal	09/15/2012	09/15/2012	Payroll and Taxes for 09/02/12-09/15/12	Payroll and Taxes for 09/02/12-09/15/12	1012 · Bank of America Gen'l Ckg	
				Direct Deposits for 09/02/12-09/15/12	1012 · Bank of America Gen'l Ckg	22,296.98
				Payroll Taxes for 09/02/12-09/15/12	1012 · Bank of America Gen'l Ckg	8,233.91
TOTAL						30,530.89
Bill Pmt -Check	09/17/2012	16315	ACWA JOINT POWERS INSURANCE AUTHORITY 00198		1012 · Bank of America Gen'l Ckg	
Bill	09/10/2012	00198		Prepayment - October 2012	1409 · Prepaid Life, BAD&D & LTD	124.05
				Premium - September 2012	60191 · Life & Disab.ins Benefits	87.56

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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							211.81
	Bill Pmt -Check	09/17/2012	16316	AUTOMOBILE CLUB OF SOUTHERN CALIFORNI	Membership# 98966125	1012 - Bank of America Gen'l Ckg	
	Bill	09/10/2012	4290049896612502		Annual membership	6177 - Vehicle Repairs & Maintenance	48.00
TOTAL							48.00
	Bill Pmt -Check	09/17/2012	16317	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 - Bank of America Gen'l Ckg	
	Bill	08/31/2012	XXXX-XXXX-XXXX-9341		Breakfast mtg	6909.1 - OBMP Meetings	13.95
					Ph probe kit for water quality sampling	7103.6 - Grdwtr Qual-Supplies	319.38
TOTAL							333.33
	Bill Pmt -Check	09/17/2012	16318	CALPERS 457 PLAN	Payroll and Taxes for 08/19/12-09/01/12	1012 - Bank of America Gen'l Ckg	
	General Journal	08/31/2012	08/31/2012	CALPERS 457 PLAN	Employee 457 deductions for 08/19/12-09/01/12	2000 - Accounts Payable	2,094.55
TOTAL							2,094.55
	Bill Pmt -Check	09/17/2012	16319	EGOSCUE LAW GROUP	10129	1012 - Bank of America Gen'l Ckg	
	Bill	08/31/2012	10129		Legal services - August 2012	8487 - Ag Legal & Technical Services	275.00
TOTAL							275.00
<b>P 9 3</b>	Bill Pmt -Check	09/17/2012	16320	EUROFINS EATON ANALYTICAL	L0094764	1012 - Bank of America Gen'l Ckg	
	Bill	08/31/2012	L0094764		L0094764	7103.5 - Grdwtr Qual-Lab Svcs	658.00
TOTAL							658.00
	Bill Pmt -Check	09/17/2012	16321	GRAINGER		1012 - Bank of America Gen'l Ckg	
	Bill	08/28/2012	9913388964		9913388964	7104.6 - Grdwtr Level-Supplies	170.67
	Bill	08/30/2012	9915812128		9915812128	7104.6 - Grdwtr Level-Supplies	18.49
	Bill	08/30/2012	9915812110		9915812110	7104.6 - Grdwtr Level-Supplies	10.61
TOTAL							199.77
	Bill Pmt -Check	09/17/2012	16322	GUARANTEED JANITORIAL SERVICE, INC.	6-29258	1012 - Bank of America Gen'l Ckg	
	Bill	09/06/2012	6-29258		Service - September 2012	6024 - Building Repair & Maintenance	865.00
TOTAL							865.00
	Bill Pmt -Check	09/17/2012	16323	HOGAN LOVELLS	2381389	1012 - Bank of America Gen'l Ckg	
	Bill	08/31/2012	2681389		Non-Ag Pool legal services - August 2012	8567 - Non-Ag Legal Service	2,310.00
TOTAL							2,310.00
	Bill Pmt -Check	09/17/2012	16324	OFFICE DEPOT	61109157701	1012 - Bank of America Gen'l Ckg	
	Bill	09/06/2012	61109157701		Invoice 61109157701	6031.7 - Other Office Supplies	147.87
TOTAL							147.87

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	09/17/2012	16325	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	
General Journal	08/31/2012	08/31/2012	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS retirement for 08/19/12-09/01/12	2000 · Accounts Payable	5,370.81
TOTAL						5,370.81
Bill Pmt -Check	09/17/2012	16326	TELECOM SERVICES	5605	1012 · Bank of America Gen'l Ckg	
Bill	09/04/2012	5605		Program changes to voice-mail system	6022 · Telephone	150.00
TOTAL						150.00
Bill Pmt -Check	09/17/2012	16327	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2012	IVC070000018993		Week ending 9/02/12	6017 · Temporary Services	384.00
TOTAL						384.00
Bill Pmt -Check	09/17/2012	16328	UNION 76	300-732-989	1012 · Bank of America Gen'l Ckg	
Bill	09/31/2012	300732989		August 2012	6175 · Vehicle Fuel	304.06
TOTAL						304.06
Bill Pmt -Check	09/17/2012	16329	VERIZON WIRELESS	1116557125	1012 · Bank of America Gen'l Ckg	
Bill	09/12/2012	1116557125		Monthly service	6022 · Telephone	493.46
				Kavounas - iPad 4GE LTE 64GB	6055 · Computer Hardware	900.31
				Samsung Galaxy S III	6022 · Telephone	319.73
TOTAL						1,713.50
Bill Pmt -Check	09/17/2012	16330	WESTERN DENTAL SERVICES, INC.	Invoices 2154 and 2156	1012 · Bank of America Gen'l Ckg	
Bill	09/07/2012	2154, 2156		Dental premium - September 2012	60182.2 · Dental & Vision Ins	28.88
TOTAL						28.88
Bill Pmt -Check	09/19/2012	16331	CORELOGIC INFORMATION SOLUTIONS	80593891	1012 · Bank of America Gen'l Ckg	
Bill	08/31/2012	80593891		80593891	7103.7 · Grdwtr Qual-Computer Svc	62.50
				80593891	7101.4 · Prod Monitor-Computer	62.50
TOTAL						125.00
Bill Pmt -Check	09/19/2012	16332	CUCAMONGA VALLEY WATER DISTRICT	Lease due October 1, 2012	1012 · Bank of America Gen'l Ckg	
Bill	09/17/2012			Lease due October 1, 2012	1422 · Prepaid Rent	6,098.00
TOTAL						6,098.00
Bill Pmt -Check	09/19/2012	16333	LEGAL SHIELD	111802	1012 · Bank of America Gen'l Ckg	
Bill	09/17/2012	111802		Employee deductions - September 2012	60194 · Other Employee Insurance	77.70
TOTAL						77.70

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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	09/19/2012	16334	OFFICE DEPOT	624436105001	1012 · Bank of America Gen'l Ckg	
Bill	09/17/2012	624436105001		Replacement office chair for receptionist	6031.7 · Other Office Supplies	107.74
TOTAL						<u>107.74</u>
Bill Pmt -Check	09/19/2012	16335	PRINTING RESOURCES		1012 · Bank of America Gen'l Ckg	
Bill	09/12/2012	58555		Name plate - Brian Geye	6031.7 · Other Office Supplies	28.44
Bill	09/12/2012	58394		Business cards - Kavounas, Maurizio, Yoo	6031.7 · Other Office Supplies	367.90
TOTAL						<u>396.34</u>
Bill Pmt -Check	09/19/2012	16336	STAULA, MARY L	Retiree Medical	1012 · Bank of America Gen'l Ckg	
Bill	09/30/2012				60182.4 · Retiree Medical	136.61
TOTAL						<u>136.61</u>
Bill Pmt -Check	09/19/2012	16337	VERIZON BUSINESS	08072136	1012 · Bank of America Gen'l Ckg	
Bill	09/17/2012	08072136		08072136	6053 · Internet Expense	1,544.99
TOTAL						<u>1,544.99</u>
Bill Pmt -Check	09/20/2012	16338	K J CONSULTING	Consulting Services	1012 · Bank of America Gen'l Ckg	
Bill	09/20/2012				6061.4 · Other Contract Services	2,500.00
TOTAL						<u>2,500.00</u>
Bill Pmt -Check	09/25/2012	16339	ARROWHEAD MOUNTAIN SPRING WATER	0023230253	1012 · Bank of America Gen'l Ckg	
Bill	09/19/2012	0023230253		Office Water Bottle - September 2012	6031.7 · Other Office Supplies	39.71
TOTAL						<u>39.71</u>
Bill Pmt -Check	09/25/2012	16340	CALPERS	1394905143	1012 · Bank of America Gen'l Ckg	
Bill	09/24/2012	1394905143		Medical premiums- October 2012	60182.1 · Medical Insurance	5,590.73
TOTAL						<u>5,590.73</u>
Bill Pmt -Check	09/25/2012	16341	COMPUTER NETWORK	85241	1012 · Bank of America Gen'l Ckg	
Bill	09/19/2012	85241		Voltage regulators for GM office	6055 · Computer Hardware	286.63
TOTAL						<u>286.63</u>
Bill Pmt -Check	09/25/2012	16342	CUCAMONGA VALLEY IAAP	Sept. 26, 2012 Cucamonga IAAP Meeting	1012 · Bank of America Gen'l Ckg	
Bill	09/24/2012			Fee-Wilson and Molino-attend Chapter Meeting	6192 · Training & Seminars	50.00
TOTAL						<u>50.00</u>
Bill Pmt -Check	09/25/2012	16343	DGO AUTO DETAILING		1012 · Bank of America Gen'l Ckg	
Bill	09/19/2012			Wash 4 trucks on 9/05/12 and 9/19/12	6177 · Vehicle Repairs & Maintenance	200.00
TOTAL						<u>200.00</u>

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Bill Pmt -Check	09/25/2012	16344	DIRECTV	019447404	1012 · Bank of America Gen'l Ckg	
Bill	09/19/2012	019447404		9/19/12 -10/18/12	6031.7 · Other Office Supplies	89.99
TOTAL						<u>89.99</u>
Bill Pmt -Check	09/25/2012	16345	TELECOM SERVICES	5615	1012 · Bank of America Gen'l Ckg	
Bill	09/18/2012	5615		Work on phones in GM office	6022 · Telephone	150.00
TOTAL						<u>150.00</u>
Bill Pmt -Check	09/25/2012	16346	THE LAWTON GROUP	6017	1012 · Bank of America Gen'l Ckg	
Bill	09/09/2012	1VC070000019021		Week ending 9/09/12	6017 · Temporary Services	614.40
Bill	09/19/2012	1VCO70000019049		Week ending 9/16/12	6017 · Temporary Services	768.00
TOTAL						<u>1,382.40</u>
Bill Pmt -Check	09/25/2012	16347	UNITED HEALTHCARE	C0028994181	1012 · Bank of America Gen'l Ckg	
Bill	09/19/2012	C0028994181		Dental premium - October 2012	60182.2 · Dental & Vision Ins	451.27
TOTAL						<u>451.27</u>
Bill Pmt -Check	09/25/2012	16348	VISION SERVICE PLAN	00-101789-0001	1012 · Bank of America Gen'l Ckg	
Bill	09/19/2012	001017890001		Vision premium - October 2012	60182.2 · Dental & Vision Ins	33.25
TOTAL						<u>33.25</u>
Bill Pmt -Check	09/25/2012	16349	WILDERMUTH ENVIRONMENTAL INC		1012 · Bank of America Gen'l Ckg	
Bill	08/31/2012	2012211		2012211	6906 · OBMP Engineering Services	1,514.50
Bill	08/31/2012	2012212		2012212	6906 · OBMP Engineering Services	18,881.75
Bill	08/31/2012	2012213		2012213	6906 · OBMP Engineering Services	3,850.00
Bill	08/31/2012	2012214		2012214	6906.1 · OBMP - Watermaster Model Update	53,176.00
Bill	08/31/2012	2012215		2012215	6906 · OBMP Engineering Services	7,250.00
Bill	08/31/2012	2012216		2012216	7103.3 · Grdwtr Qual-Engineering	11,548.75
Bill	08/31/2012	2012217		2012217	7104.3 · Grdwtr Level-Engineering	18,153.53
Bill	08/31/2012	2012218		2012218	7107.3 · Grd Level-SAR Imagery	14,000.00
				Tom Dodson & Assoc.	7107.61 · Grd Level-Chino Hills ASR	990.00
				2012218	7107.61 · Grd Level-Chino Hills ASR	1,823.75
Bill	08/31/2012	2012219		2012219	7107.2 · Grd Level-Engineering	19,169.55
Bill	08/31/2012	2012220		2012220	7108.3 · Hydraulic Control-Engineering	9,360.76
Bill	08/31/2012	2012221		2012221	7108.3 · Hydraulic Control-Engineering	222.50
Bill	08/31/2012	2012222		2012222	7108.3 · Hydraulic Control-Engineering	1,210.91
Bill	08/31/2012	2012223		2012223	7108.7 · Hydraulic Control - Prado Basin	22,150.76
Bill	08/31/2012	2012224		2012224	7202.3 · Comp Recharge-Implementation	12,698.75
Bill	08/31/2012	2012225		2012225	7402 · PE4-Engineering	4,521.25

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	08/31/2012	2012226		2012226	7502 · PE6&7-Engineering	1,141.39
Bill	08/31/2012	2012227		2012227	7101.31 · Prod Monitor-Engineering-Sub	2,417.37
Bill	08/31/2012	2012228		2012228	7103.31 · Grdwtr Qual-Engineering SubCont	5,322.46
<b>TOTAL</b>						<u>207,403.98</u>
<b>Bill Pmt -Check</b>	<b>09/26/2012</b>	<b>16350</b>	<b>BROWNSTEIN HYATT FARBER SCHRECK</b>		<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	08/31/2012	514132		514132	8375 · BHFS Legal - Appropriative Pool	3,091.95
				514132	8475 · BHFS Legal - Agricultural Pool	473.85
				514132	8575 · BHFS Legal - Non-Ag Pool	796.50
				514132	8575.1 · Paragraph 15 - CSI/Aqua Capital	1,160.55
				514132	6375 · BHFS Legal - Board Meeting	684.45
				514132	6071 · BHFS Legal - Court Coordination	1,377.45
				514132	6072 · BHFS Legal - Annotated Judgment	4,430.70
				514132	6073 · BHFS Legal - Personnel Matters	315.90
				514132	6074 · BHFS Legal - Interagency Issues	2,861.10
				514132	6076 · BHFS Legal - Storage Issues	1,750.50
				514132	6078 · BHFS Legal - Miscellaneous	5,058.00
				514132	6907.39 · Recharge Master Plan	6,764.60
Bill	08/31/2012	514133		514133	6073 · BHFS Legal - Personnel Matters	2,344.50
Bill	08/31/2012	514134		514134	6907.34 · Santa Ana River Water Rights	2,180.70
Bill	08/31/2012	514137		514137	6907.33 · Desalter/Hydraulic Control	4,591.80
Bill	08/31/2012	514135		514135	6907.35 · Paragraph 31 Motion	11,067.30
Bill	08/31/2012	514136		514136	6907.36 · Santa Ana River Habitat	255.05
<b>TOTAL</b>						<u>49,204.90</u>
<b>Bill Pmt -Check</b>	<b>09/26/2012</b>	<b>16351</b>	<b>GEOSCIENCE SUPPORT SERVICES, INC.</b>	<b>4555-11-05</b>	<b>1012 · Bank of America Gen'l Ckg</b>	
Bill	08/31/2012	4555-11-05		August 2012	7107.61 · Grd Level-Chino Hills ASR	610.00
<b>TOTAL</b>						<u>610.00</u>
					<b>Total Disbursements:</b>	<u><u>452,502.17</u></u>

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