



CHINO BASIN WATERMASTER

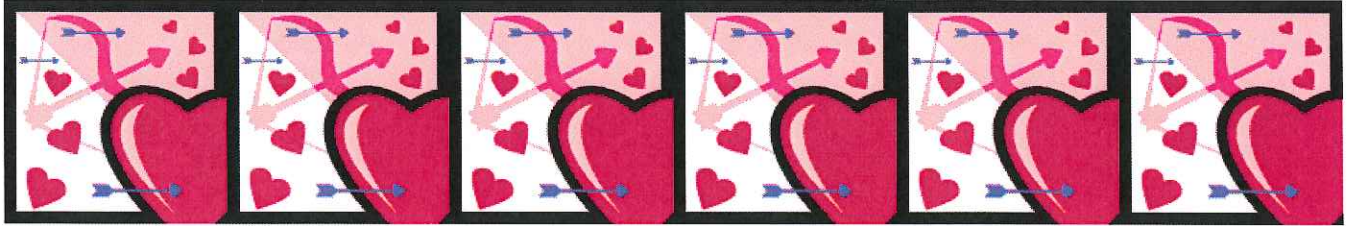


NOTICE OF MEETING

Thursday, February 16, 2012

9:00 a.m. – Advisory Committee Meeting

*AT THE CHINO BASIN WATERMASTER OFFICES
9641 San Bernardino Road
Rancho Cucamonga, CA 91730
(909) 484-3888*

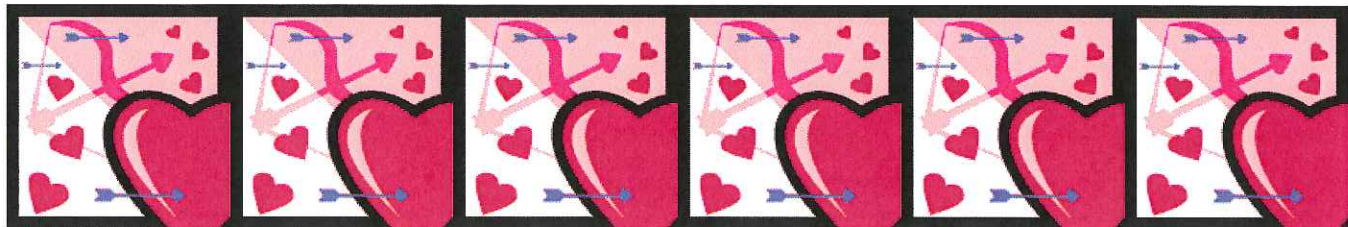


CHINO BASIN WATERMASTER

Thursday, February 16, 2012

9:00 a.m. – Advisory Committee Meeting

AGENDA PACKAGES



**CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING**

9:00 a.m. – February 16, 2012

WITH

Mr. Jeff Pierson, Chair

Ms. Rosemary Hoerning, 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 Annual Advisory Committee Meeting held January 19, 2012 *(Page 1)*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of December 2011 *(Page 9)*
2. Watermaster VISA Check Detail for the month of December 2011 *(Page 19)*
3. Combining Schedule for the Period July 1, 2011 through December 31, 2011 *(Page 23)*
4. Treasurer's Report of Financial Affairs for the Period December 1, 2011 through December 31, 2011 *(Page 27)*
5. Budget vs. Actual Report for the Current Month, Year-To-Date, and Projected Fiscal Year *(Page 31)*

C. INTERVENTION INTO THE AGRICULTURAL POOL

Consider Approval for the Intervention of Tad Nakase (TDN Land Company) into the Agricultural Pool *(Page 39)*

D. ADVISORY COMMITTEE VOLUME VOTE

Consider Approval of the Calendar Year (February – December) 2012 Volume Vote *(Page 9)*

II. BUSINESS ITEMS

A. WATERMASTER MID-YEAR REVIEW, BUDGET TRANSFERS AND BUDGET AMENDMENTS

Consider (1) Staff recommends the Mid-Year Review Report for the Period July 1, 2011 through December 31, 2011 be received and filed as presented and (2) Staff recommends approval of the Budget Transfer Form T-12-02-01 and the Budget Amendment Form A-12-02-01 as presented *(Page 47)*

B. CHINO CREEK WELL FIELD EXTENSOMETER CONSTRUCTION CHANGE ORDER REIMBURSEMENT AGREEMENT

Consider Approval to Authorize the Watermaster Interim Chief Executive Officer to Finalize and then Enter into the Draft Reimbursement Agreement *(Page 177)*

C. CHINO CREEK WELL FIELD EXTENSOMETER LAND LEASE AGREEMENT

Consider Approval to Authorize the Watermaster Interim Chief Executive Officer to Finalize and then Enter into the Land Lease Agreement With San Bernardino County *(Page 81)*

D. APPLICATIONS FOR RECHARGE

1. **Consider Approval for Application for Recharge** - The City of Upland has submitted an application for recharge for 9,500,000 acre-feet to be placed into a Local Supplemental Storage Account. Date of Application: November 29, 2011. Consider Approval of the City of Upland's application in so far as Recharge is concerned but 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 105)*
2. **Consider Approval for Application for Recharge** - San Antonio Water Company has submitted an application for recharge for 2,000,000 acre-feet to be placed into a Local Supplemental Storage Account. Date of Application: December 1, 2011. Consider Approval of SAWCO's application in so far as Recharge is concerned but 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 115)*

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Paragraph 31 Appeal Tentative Opinion

B. CEO/STAFF REPORT

1. Recharge Master Plan Update/Storage Issues Review Process
2. WEI Analysis of Well Design for CDA Well I-20 & I-21
3. Data Release Procedures

C. INLAND EMPIRE UTILITIES AGENCY

1. MWD Update – Oral
2. Recycled Water Groundwater Recharge Regulations Update - Oral
3. Water Softener Initiative - Oral
4. State and Federal Legislative Reports *(Page 131)*
5. Community Outreach/Public Relations Report *(Page 153)*
6. IEUA Monthly Water Newsletter *(Page 157)*

D. OTHER METROPOLITAN MEMBER AGENCY REPORTS

IV. INFORMATION

1. Cash Disbursements for January 2012 *(Page 161)*
2. Newspaper Articles *(Page 173)*

V. COMMITTEE MEMBER COMMENTS

VI. OTHER BUSINESS

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

- 1. CEO Search

VIII. FUTURE MEETINGS AT WATERMASTER

Tuesday, February 14, 2012	9:00 a.m.	* CB RMPU Steering Committee Meeting
Thursday, February 16, 2012	8:00 a.m.	IEUA DYY Meeting
Thursday, February 16, 2012	9:00 a.m.	Advisory Committee Meeting
Thursday, February 16, 2012	10:30 a.m.	Land Subsidence Committee Meeting
Thursday, February 23, 2012	11:00 a.m.	Watermaster Board Meeting
Thursday, March 8, 2012	9:00 a.m.	Appropriative Pool Meeting
Thursday, March 8, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Mtg.
Thursday, March 8, 2012	2:00 p.m.	Agricultural Pool Meeting (NOTE NEW TIME)
Thursday, March 15, 2012	8:00 a.m.	IEUA DYY Meeting
Thursday, March 15, 2012	9:00 a.m.	Advisory Committee Meeting
Thursday, March 22, 2012	11:00 a.m.	Watermaster Board Meeting

* Chino Basin Recharge Master Plan Update Steering Committee

Meeting Adjourn

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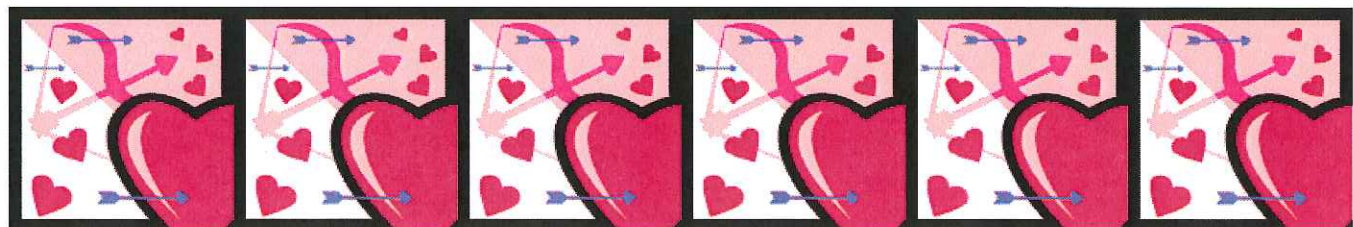


CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

A. MINUTES

1. Annual Advisory Committee
Meeting held on January 19, 2012



Draft Minutes
CHINO BASIN WATERMASTER
ANNUAL ADVISORY COMMITTEE MEETING
January 19, 2012

The Annual Advisory Committee meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga CA, on January 19, 2012 at 9:00 a.m.

ADVISORY COMMITTEE MEMBERS PRESENT WHO SIGNED IN

Agricultural Pool

Jeff Pierson, Chair	Ag Pool – Crops
Bob Feenstra	Ag Pool – Dairy
Jennifer Novak	State of California, Dept. of Justice, CIM
Pete Hall	Ag Pool – State of California – CIM

Appropriative Pool

Mark Kinsey	Monte Vista Water District
Marty Zvirbulis	Cucamonga Valley Water District
Rosemary Hoerning	City of Upland
Raul Garibay	City of Pomona
Dave Crosley	City of Chino
Ron Craig	City of Chino Hills
Scott Burton	City of Ontario
Robert Young	Fontana Water Company
Josh Swift	Fontana Union Water Company
Tom Harder	Jurupa Community Services District
J. Arnold Rodriguez	Santa Ana River Water Company
Charles Moorrees	San Antonio Water Company

Non-Agricultural Pool

Brian Geye	Auto Club Speedway
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BOARD MEMBERS PRESENT WHO SIGNED IN

Paula Lantz	City of Pomona
Bob Kuhn	Three Valleys Municipal Water District
Bill Kruger	City of Chino Hills

Watermaster Staff Present

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

Watermaster Consultants Present

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

Others Present Who Signed In

Jo Lynne Russo-Pereyra	Cucamonga Valley Water District
Mike Maestas	City of Chino Hills
Van Jew	Monte Vista Irrigation Company
Ryan Shaw	Inland Empire Utilities Agency
Craig Miller	Inland Empire Utilities Agency
Terry Catlin	Inland Empire Utilities Agency
David De Jesus	Three Valleys Municipal Water District

Seth Zielke
 Justin Scott-Coe
 Sandra Rose
 Eunice Ulloa
 Bob Gluck
 Sheri Rojo
 Seth Zielke

Fontana Water Company
 Monte Vista Water District
 Monte Vista Water District
 Chino Basin Conservation District
 City of Ontario
 Fontana Water Company
 Fontana Union Water Company

Chair Pierson called the Annual Advisory Committee meeting to order at 9:02 a.m.

Chair Pierson welcomed Mr. Ken Jeske.

AGENDA - ADDITIONS/REORDER

Mr. Jeske stated the only revision to the agenda will be under the introductions of the Advisory Committee Officers to change Danielle Maurizio's name to Ken Jeske's name for the Secretary/Treasurer for the Watermaster Chief Executive Officer's position.

I. INTRODUCTIONS OF THE ADVISORY COMMITTEE OFFICERS, CALENDAR YEAR 2012

<u>Jeff Pierson</u>	Chair	(Agricultural Pool)
<u>Rosemary Hoerning</u>	Vice-Chair	(Appropriative Pool)
<u>Brian Geye</u>	Second Vice-Chair	(Non-Agricultural Pool)
<u>Ken Jeske</u>	Secretary/Treasurer	(Chief Executive Officer)

Mr. Jeske introduced the Advisory Committee Officers, Calendar Year 2012

II. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Advisory Committee Meeting held December 15, 2011

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of November 2011
2. Watermaster VISA Check Detail for the month of November 2011
3. Combining Schedule for the Period July 1, 2011 through November 30, 2011
4. Treasurer's Report of Financial Affairs for the Period November 1, 2011 through November 30, 2011
5. Budget vs. Actual Current Month, Year-To-Date, and Fiscal Year-End

C. NOTICE OF INTENT

Annual Filing of Notice of Intent Regarding the Determination of Operating Safe Yield

D. CHINO BASIN WATERMASTER INVESTMENT POLICY

Resolution 12-01 – Resolution of the Chino Basin Watermaster, San Bernardino County, California, Re-Authorizing the Watermaster's Investment Policy

E. LOCAL AGENCY INVESTMENT FUND

Resolution 12-02 – Resolution Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF)

F. ADVISORY COMMITTEE VOLUME VOTE

Consider Approval For Continuing the Calendar Year 2011 Volume Vote (as Presented and Approved in January 2011) Until the 2011-2012 Assessment Package is Approved and a New Volume Vote Can be Calculated and Acted Upon

Motion by Zvirbulis second by Young, and by unanimous vote

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

III. BUSINESS ITEMS**A. WATERMASTER 2011/2012 ASSESSMENT PACKAGE**

Mr. Jeske introduced the Watermaster 2011/2012 Assessment Package item and noted the presentation was given at the three Pool meetings earlier this month. Mr. Jeske inquired if the presentation needed to be given again or would a condensed version suffice. It was noted the condensed version would be presented. Ms. Maurizio stated the only thing to add from the Pool presentation is a change requested from the Non-Agricultural Pool. Ms. Maurizio reviewed the Non-Agricultural Pool foot note changes on pages 13A, 14A, and 15A in detail.

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

Moved to approve the Watermaster 2011/2012 Assessment Package, as presented

B. LEVYING REPLENISHMENT AND ADMINISTRATIVE ASSESSMENTS

Mr. Jeske stated Item B. is the Resolution required to levy the assessments which was just approved in the Assessment Package item.

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

Moved to approve Resolution 12-03 authorizing levying replenishment and administrative assessments for fiscal year 2011-2012, as presented

C. MATERIAL PHYSICAL INJURY ANALYSIS

Mr. Jeske stated the Material Physical Injury Analysis will be presented by Mr. Wildermuth. Mr. Jeske noted this is a "receive and file" item. Mr. Wildermuth gave the Analysis of Material Physical Injury for the Local Storage Agreement Applications Pending on December 15, 2011 presentation in detail. Mr. Wildermuth reviewed the history of this matter, which applications were included in his analysis, which equal 81,500 acre-feet of water, reviewed the impacts, and reviewed a depth to groundwater map in detail. Mr. Wildermuth stated, with regard to the letter report in the meeting package, there is a support graphic that was used to show what the depth to water was in the areas of these recharge sites and wells, which indicate we would not have any issues from high groundwater. Mr. Wildermuth reviewed the map in detail and noted the larger version of this map is available on the back table. Mr. Wildermuth stated the total for all of the applications is 81,500 acre-feet. Mr. Kinsey stated has something to add, and he thinks the City of Upland agrees with his thoughts; to agree to receive and file this report means it will be based on no introduction of recycled water as part of the City of Upland's application. Ms. Hoerning stated that is correct and that aspect will have to be studied further, and then it will come back through the Watermaster process at that time. Mr. Kinsey stated he recommends this as a receive and file motion, pending the supplemental storage applications. Chair Pierson stated for clarity and for the record, Mr. Kinsey's motion eliminates the recommendation language that is in the staff report. Mr. Kinsey stated there has been a lot of discussion at the Pool level regarding storage, and the Appropriative Pool decided to move forward with discussions, and the Agricultural Pool also has had some discussions at their meetings. Mr. Kinsey stated what he would like to see initiated is a process where representatives of all three Pools, Watermaster staff, technical experts, and legal counsel start working through storage identification, what might be the issues, and once that group develops a draft process to address storage issues, then bringing that through the entire Watermaster process. Mr. Garibay stated the last time he saw something like this was at the Appropriative Pool to approve the application for recharge for San Antonio Water Company and the City of Upland, and now it's a motion to receive and file; is there some misunderstanding. Mr. Jeske stated there were two actions with regard to San Antonio Water Company and the City of Upland, the first was for the Recharge Applications for approval and the second was the Material Physical Injury Analysis which goes with the application to receive and file the analysis; the Material Physical Injury Analysis is the only item being asked to be moved on today. Mr. Jeske noted the Pools have all moved to approve to receive and file the Material Physical Injury Analysis. Mr. Jeske stated the Material Physical Injury Analysis needs to be done in conjunction with the Recharge Applications which were approved last month by the Pools. Mr. Jeske stated the Recharge Applications have to wait until next month before they go to the Advisory Committee and Watermaster Board

because there is a mandatory 30 day waiting period. Mr. Jeske discussed Mr. Kinsey's motion. Mr. Zvirbulis stated the recommendation to get together in a work group is important, and that should be part of the record, and should be shared and communicated as this issue moves forward related to getting the parties together and working through these issues as soon as possible. Mr. Zvirbulis stated we need to be consistent and parallel with the process that is currently being undertaken associated with other issues related to recharge. Chair Pierson asked if Mr. Zvirbulis' comments need to be brought up during the Reports and Updates or under Other Business on the agenda. Mr. Zvirbulis stated it is just important that his message be conveyed from the Advisory Committee to the Watermaster Board at their meeting next week. Mr. Kinsey inquired if staff has enough direction to initiate a process and report out through the normal Watermaster process. Mr. Jeske stated yes, staff does. Chair Pierson stated in conjunction with this receive and file motion, a recommendation can be made to Watermaster staff to schedule a joint Pool-type of informal meeting to start discussing the overall storage issues; ultimately having the Watermaster Board recognize that at the Pool level this issue is being addressed. Mr. Zvirbulis stated he would work with Mr. Jeske and develop an agenda, and schedule what is necessary as far as meetings are concerned as this moves forward in a timely manner. Chair Pierson stated that will then be part of the discussion and minutes that go on to the Watermaster Board.

Motion by Kinsey second by Garibay, and by unanimous vote

Moved to approve to receive and file Wildermuth's Material Physical Injury Analysis, as presented

IV. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Aqua Capital Management versus California Steel Industries
Counsel Fife stated there is nothing new to report on from the report provided at the Pool meetings earlier this month.
2. December 16, 2011 Hearing
Counsel Fife stated there is nothing new to report on from the report provided at the Pool meetings earlier this month.
3. Board Finding Regarding Compliance with Recharge Master Plan
Counsel Fife stated the first meeting of the Recharge Master Plan Steering Committee has met last Tuesday to discuss with moving forward on the Recharge Master Plan issues to comply with the requirements that came out of the hearing and the Watermaster Board meeting last month.

Added Comment:

Mr. Jeske stated it is an honor that the Watermaster Board members and all of the Committees would agree to give him an opportunity to see if he can help everyone out. Mr. Jeske stated he wanted to assure everyone that he fully knows that he works for the Watermaster Board and not for any one party or any one Pool. Mr. Jeske briefly reviewed his past work history for those who did not already know him. Mr. Jeske noted due to PERS and IRS rules, he will only be working part time at Watermaster; however, he is always available on his cell phone and his email. Mr. Jeske stated his plans are to be attending all Pool, Advisory Committee, and Watermaster Board meetings. Mr. Jeske stated he has prearranged plans that cannot be changed for the February Advisory Committee and Watermaster Board meetings.

B. CEO/STAFF REPORT

1. City of Upland and SAWCO Applications for Recharge Update
Mr. Jeske stated that item was covered earlier in the agenda.

2. Recharge Update

Mr. Jeske stated the most recent recharge spreadsheet is available on the back table. Mr. Jeske stated a kick-off meeting on recharge took place and there was some direction on how to put together a scope for the study and some future scheduling. Mr. Jeske stated he will be chairing the recharge meetings as a coordinator. Mr. Jeske noted there was direction from the Watermaster Board to look into a number of storage issues, which will be done concurrently but not exactly on the same timetable due to court orders on the Recharge Master Plan Update. Mr. Jeske stated there was very good attendance at the first meeting and meetings will be conducted frequently. Mr. Jeske stated there are two upcoming meetings scheduled for February 1st at 1:30 p.m. and February 14th at 9:00 a.m. as conference calls. Calls can also be taken at the Watermaster office.

3. Notice of Availability - Non-Agricultural Water

No comment was made.

4. WEI Analysis of Well Design for CDA Well I-20

Mr. Jeske stated there were issues brought up at the last Agricultural Pool meeting on the WEI Analysis for the CDA Well I-20, and he believes those issues have been worked out. Ms. Novak stated she is sure those issues have been worked out. Mr. Jeske briefly reviewed the concerns on the design and noted with some slight design changes that could preclude the potential for impacts to other wells. Mr. Jeske stated there will be a report back on this item once there is resolve on those issues/concerns.

5. Chino Basin Watermaster Excess Reserves Update

Mr. Jeske stated the Chino Basin Watermaster excess reserve matter was worked out through the Pool process and back up information is available in your meeting package. Mr. Jeske stated this matter will be handled through the assessment invoices.

6. Vertical Extensometer Update

Mr. Jeske stated this item has been discussed thoroughly through the Pool process, and currently there are still two proposed sites for the extensometer; however, to date all the details have not been worked out. Mr. Jeske stated he will keep all the parties apprised of this matter.

7. Basin Plan Amendment Update

Mr. Jeske stated the Basin Plan amendment is on the calendar at the RWQCB and they have removed the item of concern regarding recycled/treated water discharges. Mr. Jeske stated this can now move forward without controversy. Mr. Jeske stated once the amendment is approved, there will be a savings of approximately \$200,000 a year.

8. West Venture Development Water Rights Update

No comment was made.

9. New Board Member from the City of Chino Hills, William Kruger

Mr. Jeske stated Bill Kruger from the City of Chino Hills will be joining the Watermaster Board this calendar year.

10. New Board Member from Fontana Union Water Company, James Curatalo

Mr. Jeske stated Jim Curatalo from Fontana Union Water Company will be joining the Watermaster Board this calendar year.

C. INLAND EMPIRE UTILITIES AGENCY

1. MWD Update – Oral

Mr. Shaw stated MWD has put out their proposed two year budget. Mr. Shaw stated there will be a 7% rate increase in 2013 and 5% rate increase in 2014; however, the rate increase for 2014 is called provisional which means they could, at that time, raise or lower that

percentage rate. Mr. Shaw stated MWD's proposal for the Replenishment Program is a three level program. Mr. Shaw stated the first level is similar to the Dry Year Yield Program and he described this level in detail. Mr. Shaw stated the second level is closest to the existing Replenishment Program and he described this level in detail. A discussion regarding the second level ensued. Mr. Shaw stated the third level offers no discussion and no incentive, and he described this last level in detail. Mr. Shaw stated there has not been a lot of reaction to IEUA's comments and concerns about what they are proposing. Mr. Shaw offered comment on MWD's recent managers meeting and what took place at that meeting. Mr. Zvirbulis inquired if there was a report or staff letter that outlines the latest proposal. Mr. Shaw stated yes there was and he would send it out. A discussion regarding the Replenishment Program versus the Dry Year Yield Program ensued.

2. Water Softener Initiative – Oral
No comment was made.
3. State and Federal Legislative Reports
No comment was made.
4. Community Outreach/Public Relations Report
No comment was made.
5. IEUA Monthly Water Newsletter
No comment was made.

D. OTHER METROPOLITAN MEMBER AGENCY REPORTS

No comment was made.

V. INFORMATION

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

VI. COMMITTEE MEMBER COMMENTS

Ms. Hoerning thanked Ms. Maurizio for her stepping in as interim CEO for Watermaster and also welcomed Mr. Jeske as the new interim CEO. Mr. Jeske stated as noted previously, he will only be working part time as the interim CEO so staff will still be taking on extra duties. Mr. Jeske thanked Watermaster staff for their assistance. Chair Pierson stated he would also like to thank Watermaster staff for the interim step-up to take care of the business of the Watermaster while it is going through this period of time.

VII. OTHER BUSINESS

No comment was made.

VIII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

No confidential session was called.

IX. FUTURE MEETINGS

Tuesday, January 17, 2012	8:30 a.m.	GRCC Meeting @ CBWM (New Date & Time)
Tuesday, January 17, 2012	10:00 a.m.	CB Recharge Master Plan Update Implementation (Formerly: CB Recharge Master Plan Steering Committee) Meeting @ CBWM

Thursday, January 19, 2012	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, January 19, 2012	9:00 a.m.	Annual & Election Advisory Committee Meeting @ CBWM
Thursday, January 26, 2012	11:00 a.m.	Annual & Election Watermaster Board Meeting @ CBWM
Thursday, February 9, 2012	9:00 a.m.	Appropriative Pool Meeting @ CBWM
Thursday, January 12, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Meeting – and/or @ CBWM
Thursday, February 9, 2012	1:00 p.m.	Agricultural Pool Meeting @ CBWM
Thursday, February 16, 2012	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, February 16, 2012	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, February 16, 2012	11:00 a.m.	Land Subsidence Committee Meeting @ CBWM
Thursday, February 23, 2012	11:00 a.m.	Watermaster Board Meeting @ CBWM

Chair Pierson adjourned the Annual Advisory Committee meeting at 9:40 a.m. in memory of Ruben Ayala

Chair Pierson stated the Agricultural Pool meeting will close in memory of Mr. Ruben Ayala, who died on January 4, 2012, at the request of the Agricultural Pool earlier this month. Mr. Feenstra stated Mr. Ayala was devoted to his community, was elected mayor in 1964, was a member of the San Bernardino county Board of Supervisors, and served as a state senator. Mr. Feenstra stated Mr. Ayala was a valued member of the community and received many awards in the course of his lifetime, including the 2011 Spirit of Achievement Award from the city of Chino.

Secretary: _____

Minutes Approved: _____

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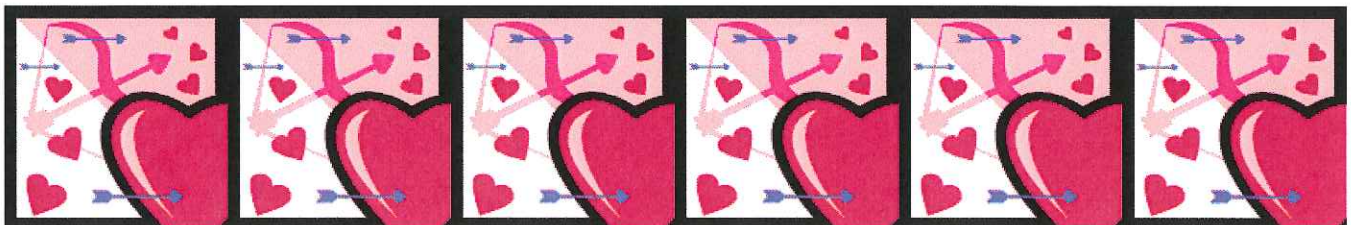


CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of December 2011
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CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: February 16, 2012
TO: Committee Members
SUBJECT: Cash Disbursement Report – Financial Report B1

SUMMARY

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

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

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

BACKGROUND

A monthly cash disbursement report is provided to keep all members apprised of Watermaster expenditures.

DISCUSSION

Total cash disbursements during the month of December 2011 were \$165,474.07. The most significant expenditures during the month were the Watermaster payrolls in the amounts of \$35,648.80 and \$36,959.50 (direct bank debits dated December 10, 2011 and December 24, 2011) and Hogan Lovells in the amount of \$27,060.61 (check number 15633 dated December 5, 2011).

Actions:

February 9, 2012 Appropriative Pool – Approved Unanimously
February 9, 2012 Non-Agricultural Pool – Moved to Receive and File, Without Approval
February 9, 2012 Agricultural Pool – Approved Unanimously
February 16, 2012 Advisory Committee –
February 23, 2012 Watermaster Board –

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
December 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	12/05/2011	15625	DE BOOM, NATHAN	AG Pool Member Meeting Compensation	1012 - Bank of America Gen'l Ckg	
Bill	11/10/2011	11/10 Ag Pool Mtg		11/10/11 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	12/05/2011	15626	DURRINGTON, GLEN	AG Pool Member Meeting Compensation	1012 - Bank of America Gen'l Ckg	
Bill	11/10/2011	11/10 Ag Pool Mtg		11/10/11 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	12/05/2011	15627	FEENSTRA, BOB		1012 - Bank of America Gen'l Ckg	
Bill	11/07/2011	11/07 Personnel Comm		11/07/11 Personnel Committee	8470 - Ag Meeting Attend -Special	125.00
Bill	11/08/2011	11/08 Board Meeting		11/08/11 Special Board Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	11/10/2011	11/10 Ag Pool Mtg		11/10/11 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	11/17/2011	11/17 Advisory Comm		11/17/11 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	11/17/2011	11/17 Board Mtg		11/17/11 Board Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						625.00
Bill Pmt -Check	12/05/2011	15628	HALL, PETE*		1012 - Bank of America Gen'l Ckg	
Bill	11/17/2011	11/17 Advisory Comm		11/17/11 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	11/17/2011	11/17 Board Mtg		11/17/11 Board Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						250.00
Bill Pmt -Check	12/05/2011	15629	HUITSING, JOHN		1012 - Bank of America Gen'l Ckg	
Bill	11/10/2011	11/10 Ag Pool Mtg		Ag Pool Member Compensation	8470 - Ag Meeting Attend -Special	125.00
TOTAL						125.00
Bill Pmt -Check	12/05/2011	15630	KOOPMAN, GENE		1012 - Bank of America Gen'l Ckg	
Bill	11/10/2011	11/10 Ag Pool Mtg		AG Pool Member Meeting Compensation	8411 - Compensation	25.00
				11/10/11 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	100.00
TOTAL						125.00
Bill Pmt -Check	12/05/2011	15631	PIERSON, JEFFREY		1012 - Bank of America Gen'l Ckg	
Bill	11/10/2011	11/10 Ag Pool Mtg		11/10/11 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	11/17/2011	11/17 Advisory Comm		11/17/11 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	11/17/2011	11/17 Board Mtg		11/17/11 Board Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						375.00
Bill Pmt -Check	12/05/2011	15632	GRAINGER		1012 - Bank of America Gen'l Ckg	
Bill	11/15/2011	9687071523		9687071523	7103.6 - Grdwtr Qual-Supplies	29.42
Bill	11/15/2011	9688083725		9688083725	7103.6 - Grdwtr Qual-Supplies	191.75
Bill	11/18/2011	9690356895		9690356895	7103.6 - Grdwtr Qual-Supplies	4.54
TOTAL						225.71

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
December 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	11/18/2011	9690356887		9690356887	7103.6 - Gridwlr Qual-Supplies	8.82
TOTAL						234.53
Bill Pmt -Check	12/05/2011	15633	HOGAN LOVELLS	2626846	1012 - Bank of America Gen'l Ckg	27,060.61
Bill	11/30/2011	2626846		Non-Ag Legal Services - October 2011	8867 - Non-Ag Legal Service	27,060.61
TOTAL						
Bill Pmt -Check	12/05/2011	15634	PARK PLACE COMPUTER SOLUTIONS, INC.	457	1012 - Bank of America Gen'l Ckg	2,550.00
Bill	11/30/2011	457		IT Services - November 2011	6052.1 - Park Place Comp Solutn	2,550.00
TOTAL						
Bill Pmt -Check	12/05/2011	15635	PUMP CHECK	4447	1012 - Bank of America Gen'l Ckg	2,280.00
Bill	11/30/2011	4447			7102.8 - In-line Meter-Calib & Test	2,280.00
TOTAL						
Bill Pmt -Check	12/05/2011	15636	YUKON DISPOSAL SERVICE	08-K2 213849	1012 - Bank of America Gen'l Ckg	106.53
Bill	12/01/2011	08-K2 213849		Disposal Service - December 2011	6024 - Building Repair & Maintenance	106.53
TOTAL						
Bill Pmt -Check	12/05/2011	15637	BOWCOCK, ROBERT	11/07/11 Personnel Comm	1012 - Bank of America Gen'l Ckg	125.00
Bill	11/07/2011	11/07 Personnel Comm		11/07/11 Personnel Committee Meeting	6311 - Board Member Compensation	125.00
Bill	11/17/2011	11/17 Board Mtg		11/17/11 Board Meeting	6311 - Board Member Compensation	250.00
TOTAL						
Bill Pmt -Check	12/05/2011	15638	ELIE, STEVEN	11/08/11 Special Board Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	11/08/2011	11/08 Board Mtg		11/08/11 Special Board Meeting	6311 - Board Member Compensation	125.00
Bill	11/17/2011	11/17 Board Mtg		11/17/11 Board Meeting	6311 - Board Member Compensation	250.00
TOTAL						
Bill Pmt -Check	12/05/2011	15639	HAUGHEY, TOM	11/07/11 Personnel Committee Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	11/07/2011	11/07 Personnel Comm		11/07/11 Personnel Committee Meeting	6311 - Board Member Compensation	125.00
Bill	11/08/2011	11/08 Board Mtg		11/08/11 Special Board Meeting	6311 - Board Member Compensation	125.00
Bill	11/17/2011	11/17 Board Mtg		11/17/11 Board Meeting	6311 - Board Member Compensation	375.00
TOTAL						
Bill Pmt -Check	12/05/2011	15640	KUHN, BOB	11/07/11 Personnel Committee Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	11/07/2011	11/07 Personnel Comm		11/07/11 Personnel Committee Meeting	6311 - Board Member Compensation	125.00
Bill	11/08/2011	11/08 Board Mtg		11/08/11 Special Board Meeting	6311 - Board Member Compensation	125.00
Bill	11/10/2011	11/10 Appro Pool		11/10/11 Appropriative Pool Meeting	6311 - Board Member Compensation	125.00
Bill	11/17/2011	11/17 Board Mtg		11/17/11 Board Meeting	6311 - Board Member Compensation	125.00
Bill	11/23/2011	11/23 Admin Mtg		11/23/11 Administrative Meeting	6311 - Board Member Compensation	625.00
TOTAL						

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
December 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	12/05/2011	15641	LANTZ, PAULA		1012 - Bank of America Gen'l Ckg	
Bill	11/08/2011	11/08 Board Mtg		11/08/11 Special Board Meeting	6311 - Board Member Compensation	125.00
Bill	11/17/2011	11/17 Board Mtg		11/17/11 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	12/05/2011	15642	VANDEN HEUVEL, GEOFFREY		1012 - Bank of America Gen'l Ckg	
Bill	11/08/2011	11/08 Board Mtg		11/08/11 Special Board Meeting	6311 - Board Member Compensation	125.00
Bill	11/10/2011	11/10 Ag Pool Mtg		11/10/11 Ag Pool Meeting	6311 - Board Member Compensation	125.00
Bill	11/17/2011	11/17 Board Mtg		11/17/11 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						375.00
Bill Pmt -Check	12/05/2011	15643	WILLIS, KENNETH		1012 - Bank of America Gen'l Ckg	
Bill	11/07/2011	11/07 Personnel Comm		11/07/11 Personnel Committee Meeting	6311 - Board Member Compensation	125.00
Bill	11/08/2011	11/08 Board Mtg		11/08/11 Special Board Meeting	6311 - Board Member Compensation	125.00
Bill	11/17/2011	11/17 Board Mtg		11/17/11 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						375.00
General Journal	12/10/2011	12/10/2011	Payroll and Taxes for 11/27/11-12/10/11	Payroll and Taxes for 11/27/11-12/10/11	1012 - Bank of America Gen'l Ckg	
				Payroll Taxes for 11/27/11-12/10/11	1012 - Bank of America Gen'l Ckg	8,800.15
				Direct Deposits for 11/27/11-12/10/11	1012 - Bank of America Gen'l Ckg	26,848.65
						35,648.80
Bill Pmt -Check	12/12/2011	15644	APPLIED COMPUTER TECHNOLOGIES	2033	1012 - Bank of America Gen'l Ckg	
Bill	11/30/2011	2033		Database Services - November 2011	6052.2 - Applied Computer Technol	2,366.60
TOTAL						2,366.60
Bill Pmt -Check	12/12/2011	15645	CALPERS 457 PLAN		1012 - Bank of America Gen'l Ckg	
General Journal	11/26/2011	11/26/2011	CALPERS 457 PLAN	Payroll and Taxes for 11/13/11-11/26/11	2000 - Accounts Payable	2,805.62
				457 Employee deductions for 11/13/11-11/26/11		2,805.62
TOTAL						2,805.62
Bill Pmt -Check	12/12/2011	15646	CHARLES Z. FEDAK & COMPANY		1012 - Bank of America Gen'l Ckg	
Bill	11/30/2011			Progress Billing - November 2011	6062 - Audit Services	1,000.00
TOTAL						1,000.00
Bill Pmt -Check	12/12/2011	15647	DC LAW	15668	1012 - Bank of America Gen'l Ckg	
Bill	11/30/2011	15668		Ag Pool Legal Services - 15668	8467 - Ag Legal & Technical Services	130.00
TOTAL						130.00
Bill Pmt -Check	12/12/2011	15648	DGO AUTO DETAILING		1012 - Bank of America Gen'l Ckg	
Bill	11/30/2011			Wash 3 trucks 11/02/11, 3 trucks 11/30/11	6177 - Vehicle Repairs & Maintenance	150.00
TOTAL						150.00
Bill Pmt -Check	12/12/2011	15649	GRAINGER		1012 - Bank of America Gen'l Ckg	

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
December 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	11/30/2011	9697287786		9697287788	7103.6 · Grdwtr Qual-Supplies	9.89
Bill	11/30/2011	9697287770		9697287770	7103.6 · Grdwtr Qual-Supplies	34.61
TOTAL						44.30
Bill Pmt -Check	12/12/2011	15650	GREAT AMERICA LEASING CORP.	11634411	1012 · Bank of America Gen'l Ckg	2,788.53
Bill	11/30/2011	11634411		Lease invoice	6043.1 · Ricoh Lease Fee	243.05
				Usage for Black Copies	6043.2 · Ricoh Usage & Maintenance Fee	278.67
				Usage for Color Copies	6043.2 · Ricoh Usage & Maintenance Fee	3,310.25
TOTAL						560.11
Bill Pmt -Check	12/12/2011	15651	HSBC BUSINESS SOLUTIONS	7003-7309-1000-2744	1012 · Bank of America Gen'l Ckg	560.11
Bill	11/30/2011	7003730910002744		Miscellaneous office supplies	6031.7 · Other Office Supplies	560.11
TOTAL						810.00
Bill Pmt -Check	12/12/2011	15652	JAMES JOHNSTON	248	1012 · Bank of America Gen'l Ckg	810.00
Bill	11/30/2011	248		Website Consulting - November 2011	6052.3 · Website Consulting	810.00
TOTAL						417.00
Bill Pmt -Check	12/12/2011	15653	MUJAC ALARM	309996	1012 · Bank of America Gen'l Ckg	417.00
Bill	12/01/2011	309996		Fire District Annual Permit 2011-2012	6026 · Security Services	417.00
TOTAL						1,456.00
Bill Pmt -Check	12/12/2011	15654	MWH LABORATORIES	L0073587	1012 · Bank of America Gen'l Ckg	1,456.00
Bill	11/30/2011	L0073587			7503 · PE6&7-Contract Svcs (Plume)	1,456.00
Bill	11/30/2011	L0073594			7503 · PE6&7-Contract Svcs (Plume)	2,912.00
TOTAL						479.26
Bill Pmt -Check	12/12/2011	15655	PAYCHEX	2011120100	1012 · Bank of America Gen'l Ckg	479.26
Bill	11/30/2011	2011120100		November 2011	6012 · Payroll Services	479.26
TOTAL						8,357.23
Bill Pmt -Check	12/12/2011	15656	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 · Bank of America Gen'l Ckg	8,357.23
General Journal	11/26/2011	11/26/2011		CalPERS Retirement for 11/13/11-11/26/11	2000 · Accounts Payable	8,357.23
TOTAL						69.53
Bill Pmt -Check	12/12/2011	15657	PURCHASE POWER	8000909000168851	1012 · Bank of America Gen'l Ckg	69.53
Bill	11/30/2011	8000909000168851		Checks to IEUA, SCE, and return to WM	6042 · Postage - General	69.53
TOTAL						870.00
Bill Pmt -Check	12/12/2011	15658	RAUCH COMMUNICATION CONSULTANTS, LLC	Dec-1205	1012 · Bank of America Gen'l Ckg	870.00
Bill	11/30/2011	Dec-1205		Annual report - progress payment	6061.3 · Rauch	870.00
TOTAL						870.00

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
December 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	12/12/2011	15669	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	494.40
Bill	11/27/2011	1VC070000017859		Week ending 11/27/11	6017 - Temporary Services	494.40
TOTAL						
Bill Pmt -Check	12/12/2011	15660	UNION 76	300-732-989	1012 - Bank of America Gen'l Ckg	290.09
Bill	11/30/2011	300732989		November 2011	8175 - Vehicle Fuel	290.09
TOTAL						
Bill Pmt -Check	12/12/2011	15661	VERIZON	012519116950792103	1012 - Bank of America Gen'l Ckg	541.88
Bill	11/27/2011	012519116950792103			8022 - Telephone	167.27
Bill	11/29/2011	0125661121521714508		0125661121521714508	7405 - PE4-Other Expense	709.15
TOTAL						
Bill Pmt -Check	12/20/2011	15662	ACWA SERVICES CORPORATION	00198	1012 - Bank of America Gen'l Ckg	129.07
Bill	12/13/2011	00198		Prepayment - January 2012	1409 - Prepaid Life, BAD&D & LTD	129.06
Bill	12/10/2011	15663	CALPERS 457 PLAN	December 2011	60191 - Life & Disab.ins Benefits	258.13
TOTAL						
Bill Pmt -Check	12/20/2011	15663	CALPERS 457 PLAN	Payroll and Taxes for 11/27/11-12/10/11	1012 - Bank of America Gen'l Ckg	2,805.62
General Journal	12/10/2011	12/10/2011		457 Employee deductions 11/27/11-12/10/11	2000 - Accountis Payable	2,805.62
TOTAL						
Bill Pmt -Check	12/20/2011	15664	COMPUTER NETWORK	Replace motherboard and power supply	1012 - Bank of America Gen'l Ckg	281.24
Bill	11/30/2011	82674		Services/labor HDMI Adapter	8055 - Computer Hardware	626.72
Bill	11/30/2011	82675			8055 - Computer Hardware	907.96
TOTAL						
Bill Pmt -Check	12/20/2011	15665	CORELOGIC INFORMATION SOLUTIONS	80369041	1012 - Bank of America Gen'l Ckg	62.50
Bill	11/30/2011	80369041			7103.7 - Grdwtr Qual-Computer Svc	62.50
Bill	11/30/2011	80369041			7101.4 - Prod Monitor-Computer	125.00
TOTAL						
Bill Pmt -Check	12/20/2011	15666	CUCAMONGA VALLEY WATER DISTRICT	Lease Due January 1, 2012	1012 - Bank of America Gen'l Ckg	5,984.00
Bill	12/14/2011			Lease Due January 1, 2012	1422 - Prepaid Rent	5,984.00
TOTAL						
Bill Pmt -Check	12/20/2011	15667	GRAINGER	9695216789	1012 - Bank of America Gen'l Ckg	17.90
Bill	12/13/2011	9695216789			7103.6 - Grdwtr Qual-Supplies	53.73
Bill	12/14/2011	9703230289		9703230289	7103.6 - Grdwtr Qual-Supplies	71.33
TOTAL						
Bill Pmt -Check	12/20/2011	15668	GROOMAN'S PUMP & WELL DRILLING, INC.	12919	1012 - Bank of America Gen'l Ckg	373.85
Bill	12/07/2011	12919			7102.8 - In-line Meter-Calib & Test	

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
December 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	12/07/2011	12915		12915	7102.7 - In-line Meter	578.90
TOTAL						950.55
Bill Pmt -Check	12/20/2011	15669	GUARANTEED JANITORIAL SERVICE, INC.	28804	1012 - Bank of America Gen'l Ckg	865.00
Bill	12/13/2011	28804		Janitorial service - December 2011	6024 - Building Repair & Maintenance	865.00
TOTAL						1730.00
Bill Pmt -Check	12/20/2011	15670	MCCALL'S METER SALES & SERVICE	21714	1012 - Bank of America Gen'l Ckg	400.19
Bill	11/30/2011	21714			7102.5 - In-line Meter-Computer	675.00
Bill	11/30/2011	21748			7102.8 - In-line Meter-Callib & Test	800.38
Bill	11/30/2011	21748			7102.5 - In-line Meter-Computer	675.00
Bill	11/30/2011	21748			7102.8 - In-line Meter-Callib & Test	2,550.57
TOTAL						4,101.14
Bill Pmt -Check	12/20/2011	15671	PREMIERE GLOBAL SERVICES	10078133	1012 - Bank of America Gen'l Ckg	24.96
Bill	11/30/2011	10078133		Monthly and service fees	6022 - Telephone	11.59
Bill	11/30/2011	10078133		11/02 Appropriative Pool Agenda call	8312 - Meeting Expenses	11.59
Bill	11/30/2011	10078133		11/02 Ag Pool Agenda call	8412 - Meeting Expenses	11.59
Bill	11/30/2011	10078133		11/02 Non Ag Pool Agenda call	8512 - Meeting Expense	11.59
Bill	11/30/2011	10078133		Storage call	7604 - PE889-Supplies	7.90
Bill	11/30/2011	10078133		11/10 Non Ag Pool mtg call	8512 - Meeting Expense	132.98
Bill	11/30/2011	10078133		11/10 Non Ag Pool mtg call	8512 - Meeting Expense	1.07
Bill	11/30/2011	10078133		11/15 CGC meeting call	6809.1 - OBMP Meetings	247.72
TOTAL						449.40
Bill Pmt -Check	12/20/2011	15672	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	8,321.12
General Journal	12/10/2011	12/10/2011	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	CalPERS Retirement for 11/27/11-12/10/11	2000 - Accounts Payable	8,321.12
TOTAL						16,642.24
Bill Pmt -Check	12/20/2011	15673	SAFEGUARD DENTAL & VISION	4081215	1012 - Bank of America Gen'l Ckg	7.91
Bill	12/13/2011	4081215		Dental premium - December 2011	60182.2 - Dental & Vision Ins	7.91
TOTAL						15.82
Bill Pmt -Check	12/20/2011	15674	SAN BERNARDINO COUNTY FLOOD CONTROL	Permit P-11998284	1012 - Bank of America Gen'l Ckg	1,977.00
Bill	12/13/2011	Permit P-11998284		Permit Annual Inspection/Time Extension fees	6909.3 - Other OBMP Expenses	1,977.00
TOTAL						3,954.00
Bill Pmt -Check	12/20/2011	15675	STAPLES BUSINESS ADVANTAGE		1012 - Bank of America Gen'l Ckg	501.21
Bill	11/30/2011	8020388919		Miscellaneous office supplies	6031.7 - Other Office Supplies	212.68
Bill	12/10/2011	8020451934		Miscellaneous office supplies	6031.7 - Other Office Supplies	713.89
TOTAL						1,227.78
Bill Pmt -Check	12/20/2011	15676	STAULA, MARY L	Retiree Medical	1012 - Bank of America Gen'l Ckg	

CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
December 2011

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	12/14/2011				60182.4 - Retiree Medical	136.61
TOTAL						136.61
Bill Pmt -Check	12/20/2011	15677	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	824.00
Bill	11/30/2011	1VC0700000176991		Week ending 12/04/11	6017 - Temporary Services	824.00
TOTAL						824.00
Bill Pmt -Check	12/20/2011	15678	VERIZON BUSINESS	62349871	1012 - Bank of America Gen'l Ckg	1,545.23
Bill	12/14/2011	62349871			6053 - Internet Expense	1,545.23
TOTAL						1,545.23
Bill Pmt -Check	12/20/2011	15679	VERIZON WIRELESS	1036508753	1012 - Bank of America Gen'l Ckg	280.51
Bill	12/14/2011	1036508753		Monthly service	6022 - Telephone	280.51
TOTAL						280.51
Bill Pmt -Check	12/20/2011	15680	WESTERN DENTAL SERVICES, INC.	002483	1012 - Bank of America Gen'l Ckg	28.88
Bill	12/13/2011	002483		Dental premium - January 2012	60182.2 - Dental & Vision Ins	28.88
TOTAL						28.88
Bill Pmt -Check	12/20/2011	15681	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 - Bank of America Gen'l Ckg	129.67
Bill	11/30/2011	XXXX-XXXX-XXXX-9341		Plaque for Ken Willis	6031.7 - Other Office Supplies	590.47
				Thanksgiving lunch-11/17/11-Board meeting	6312 - Meeting Expenses	18.66
				Fedex charges	6042 - Postage - General	738.80
TOTAL						1,467.60
General Journal	12/24/2011	12/24/2011	Payroll and Taxes for 12/11/11-12/24/11		1012 - Bank of America Gen'l Ckg	9,730.48
					1012 - Bank of America Gen'l Ckg	27,229.02
					1012 - Bank of America Gen'l Ckg	36,959.50
TOTAL						73,919.00
General Journal	12/31/2011	12/31/2011	Wage Works Direct Debits - December 2011		1012 - Bank of America Gen'l Ckg	495.40
					1012 - Bank of America Gen'l Ckg	495.40
					1012 - Bank of America Gen'l Ckg	76.25
					1012 - Bank of America Gen'l Ckg	1,067.05
TOTAL						2,134.05
Total Disbursements:						165,474.07

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CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: February 16, 2012
TO: Committee Members
SUBJECT: VISA Check Detail Report – Financial Report B2

SUMMARY

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

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

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

BACKGROUND

A monthly VISA Check Detail report is provided to keep all members apprised of Watermaster expenditures charged against the CEO and/or CFO's Bank of America VISA card.

DISCUSSION

Total cash disbursement during the month of December 2011 was \$738.80. The monthly charges for December 2011 were for routine and customary expenditures and properly documented with receipts.

Actions:

February 9, 2012 Appropriative Pool – Approved Unanimously
February 9, 2012 Non-Agricultural Pool – Moved to Receive and File, Without Approval
February 9, 2012 Agricultural Pool – Approved Unanimously
February 16, 2012 Advisory Committee –
February 23, 2012 Watermaster Board –

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CHINO BASIN WATERMASTER
 VISA Check Detail Report
 December 2011

Type	Num	Date	Name	Memo	Account	Paid Amount
Bill Pmt -Check	12/20/2011	15681	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 - Bank of America Gen'l Ckg	129.67
Bill	11/30/2011	XXXX-XXXX-XXXX-9341		Plaque for Ken Willis	6031.7 - Other Office Supplies	590.47
				Thanksgiving lunch-11/17/11-Board meeting	6312 - Meeting Expenses	18.66
				Fedex charges	6042 - Postage - General	
TOTAL						738.80

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CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: February 16, 2012
TO: Committee Members
SUBJECT: Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2011 through December 31, 2011 - Financial Report B3

SUMMARY

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

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

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

BACKGROUND

A Combining Schedule of Revenue, Expenses and Changes in Working Capital for the period July 1, 2011 through December 31, 2011 is provided to keep all members apprised of the FY 2011/2012 cumulative Watermaster revenues, expenditures and changes in working capital for the period listed.

DISCUSSION

The Combining Schedule of Revenue, Expenses and Changes in Working Capital has been created from various financial reports and statements created from QuickBooks Enterprise Solutions 9.0, the Watermaster accounting system. The Combining Schedule provided balances to the supporting documentation in the Watermaster accounting system as presented.

Actions:

February 9, 2012 Appropriative Pool – Approved Unanimously
February 9, 2012 Non-Agricultural Pool – Moved to Receive and File, Without Approval
February 9, 2012 Agricultural Pool – Approved Unanimously
February 16, 2012 Advisory Committee –
February 23, 2012 Watermaster Board –

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

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATIVE		AG POOL		NON-AG POOL		GROUNDWATER REPLENISHMENT		GROUNDWATER OPERATIONS SB222 FUNDS	EDUCATION FUNDS	GRAND TOTALS	BUDGET 2011-2012
			POOL	POOL	POOL	POOL	POOL	POOL						
Administrative Revenues:														
Administrative Assessments														\$6,097,177
Interest Revenue			7,674		912		286					1	8,872	150,010
Mutual Agency Project Revenue	405,777												405,777	411,000
Grant Income														0
Miscellaneous Income														0
Total Revenues	405,777	-	7,674		912		286					1	414,649	6,658,187
Administrative & Project Expenditures:														
Watermaster Administration	409,080												409,080	425,107
Watermaster Board-Advisory Committee	101,291												101,291	155,297
Ag Pool Misc. Expense - Ag Fund													99	-
Pool Administration			24,967		99		65,711						164,827	503,822
Optimum Basin Mgmt Administration		671,936											671,936	1,161,401
OBMP Project Costs		1,759,298											1,759,298	4,166,221
Debt Service		471,400											471,400	450,964
Education Funds Use												375	375	375
Mutual Agency Project Costs														10,000
Total Administrative/OBMP Expenses	510,372	2,902,634	24,967		74,149		65,711					375	3,578,307	6,873,187
Net Administrative/OBMP Expenses	(104,595)	(2,902,634)												
Allocate Net Admin Expenses To Pools			71,925		29,100		3,570							
Allocate Net OBMP Expenses To Pools			1,671,841		676,412		82,982							
Allocate Debt Service to App Pool			471,400											
Agricultural Expense Transfer*			779,661		(779,661)									
Total Expenses	3,019,793	152,263	812		151,977							375	3,578,307	6,873,187
Net Administrative Income	(3,012,119)	(151,977)										(374)	(3,163,658)	(215,000)
Other Income/(Expense)														0
Replenishment Water Assessments			2,377,250										2,377,250	0
Non-Ag Stored Water Purchases													7	0
Interest Revenue									7					0
MWD Water Purchases									10,269,933				10,269,933	0
Non-Ag Stored Water Purchases			(2,377,250)						(10,269,932)				(2,377,250)	0
MWD Water Purchases									(25,146)				(25,146)	0
Groundwater Replenishment									(25,138)				(25,138)	0
Net Other Income/(Expense)														0
Net Transfers To/(From) Reserves	(3,188,796)				812		(151,977)		(25,138)			(374)	(3,188,796)	(215,000)
Working Capital, July 1, 2011			6,922,600		475,807		282,721		21,928		158,251	630	7,861,937	
Working Capital, End Of Period			3,910,481		476,619		130,744		(3,209)		158,251	256	4,673,141	4,673,141
09/10 Assessable Production			78,733,238		31,854,766		3,907,911						114,495,915	
09/10 Production Percentages			68.765%		27.822%		3.413%						100.000%	

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

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CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: February 16, 2012
TO: Committee Members
SUBJECT: Treasurer's Report of Financial Affairs for the Period December 1, 2011 through December 31, 2011 - Financial Report B4

SUMMARY

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

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

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

BACKGROUND

A Treasurer's Report of Financial Affairs for the Period December 1, 2011 through December 31, 2011 is provided to keep all members apprised of the total cash in banks (Bank of America and LAIF) and on hand at the Watermaster office (petty cash) at the end of the period stated. The Treasurer's Report details the change (increase or decrease) in the overall cash position of Watermaster, as well as the changes (increase or decrease) to the assets and liabilities section of the balance sheet. The report also provides a detailed listing of all deposits and/or withdrawals in the California State Treasurer's Local Agency Investment Fund (LAIF), the most current effective yield as of the last quarter, and the ending balance in LAIF as of the reporting date.

DISCUSSION

The Treasurer's Report of Financial Affairs has been created from various financial reports and statements created from QuickBooks Enterprise Solutions 9.0, the Watermaster accounting system. The Treasurer's Report provided, balances to the supporting documentation in the Watermaster accounting system, as well as the supporting bank statements.

Actions:

February 9, 2012 Appropriative Pool – Approved Unanimously
February 9, 2012 Non-Agricultural Pool – Moved to Receive and File, Without Approval
February 9, 2012 Agricultural Pool – Approved Unanimously
February 16, 2012 Advisory Committee –
February 23, 2012 Watermaster Board –

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

DEPOSITORIES:			
Cash on Hand - Petty Cash	\$	500	
Bank of America			
Governmental Checking-Demand Deposits	\$	2,263,213	
Zero Balance Account - Payroll	\$	-	
Local Agency Investment Fund - Sacramento			
TOTAL CASH IN BANKS AND ON HAND			12/31/2011
TOTAL CASH IN BANKS AND ON HAND			11/30/2011
PERIOD INCREASE (DECREASE)	\$	678,025	

CHANGE IN CASH POSITION DUE TO:

Decrease/(Increase) in Assets:		
Accounts Receivable	\$	28,565
Assessments Receivable		932,542
Prepaid Expenses, Deposits & Other Current Assets		(126,358)
Accounts Payable		190,402
Accrued Payroll, Payroll Taxes & Other Current Liabilities		8,262
Transfer to/(from) Reserves		(355,389)
PERIOD INCREASE (DECREASE)	\$	678,025

SUMMARY OF FINANCIAL TRANSACTIONS:

Balances as of 11/30/2011						
Deposits	\$	1,585,188	\$	-	\$	5,451,959
Transfers		843,499		-		843,499
Withdrawals/Checks		(107,929)		107,929		-
		(57,545)		(107,929)		(165,474)
Balances as of 12/31/2011	\$	500	\$	2,263,213	\$	5,451,959
PERIOD INCREASE OR (DECREASE)	\$	-	\$	678,025	\$	-
						678,025

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

INVESTMENT TRANSACTIONS

Effective Date	Transaction	Depository	Activity	Redeemed	Days to Maturity	Interest Rate(*)	Maturity Yield
----------------	-------------	------------	----------	----------	------------------	------------------	----------------

TOTAL INVESTMENT TRANSACTIONS

 \$ -

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

**INVESTMENT STATUS
December 31, 2011**

Financial Institution	Principal Amount	Number of Days	Interest Rate	Maturity Date
Local Agency Investment Fund	\$ 5,451,959			
TOTAL INVESTMENTS	\$ 5,451,959			

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

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

Respectfully submitted,

Joseph S. Joswiak
 Chief Financial Officer
 Chino Basin Watermaster



CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: February 16, 2012
TO: Committee Members
SUBJECT: Budget vs. Actual Report for the Period July 1, 2011 through December 31, 2011 - Financial Report - B5

SUMMARY

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

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

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

BACKGROUND:

A Budget vs. Actual Report for the period July 1, 2011 through December 31, 2011 is provided to keep all members apprised of the total revenues and expenses for the current fiscal year. The expense section is categorized into four distinct sections. Those sections are: General and Administrative Expenses; Optimal Basin Management Program Expenses; Project Expenses; and Other Income/Expenses.

DISCUSSION:

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

There were Budget Transfers T-12-02-01 and Budget Amendments A-12-02-1 proposed for the month of December 2011. These transfers/amendments are expected to be offset by the unbudgeted revenue of \$294,776.62 as detailed in the Other Income and Expense section on page 6, as well as budget realignments and cost savings in other areas.

Year-To-Date (YTD) for the six months ending December 31, 2011, all but seven categories were at or below the projected budget. The categories above budget were the Watermaster Salary Costs (6010's) of \$24,694.49; Watermaster Legal Services (6070's) of \$891.39; Advisory Committee Expenses (6200's) of \$1,280.37; Watermaster Board Expenses (6300's) of \$15,062.62; Non-Ag Pool Administration

Expenses (8500's) of \$14,854.63; Groundwater Quality Monitoring (7103's) of \$15,965.84; and Cooperative Efforts/Salt Management (7500's) of \$17,012.34.

With regards to the salary of the former Watermaster CEO, a new line item 6011.2 (WM Staff – Administrative Paid Leave) has been created. The full salary cost of Mr. Alvarez will be charged against this line item and his costs will not be allocated to OBMP, projects, or other expense categories going forward. By not allocating Mr. Alvarez's costs to the other cost areas, the category 6010 (Salary Costs) will reflect an over budget for the remainder of the year. Added to the financial reports as part of the November reporting cycle, the chart listed below summarized the Watermaster salary costs compared to the year-to-date budget. To date, the total Watermaster salary expenses are \$2,642 or 0.4% below the budgeted amount of \$753,614. The following details are provided:

	Jul '11 - Dec 11	Budget	\$ Over Budget	% of Budget	Annual Budget
WM Salary Expense					
6011 - WM Staff Salaries	221,314.67	221,361.18	-46.51	99.98%	441,032.00
6011.2 - WM Staff - Admin. Paid Leave	55,426.29	0.00	55,426.29	100.0%	0.00
6011.3 - WM Staff - Temporary Upgrade	4,792.93	0.00	4,792.93	100.0%	0.00
6201 - Advisory Committee - WM Staff Salaries	9,561.41	10,620.52	-1,059.11	90.03%	21,241.00
6301 - Watermaster Board - WM Staff Salaries	16,148.32	14,958.00	1,190.32	107.96%	29,916.00
8301 - Appropriative Pool - WM Staff Salaries	14,322.41	14,225.02	97.39	100.69%	28,450.00
8401 - Agricultural Pool - WM Staff Salaries	10,864.08	12,467.48	-1,603.40	87.14%	24,935.00
8501 - Non-Agricultural Pool - WM Staff Salaries	6,225.41	7,116.52	-891.11	87.48%	14,233.00
6901 - OBMP - WM Staff Salaries	112,573.59	108,495.98	4,077.61	103.76%	216,992.00
7101.1 - Production Monitor - WM Staff Salaries	49,645.36	61,074.98	-11,429.62	81.29%	104,150.00
7102.1 - In-line Meter - WM Staff Salaries	4,441.94	5,181.52	-739.58	85.73%	10,363.00
7103.1 - Grdwater Quality - WM Staff Salaries	43,310.63	52,097.48	-8,786.85	83.13%	80,195.00
7104.1 - Grdwater Level - WM Staff Salaries	20,798.67	44,931.52	-24,132.85	46.29%	89,863.00
7105.1 - Sur Wtr Qual - WM Staff Salaries	0.00	1,496.02	-1,496.02	0.0%	2,992.00
7107.1 - Grd Level Monitoring - WM Staff Salaries	0.00	783.00	-783.00	0.0%	1,566.00
7108.1 - Hydraulic Control - WM Staff Salaries	559.50	3,636.52	-3,077.02	15.39%	7,273.00
7201 - Comp Recharge - WM Staff Salaries	41,045.26	62,543.48	-21,498.22	65.63%	125,087.00
7301 - PE3&5 - WM Staff Salaries	11,156.66	18,771.52	-7,614.86	59.43%	37,543.00
7401 - PE4 - WM Staff Salaries	3,468.47	6,117.52	-2,649.05	56.7%	12,235.00
7501.1 - PE 6&7 - WM Staff Salaries (Plume)	18,213.75	0.00	18,213.75	100.0%	0.00
7501 - PE6&7 - WM Staff Salaries	2,274.45	1,496.02	778.43	152.03%	2,992.00
7601 - PE8&9 - WM Staff Salaries	13,134.25	22,711.50	-9,577.25	57.83%	45,423.00
7701 - Inactive Well - WM Staff Salaries	0.00	206.50	-206.50	0.0%	413.00
Subtotal WM Staff Costs	659,278.05	670,292.28	-11,014.23	98.36%	1,296,894.00
60185 - Vacation	44,187.86	33,749.30	10,438.56	130.93%	51,922.00
60186 - Sick Leave	17,237.46	20,655.00	-3,417.54	83.45%	41,310.00
60187 - Holidays	30,268.12	28,917.00	1,351.12	104.67%	41,310.00
Subtotal WM Paid Leaves	91,693.44	83,321.30	8,372.14	110.05%	134,542.00
Total WM Salary Costs	750,971.49	753,613.58	-2,642.09	99.65%	1,431,436.00

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

for Watermaster Legal Services (6070) was established for fiscal year 2011/2012. These expenses are associated with administrative legal services for Watermaster.

Added to the financial reports as part of the November reporting cycle, the chart listed below summarizes the Brownstein Hyatt Farber Schreck expenses compared to the year-to-date budget. To date, the BHFS expenses are \$23,142 or 6.2% below the budgeted amount of \$373,936. The following details are provided:

	Jul '11 - Dec '11	Budget	\$ Over Budget	% of Budget	Annual Budget
6070 - Watermaster Legal Services					
6071 - BHFS Legal - Court Coordination	0.00	19,550.02	-19,550.02	0.0%	39,100.00
6072 - BHFS Legal - Restated Judgment	18,306.96	62,400.00	-44,093.04	29.34%	62,400.00
6073 - BHFS Legal - Personnel Matters	33,479.65	4,937.48	28,542.17	678.07%	9,875.00
6074 - BHFS Legal - Interagency Issues	3,510.45	17,150.02	-13,639.57	20.47%	34,300.00
6075 - BHFS Legal - Replenishmnt Water	42,186.60	0.00	42,186.60	100.0%	0.00
6078 - BHFS Legal - Miscellaneous	35,885.25	28,440.00	7,445.25	126.18%	56,880.00
Total 6070 - Watermaster Legal Services	133,368.91	132,477.52	891.39	100.67%	202,555.00
6275 - BHFS Legal - Advisory Committee	18,674.97	15,405.00	3,269.97	121.23%	30,810.00
6375 - BHFS Legal - Board Meeting	41,272.08	28,815.00	12,457.08	143.23%	45,630.00
8375 - BHFS Legal - Appropriative Pool	10,558.87	10,665.00	-106.13	99.01%	21,330.00
8475 - BHFS Legal - Agricultural Pool	10,034.07	15,405.00	-5,370.93	65.14%	30,810.00
8575 - BHFS Legal - Non-Ag Pool	9,696.90	4,740.00	4,956.90	204.58%	9,480.00
Total BHFS Legal Services	90,236.89	75,030.00	15,206.89	120.27%	138,060.00
6907.3 - WM Legal Counsel					
6907.30 - Peace II - CEQA	0.00	0.00	0.00	0.0%	0.00
6907.31 - S. Archibald Plume-Formerly OIA	3,219.75	12,312.52	-9,092.77	26.15%	24,625.00
6907.32 - Chino Airport Plume	8,866.95	12,837.52	-3,970.57	69.07%	25,675.00
6907.33 - Desalter Negotiations	77,880.86	67,425.00	10,455.86	115.51%	67,425.00
6907.34 - Santa Ana River Water Rights	4,984.72	12,662.50	-7,577.78	39.68%	25,125.00
6907.35 - Paragraph 31 Motion	14,105.71	39,200.00	-25,094.29	35.98%	39,200.00
6907.36 - Santa Ana River Habitat	7,969.13	0.00	7,969.13	100.0%	0.00
6907.37 - Water Auction	0.00	0.00	0.00	0.0%	0.00
6907.38 - Reg. Water Quality Cntrl Board	0.00	6,875.02	-6,875.02	0.0%	13,750.00
6907.39 - Recharge Master Plan	10,161.00	15,216.00	-5,055.00	66.78%	25,360.00
6907.3 - WM Legal Counsel - Other	0.00	0.00	0.00	0.0%	0.00
Total 6907.3 - WM Legal Counsel	127,188.12	166,428.56	-39,240.44	76.42%	221,160.00
Total Brownstein, Hyatt, Farber, Schreck Costs	350,793.92	373,936.08	-23,142.16	93.81%	561,775.00

OBMP Engineering Services and Legal Costs:

Several individual line items within the 6900 (Optimum Basin Mgmt Plan) are above the Year-To-Date budget. These are the 6901 (WM Staff Salaries) of \$4,077.61; the 6906 (OBMP Engineering Services-Other) of \$2,329.98; and the 6906.1 (OBMP Watermaster Model Update) of \$7,001.31. These overages totaling \$13,408.90 are a direct result of increased activities and allocating the budget in equal 1/12 portions throughout the fiscal year. The Year-To-Date expenses in these categories are running ahead of budget and should level off as the fiscal year progresses.

Within the category 6900 (Optimum Basin Mgmt Plan) are the remaining Watermaster's legal expenses. Within the legal expense category, some individual line item activities were above the budget \$18,425

while the majority of line item activities were below the budget \$57,665. Above the budget line items were the Desalter Negotiations of \$10,456 and the Santa Ana River Habitat of \$7,969. The individual legal projects/activities that were below budget for the Y-T-D period were the South Archibald Plume (formerly the OIA Plume) of \$9,092, the Chino Airport Plume \$3,970, the Santa Ana River Water Rights Application of \$7,578, the Paragraph 31 Motion of \$25,094, the Regional Water Quality Control Board of \$6,875 and the Recharge Master Plan of \$5,055. For the six month period, the overall cumulative Y-T-D budget was \$166,429 and actual legal expenses totaled \$127,188 which resulted in an (Under) budget variance of (\$39,240) or (23.6%).

Overall, the Optimum Basin Management Plan (OBMP) category was \$588,713 compared to a budget of \$624,193 for an (Under) budget of (\$35,480) or (5.7%) of December 31, 2011.

	Jul '11 - Dec '11	Budget	\$ Over Budget	% of Budget
6900 - Optimum Basin Mgmt Plan				
6901 - WM Staff Salaries	112,573.59	108,495.98	4,077.61	103.76%
6903 - OBMP SAWPA Group	11,655.00	11,655.00	0.00	100.0%
6906 - OBMP Engineering Services				
6906.1 - OBMP - Watermaster Model Update	204,010.48	197,009.17	7,001.31	103.55%
6906 - OBMP Engineering Services - Other	130,434.48	128,104.50	2,329.98	101.82%
Total 6906 - OBMP Engineering Services	334,444.96	325,113.67	9,331.29	102.87%
6907 - OBMP Legal Fees				
6907.3 - WM Legal Counsel				
6907.30 - Peace II - CEQA	0.00	0.00	0.00	0.0%
6907.31 - S. Archibald Plume-Formerly OIA	3,219.75	12,312.52	-9,092.77	26.15%
6907.32 - Chino Airport Plume	8,866.95	12,837.52	-3,970.57	69.07%
6907.33 - Desalter Negotiations	77,880.86	67,425.00	10,455.86	115.51%
6907.34 - Santa Ana River Water Rights	4,984.72	12,562.50	-7,577.78	39.68%
6907.35 - Paragraph 31 Motion	14,105.71	39,200.00	-25,094.29	35.98%
6907.36 - Santa Ana River Habitat	7,969.13	0.00	7,969.13	100.0%
6907.37 - Water Auction	0.00	0.00	0.00	0.0%
6907.38 - Reg. Water Quality Cntrl Board	0.00	6,875.02	-6,875.02	0.0%
6907.39 - Recharge Master Plan	10,161.00	15,216.00	-5,055.00	66.78%
6907.3 - WM Legal Counsel - Other	0.00	0.00	0.00	0.0%
Total 6907.3 - WM Legal Counsel	127,188.12	166,428.56	-39,240.44	76.42%
Total 6907 - OBMP Legal Fees	127,188.12	166,428.56	-39,240.44	76.42%
6909 - OBMP Other Expenses				
6909.1 - OBMP Meetings	874.28	0.00	874.28	100.0%
6909.3 - Other OBMP Expenses	1,977.00	0.00	1,977.00	100.0%
6909.4 - Printing	0.00	0.00	0.00	0.0%
6909.5 - Ad Hoc Litigation Committee	0.00	0.00	0.00	0.0%
6909 - OBMP Other Expenses - Other	0.00	12,500.02	-12,500.02	0.0%
Total 6909 - OBMP Other Expenses	2,851.28	12,500.02	-9,648.74	22.81%
Total 6900 - Optimum Basin Mgmt Plan	588,712.95	624,193.23	-35,480.28	94.32%

The OBMP Implementation Projects (accounts 7100's - 7700's) were all under budget as of December 31, 2011 except for Category 7103 (Groundwater Quality Monitoring) which was over budget by \$15,966 and 7500 (Cooperative Efforts/Salt Management) by \$17,012.

Category 7107 (Ground Level Monitoring) contains the annual budget costs of \$365,945 for the installation of a vertical extensometer in the Chino Creek Well Field area at a new location since an existing well site is not suitable. The budget was front-loaded for the first six months of the fiscal year. To date, we have not received any progress billings. This category also includes the budgeted quarterly InSar Imagery costs of \$30,000 which are tracking well below the budget.

Category 7200 (Comprehensive Recharge Program) contains the budgeted cost of \$245,750 for the San Sevine channel repair. The budget of \$245,750 for this project was front-loaded for the first six months of the fiscal year. To date, we have received progress repair billings in the amount of \$221,945 and expect the remaining invoices of \$23,805 will be received within the next few months.

The Recharge Improvement Debt Payment (Category 7690) is another category which the budget and expense fluctuate due to the timing of expense receipts. Watermaster expects that a credit from IEUA in the amount of \$296,000 will be forthcoming in the month of January 2012. This credit is the direct result of the refinancing efforts by IEUA and a true-up of the budgeted costs vs. actual payments on the debt servicing to IEUA. Currently, this category is below the budgeted amount by \$129,564. Excess funds from this category could be used for the upcoming 3-year Turner Basin Improvements, which are estimated in the range of \$120K+.

Added to the financial reports as part of the November reporting cycle, the chart listed below summarizes the Wildermuth Environmental, Inc. expenses compared to the Year-To-Date budget. As of December 31, 2011, the WEI expenses are \$509,663 or 31.2% below the budgeted amount of \$1,632,406. The following details are provided:

	Jul '11 - Dec '11	Budget	\$ Over Budget	% of Budget	Annual Budget
6906.1 · OBMP - Watermaster Model Update	204,010.48	197,009.17	7,001.31	103.55%	204,010.00
6906 · OBMP Engineering Services - Other	130,434.48	128,104.50	2,329.98	101.82%	256,209.00
7103.3 · Grdwtr Qual-Engineering	65,025.10	48,253.48	16,771.62	134.76%	80,507.00
7103.5 · Grdwtr Qual-Lab Svcs	31,330.00	23,441.52	7,888.48	133.65%	36,883.00
7104.3 · Grdwtr Level-Engineering	135,057.14	93,572.02	41,485.12	144.34%	151,144.00
7104.8 · Grdwtr Level-Contracted Serv	0.00	5,000.02	-5,000.02	0.0%	10,000.00
7104.9 · Grdwtr Level-Capital Equip	0.00	6,962.50	-6,962.50	0.0%	13,925.00
7107.2 · Grd Level-Engineering	133,055.01	83,217.52	49,837.49	159.89%	166,435.00
7107.3 · Grd Level-SAR Imagery	0.00	60,000.00	-60,000.00	0.0%	120,000.00
7107.6 · Grd Level-Contract Svcs	114,163.26	112,367.48	1,795.78	101.6%	224,735.00
7107.7 · Grd Level-Extensometer Install	0.00	365,945.00	-365,945.00	0.0%	365,945.00
7107.8 · Grd Level-Cap Equip Exte	0.00	12,881.00	-12,881.00	0.0%	25,762.00
7108.3 · Hydraulic Control-Engineering	92,950.98	139,830.98	-46,880.00	66.47%	279,662.00
7108.4 · Hydraulic Control-Lab Svcs	75,734.00	85,424.48	-9,690.48	88.66%	170,849.00
7108.9 · Hydraulic Control-Contract Svcs	0.00	999.98	-999.98	0.0%	2,000.00
7109.3 · Recharge & Well - Engineering	1,990.00	11,160.00	-9,170.00	17.83%	11,160.00
7202.2 · Engineering Svc	0.00	5,160.00	-5,160.00	0.0%	10,320.00
7202.3 · Comp Recharge-Implementation	32,810.09	115,500.00	-82,689.91	28.41%	231,000.00
7303 · PE3&5-Engineering - Other	30,220.74	47,840.00	-17,619.26	63.17%	47,840.00
7402 · PE4-Engineering	16,071.52	22,866.00	-6,794.48	70.29%	45,732.00
7403 · PE4-Contract Svcs	0.00	5,000.02	-5,000.02	0.0%	10,000.00
7502 · PE6&7-Engineering	22,362.18	24,080.02	-1,717.84	92.87%	48,160.00
7503 · PE6&7-Contract Svcs (Plume)	37,528.00	37,790.00	-262.00	99.31%	37,790.00
Total Wildermuth Environmental, Inc. Costs	1,122,742.98	1,632,405.69	-509,662.71	68.78%	2,550,068.00

During the last few months, there have discussions between the Wildermuth and Watermaster staff, as well as other parties, regarding the possible cost overages at completion in several of the ongoing projects. These projects are the horizontal extensometer and the CCWF extensometer.

Horizontal Extensometer. There is no specific line item in the FY 2011-2012 budget for installation of this facility. This facility was intended to be installed during FY 2010-2011, but Watermaster's negotiations with the land owner to obtain a right-of-entry agreement progressed slower than expected, and wasn't completed until July 2011. WEI was able to purchase all equipment, finish designs, and perform some offsite construction activities during FY 2010-2011, but was not able to access the site and complete the installation. Watermaster's FY 2010-2011 budget did not carry over to FY 2011-2012. WEI anticipates this effort to cost \$66,000 at completion.

Vertical Extensometer. Watermaster's FY 2011-2012 budget includes the cost to identify an existing well near the CCWF, and retrofit that well as a cable extensometer facility (\$65,945). The recommendation from the Land Subsidence Committee to construct a new extensometer came late in the Watermaster budgeting process, and was included in the FY 2011-2012 budget. Three Valleys Municipal Water District has committed \$300,000 to this project if a new extensometer is built. This is a total budget of \$365,945 to construct the new extensometer. WEI estimates the total cost to install a new cable extensometer facility near the CCWF will be approximately \$450,000. This estimated cost exceeds the available budget by about \$84,000.

Other Income and Expense:

In August 2011, Watermaster received two payments from the Metropolitan Water District. Metropolitan entered into agreements with Watermaster and other member agencies and partners for dry-year groundwater storage. Pursuant to Section VI of these agreements, Metropolitan committed to pay an annual administrative fee to one of the partners on each of the agreements for the 25-year term of the each agreement a) beginning on July 1st after the initial storage of water in each program, and b) with the set fee dollar amount escalating annually by the lesser of 2.5% or CPI. Watermaster received \$145,568.70 for the FY 2009/2010 payment (due July 1, 2010) and \$149,207.92 for the FY 2010/2011 payment (due July 1, 2011). The total amount received of \$294,776.62 was recorded to account 4040 (Cooperative Agreements). These revenue items were not included in the FY 2011/2012 budget and these payments are in excess of the projected revenue amount. The amount of \$294,776.62 can be used to offset and additional extensometer costs as listed above, as well as any other salary or other unexpected expenses which may occur in the current fiscal year.

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

Actions:

- February 9, 2012 Appropriative Pool – Approved Unanimously
- February 9, 2012 Non-Agricultural Pool – Moved to Receive and File, Without Approval
- February 9, 2012 Agricultural Pool – Approved Unanimously
- February 16, 2012 Advisory Committee –
- February 23, 2012 Watermaster Board –

Income	1/12th of the Total Budget			6/12th (50%) of the Total Budget			100% of the Total Budget		
	For The Month of December 2011			Year-To-Date as of December 31, 2011			Fiscal Year End as of June 30, 2012		
	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Projected	Budget	% of Budget
4010 · Local Agency Subsidies	0.00	0.00	0.0%	405,776.62	111,000.00	294,776.62	705,776.62	411,000.00	171.72%
4110 · Admin Asmnts-Approp Pool	0.00	0.00	0.0%	0.00	0.00	0.00	5,840,178.00	5,840,178.00	100.0%
4120 · Admin Asmnts-Non-Agri Pool	0.00	0.00	0.0%	0.00	0.00	0.00	256,999.00	256,999.00	100.0%
4700 · Non Operating Revenues	3,414.41	37,502.50	9.1%	8,672.09	75,005.00	-66,132.91	150,010.00	150,010.00	100.0%
4900 · Miscellaneous Income	0.00	0.00	0.0%	0.00	0.00	0.00	0.00	0.00	0.0%
Total Income	3,414.41	37,502.50	9.1%	414,646.71	186,005.00	228,646.71	6,952,963.62	6,658,187.00	104.43%
Gross Profit	3,414.41	37,502.50	9.1%	414,646.71	186,005.00	228,646.71	6,952,963.62	6,658,187.00	104.43%
Expense									
6010 · Salary Costs	69,113.40	46,583.96	148.36%	297,033.59	272,339.10	24,694.49	592,976.00	472,976.00	125.37%
6020 · Office Building Expense	8,158.81	8,331.00	97.93%	49,043.50	51,509.00	-2,465.50	103,369.00	103,369.00	100.0%
6030 · Office Supplies & Equip.	1,044.96	2,125.00	49.18%	9,903.41	12,750.00	-2,846.59	25,500.00	25,500.00	100.0%
6040 · Postage & Printing Costs	5,829.92	5,065.00	115.1%	25,341.76	35,590.00	-10,248.24	66,180.00	66,180.00	100.0%
6050 · Information Services	7,514.33	12,085.00	62.18%	55,568.42	75,510.00	-19,941.58	148,020.00	148,020.00	100.0%
6060 · Contract Services	0.00	0.00	0.0%	10,775.86	34,000.00	-23,224.14	34,000.00	34,000.00	100.0%
6070 · Watermaster Legal Services	21,705.40	22,079.58	98.31%	133,368.91	132,477.52	891.39	202,555.00	202,555.00	100.0%
6080 · Insurance	0.00	0.00	0.0%	17,740.87	19,036.00	-1,295.13	19,036.00	19,036.00	100.0%
6110 · Dues and Subscriptions	0.00	0.00	0.0%	14,846.15	15,260.00	-413.85	30,000.00	30,000.00	100.0%
6140 · W/M Admin Expenses	306.80	250.00	122.72%	634.31	1,500.00	-865.69	3,000.00	3,000.00	100.0%
6150 · Field Supplies	948.47	2,212.50	42.87%	297.58	500.00	-202.42	1,600.00	1,600.00	100.0%
6170 · Travel & Transportation	0.00	0.00	0.0%	8,650.41	10,985.00	-2,334.59	21,970.00	21,970.00	100.0%
6190 · Conferences & Seminars	3,869.26	4,504.25	85.9%	3,614.44	8,750.00	-5,135.56	17,500.00	17,500.00	100.0%
6200 · Advisory Comm - W/M Board	11,259.72	7,237.17	4,022.55	29,305.67	27,025.50	1,280.37	54,051.00	54,051.00	100.0%
6300 · Watermaster Board Expenses	4,555.05	4,190.00	108.71%	72,985.60	57,922.98	15,062.62	101,246.00	101,246.00	100.0%
8300 · Appr Pl-W/M & Pool Admin	4,225.50	5,319.09	79.44%	24,966.92	25,140.00	-173.08	50,280.00	50,280.00	100.0%
8400 · Agri Pool-W/M & Pool Admin	8,117.50	17,583.33	46.17%	25,105.71	31,914.46	-6,808.75	63,829.00	63,829.00	100.0%
8467 · Ag Legal & Technical Services	1,600.00	1,000.00	160.0%	39,042.99	105,500.02	-66,457.03	211,000.00	211,000.00	100.0%
8470 · Ag Meeting Attend -Special	0.00	16,250.00	0.0%	10,000.00	6,000.00	4,000.00	12,000.00	12,000.00	100.0%
8471 · Ag Pool Expense	0.00	0.00	0.0%	0.00	32,500.00	-32,500.00	65,000.00	65,000.00	100.0%
8485 · Ag Pool - Misc. Exp. - Ag Fund	4,706.19	8,476.08	55.52%	99.34	0.00	99.34	0.00	0.00	0.0%
8500 · Non-Ag Pl-W/M & Pool Admin	0.00	0.00	0.0%	65,711.15	50,856.52	14,854.63	101,713.00	101,713.00	100.0%
6500 · Education Funds Use Expense	0.00	0.00	0.0%	375.00	375.00	0.00	375.00	375.00	100.0%
9400 · Depreciation Expense	0.00	0.00	0.0%	0.00	0.00	0.00	0.00	0.00	0.0%
9500 · Allocated G&A Expenditures	-27,932.12	-60,049.92	46.52%	-217,738.80	-360,299.48	142,560.68	-720,599.00	-720,599.00	100.0%
6900 · Optimum Basin Mgmt Plan	37,654.07	75,018.15	50.19%	588,712.95	624,193.23	-35,480.28	1,053,121.00	935,026.00	112.63%
6950 · Mutual Agency Projects	0.00	0.00	0.0%	0.00	0.00	0.00	10,000.00	10,000.00	100.0%
9501 · G&A Expenses Allocated-OBMP	10,368.07	18,031.25	57.5%	83,223.23	108,187.50	-24,964.27	216,375.00	216,375.00	100.0%
7101 · Production Monitoring	8,484.71	8,741.67	97.06%	50,020.36	61,449.98	-11,429.62	104,900.00	104,900.00	100.0%
7102 · In-line Meter Installation	6,180.80	5,530.25	111.76%	25,792.23	33,181.50	-7,389.27	66,363.00	66,363.00	100.0%
7103 · Grdwtr Quality Monitoring	28,203.14	12,996.67	217.0%	142,945.82	126,979.98	15,965.84	209,923.00	203,960.00	102.92%

	1/12th of the Total Budget				6/12th (50%) of the Total Budget				100% of the Total Budget			
	For The Month of December 2011				Year-To-Date as of December 31, 2011				Fiscal Year End as of June 30, 2012			
	Actual	Budget	\$ Over(Under)	% of Budget	Actual	Budget	\$ Over(Under)	% of Budget	Projected	Budget	\$ Over(Under)	% of Budget
7104 · Gdwtr Level Monitoring	26,026.65	21,042.24	4,984.61	123.69%	155,855.81	156,216.06	-360.25	99.77%	297,806.00	279,432.00	21,374.00	107.73%
7105 · Sur Wtr Qual Monitoring	0.00	291.00	-291.00	0.0%	0.00	1,796.00	-1,796.00	0.0%	3,592.00	3,592.00	0.00	100.0%
7107 · Ground Level Monitoring	50,347.47	62,728.00	-12,380.53	80.26%	247,218.27	635,194.00	-387,975.73	38.92%	1,003,587.00	904,443.00	99,144.00	110.96%
7108 · Hydraulic Control Monitoring	21,952.68	38,315.34	-16,362.66	57.3%	169,244.48	229,891.96	-60,647.48	73.62%	427,078.00	459,784.00	-32,706.00	92.89%
7109 · Recharge & Well Monitoring Prog	0.00	0.00	0.00	0.0%	1,990.00	11,160.00	-9,170.00	17.83%	6,696.00	11,160.00	-4,464.00	60.0%
7200 · PE2- Comp Recharge Pgm	8,081.46	51,698.92	-43,577.46	15.64%	674,005.91	796,267.46	-122,261.55	84.65%	1,233,275.00	1,341,785.00	-108,510.00	91.91%
7300 · PE3&5-Water Supply/Desalte	6,566.35	3,795.25	2,771.10	173.02%	43,454.56	70,611.50	-27,156.94	61.54%	81,764.00	99,383.00	-11,619.00	87.56%
7400 · PE4- Mgmt Plan	2,946.23	5,663.91	-2,717.68	52.02%	20,546.17	35,033.54	-14,487.37	58.65%	74,458.00	70,067.00	4,391.00	106.27%
7500 · PE6&7-CoopEfforts/SaltMgmt	9,036.31	4,262.66	4,773.65	211.99%	80,378.38	63,966.04	17,012.34	126.85%	38,854.00	88,942.00	-50,088.00	43.69%
7600 · PE8&9-StorageMgmt/Conj Use	199.71	3,785.25	-3,585.54	5.28%	13,162.23	22,886.50	-9,724.27	57.51%	45,773.00	45,773.00	0.00	100.0%
7690 · Recharge Improvement Debt Pymt	0.00	0.00	0.00	0.0%	471,400.00	600,964.00	-129,564.00	78.44%	450,964.00	450,964.00	0.00	100.0%
7700 · Inactive Well Protection Prgm	167.97	0.00	167.97	100.0%	167.97	706.50	-538.53	23.78%	1,413.00	1,413.00	0.00	100.0%
9502 · G&A Expenses Allocated-Projects	17,564.06	42,018.67	-24,454.61	41.8%	134,515.62	252,111.98	-117,596.36	53.36%	504,224.00	504,224.00	0.00	100.0%
Total Expense	358,803.07	457,121.27	-98,318.20	78.49%	3,578,306.98	4,477,339.35	-899,032.37	79.92%	7,034,767.00	6,873,187.00	161,580.00	102.35%
Net Ordinary Income	-355,388.66	-419,618.77	64,230.11	84.69%	-3,163,658.27	-4,291,334.35	1,127,676.08	73.72%	-81,803.38	-215,000.00	133,196.62	38.05%
Other Income												
4225 · Interest Income	0.00	0.00	0.00	0.0%	7.01	0.00	7.01	100.0%	150.00	0.00	150.00	100.0%
4210 · Approp Pool-Replenishment	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	696,814.15	0.00	696,814.15	100.0%
4220 · Non-Ag Pool-Replenishment	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	27,469.75	0.00	27,469.75	100.0%
4600 · Groundwater Sales	0.00	0.00	0.00	0.0%	12,647,183.31	0.00	12,647,183.31	100.0%	12,647,183.31	0.00	12,647,183.31	100.0%
Total Other Income	0.00	0.00	0.00	0.0%	12,647,190.32	0.00	12,647,190.32	100.0%	13,361,617.21	0.00	13,361,617.21	100.0%
Other Expense												
5010 · Groundwater Replenishment	0.00	0.00	0.00	0.0%	10,269,932.04	0.00	10,269,932.04	100.0%	10,269,932.04	0.00	10,269,932.04	100.0%
5100 · Other Water Purchases	0.00	0.00	0.00	0.0%	2,402,395.88	0.00	2,402,395.88	100.0%	2,402,395.88	0.00	2,402,395.88	100.0%
9999 · To/(From) Reserves	-355,388.66	-419,618.77	64,230.11	84.69%	-3,188,795.87	-4,291,334.35	1,102,538.48	74.31%	607,485.91	-215,000.00	822,485.91	-282.55%
Total Other Expense	-355,388.66	-419,618.77	64,230.11	84.69%	9,483,532.05	-4,291,334.35	13,774,866.40	-220.99%	13,279,813.83	-215,000.00	13,494,813.83	-6,176.66%
Net Other Income	355,388.66	419,618.77	-64,230.11	84.69%	3,163,658.27	4,291,334.35	-1,127,676.08	73.72%	81,803.38	215,000.00	-133,196.62	38.05%
Net Income	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%

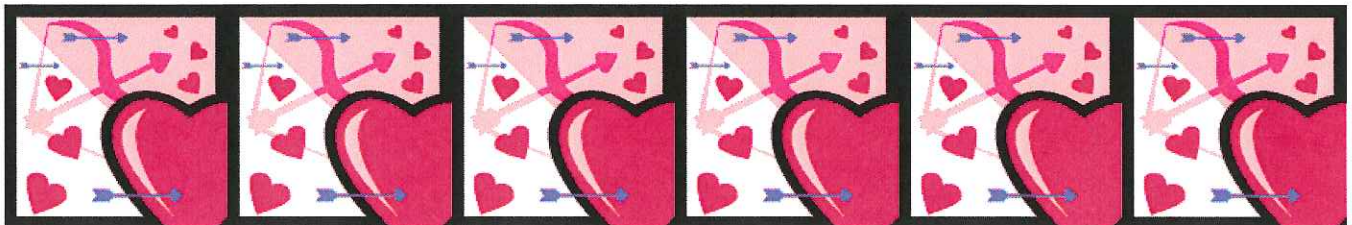
Note: Please see the staff report (Financial Report-B5) for additional detailed information on the account categories.



CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

C. INTERVENTION INTO THE AG POOL





CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: February 16, 2012
TO: Committee Members
SUBJECT: Intervention into the Agricultural Pool

SUMMARY

Recommendation – Staff recommends approval of the Intervention of Tad Nakase (TDN Land Company) into the Agricultural Pool.

BACKGROUND

According to Paragraph 60 of the Judgment:

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

According to Watermaster's Rules and Regulations section 2.27:

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

Watermaster received a petition to Intervene into the Judgment from Tad Nakase on January 19, 2012. It is staffs' understanding that this production has been ongoing, but its existence has only recently come to Watermaster's attention. The water is used to irrigate a nursery, approximately eight acres in size. Due to the fact that the estimated annual water production is expected to be approximately 25 acre-feet per year, the well will be metered.

Staff recommends approval of the intervention into the Agricultural Pool.

Actions:

February 9, 2012 Appropriative Pool – Approved unanimously with the notations made by the WM CEO

February 9, 2012 Non-Agricultural Pool – Moved to approve staff recommendation with the notations made by the WM CEO 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

February 9, 2012 Agricultural Pool – Approved unanimously staff recommendation

February 16, 2012 Advisory Committee –

February 23, 2012 Watermaster Board –

Date: 1/19/12

Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730
Attn: Danni Maurizio, Interim CEO

NEW EARTH NURSERIES

Wholesale to the public

*Your source for the largest selection
of outdoor plants*

5211 Edison Ave., Chino, CA 91710
Central and Edison

Tel: (909) 465-0688 Fax: (909) 465-0939

Tad Nakase 

Subject: Intervention into Chino Basin Watermaster

Dear Ms. Maurizio:

I, or the company I represent (see below), request intervention into the Chino Basin Watermaster Judgment. I/we request that the Watermaster attorneys process the Intervention paperwork through the Court.

Number of wells 1

Permission is granted to obtain drilling logs from _____ Water Well Drilling Co.

Location(s) of wells (including addresses, parcel numbers, and landmarks): 5211 EDISON AVE
CHINO, CA 91710 WEST SIDE ~ 3-400 FT FROM
EDISON

Type of usage (Irrigation, Dairy, Domestic, etc.)

DOMESTIC NURSERY

Property Owner (Well Owner) Information:

Name: TAD NAKASE

Address: 5211 10171 NORTHAMPTON AVE WESTMINSTER CA

Phone: 714 412 7326 Email: 92683

Property Occupant (Well User) Information (if different from Owner):

Name: SAME

Address: _____

Phone: _____ Email: _____

Representative Handling Intervention:

Name: TAD NAKASE Title: _____

Address: _____

Phone: _____ Email: _____

Sincerely,

Signed: 

Print name TAD NAKASE

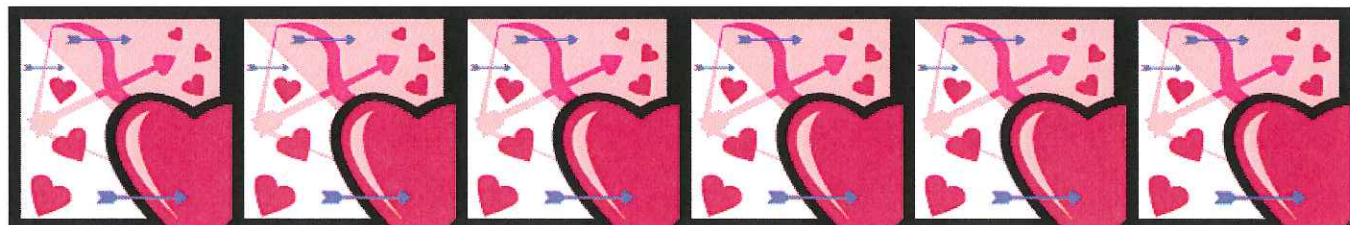
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CHINO BASIN WATERMASTER

I. CONSENT CALENDAR

D. ADVISORY COMMITTEE VOLUME VOTE





CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: February 16, 2012
TO: Advisory Committee Members
SUBJECT: Calendar Year (February – December) 2012 Advisory Committee Volume Vote

SUMMARY

Recommendation – Staff recommends approval of the Calendar Year (February – December) 2012 Volume Vote as presented.

BACKGROUND

Following the approval of each Assessment Package, volume vote calculations for the new calendar year are performed and Parties are allocated a voting percentage. The 2011-2012 Assessment Package was approved by the Board on January 26, 2012.

The Advisory Committee Volume Vote allocation is attached. The total voting power on the Advisory Committee is 100 votes. Of these, 20 votes are allocated to the Agricultural Pool and five votes are allocated to the Overlying (Non-Agricultural) Pool. The remaining 75 votes are allocated to the Appropriative Pool. Within the Appropriative Pool, the voting power shall be apportioned between the Major Appropriator representatives in proportion to their respective voting power in the Appropriative Pool Committee. The remaining two (Minor) representatives shall exercise equally the voting power proportional to the Appropriative Pool Committee voting power of all remaining Appropriators.

Actions:
February 16, 2012 Advisory Committee –

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Peace II

Chino Basin Watermaster 2011-2012 Advisory Committee Volume Vote

Assessment Year 2011-2012 (Production Year 2010-2011)

	Pool 3 Vote	% Vote	Advisory Vote
Minor 1	83.720	8.372%	3.139
Minor 2	83.720	8.372%	3.139
Chino Hills, City Of	30.518	3.052%	2.289
Chino, City Of	41.075	4.108%	3.081
Cucamonga Valley Water District	156.297	15.630%	11.722
Fontana Union Water Company	58.283	5.829%	4.372
Fontana Water Company	53.245	5.325%	3.993
Jurupa Community Services District	104.888	10.489%	7.867
Monte Vista Water District	100.546	10.054%	7.517
Ontario, City Of	171.330	17.133%	12.859
Pomona, City Of	169.404	16.940%	12.710
Upland, City Of	30.689	3.069%	2.312
			75.000
AGRICULTURAL POOL			20.000
NON-AGRICULTURAL POOL			5.000
			25.000
TOTAL			100.000

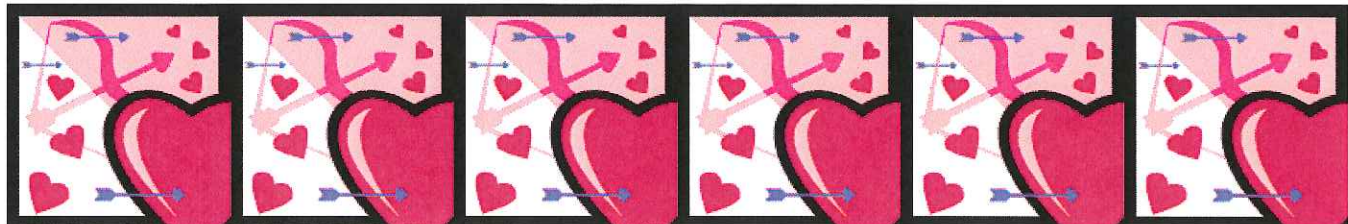
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CHINO BASIN WATERMASTER

II. BUSINESS ITEM

- A. WATERMASTER MID-YEAR
REVIEW, BUDGET TRANSFERS
AND BUDGET AMENDMENTS





CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: February 16, 2012
TO: Committee Members
SUBJECT: Mid-Year Review, Budget Transfers and Budget Amendments

SUMMARY

Issue – Mid Year Review of the Watermaster revenues and expenses for the Period of July 1, 2011 through December 31, 2011, along with the accompanying Budget Transfers and Budget Amendment requests between Watermaster accounts.

Recommendation – (1) Staff recommends the Mid-Year Review Report for the Period July 1, 2011 through December 31, 2011 be received and filed as presented. (2) Staff recommends approval of the Budget Transfer Form T-12-02-01 and the Budget Amendment Form A-12-02-01 as presented.

Financial Impact – None. The Budget Transfer is a reallocation of approved budgeted funds while the Amendment is appropriating unbudgeted revenue which has not been previously allocated or appropriated to a project or expense category.

BACKGROUND:

Each month, a Budget vs. Actual Report is provided to the Pools, Advisory and Board. This report provides a detailed description and analysis of the monthly Watermaster financials and accounts or activities, if any, that are projected to be under or over budget. This report titled "Budget vs. Actual Report for the Period July 1, 2011 through December 31, 2011 - Financial Report - B5" can be found in the Consent Calendar, Section B, Report 5. This report (B-5) is provided as support and is the basis of the information discussed in the Mid Year Report. A Mid-Year Review for the period July 1, 2011 through December 31, 2011 is provided to keep all members apprised of the actual and projected total 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.

BUDGET TRANSFERS:

With regards to the process of budget transfers, the following information is provided:

The Chino Basin Watermaster budget has four main budget categories:

- General & Administrative Expenses
- Optimal Basin Management Program Expenses
- Project Expenditures
- Other Income/Expenses

The CEO has authority to transfer funds within the main budget categories up to \$25,000 without Board approval. However, to allow for full transparency in the process, the Pools, Advisory Committee, and the Board will be informed of all budget transfers less than \$25,000.

Budget transfers greater than \$25,000 *within the same categories* must be formally approved by the Pools, the Advisory Committee, and then by the Board.

If there are insufficient funds within same category, the CEO may propose a transfer from one main category to another. All budget transfers from one main category to another, regardless of the amount, require approval by the Pools, the Advisory Committee, and then by the Board.

All budget transfers are processed in and recorded in the accounting system.

BUDGET AMENDMENT:

If there are no budgeted funds available to transfer to the line item, the CEO will submit a Budget Amendment request to the Pools, Advisory Committee, and then to the Board for approval.

All budget amendments will be presented to the Pools, Advisory Committee, and the Board for formal approval. The budget amendment should indicate the anticipated source of funding for the approved increase.

All budget amendments are processed in and recorded in the accounting system.

DISCUSSION:

SALARY EXPENSES:

The Watermaster approved budget for FY 2011/2012 provided for the salaries budget of \$1,431,436 which was allocated to various GL accounts based upon projected work activities. The chart listed below details the salary expense as of December 31, 2011. The chart shows that while in certain specific line items, the categories might be over or under budget, as a whole, the Watermaster salaries budget is \$2,642 under budget for the first half of the fiscal year.

	Jul '11 - Dec 11	Budget	\$ Over Budget	% of Budget	Annual Budget
WM Salary Expense					
6011 - WM Staff Salaries	221,314.67	221,361.18	-46.51	99.98%	441,032.00
6011.2 - WM Staff - Admin. Paid Leave	55,426.29	0.00	55,426.29	100.0%	0.00
6011.3 - WM Staff - Temporary Upgrade	4,792.93	0.00	4,792.93	100.0%	0.00
6201 - Advisory Committee - WM Staff Salaries	9,561.41	10,620.52	-1,059.11	90.03%	21,241.00
6301 - Watermaster Board - WM Staff Salaries	16,148.32	14,958.00	1,190.32	107.96%	29,916.00
8301 - Appropriative Pool - WM Staff Salaries	14,322.41	14,225.02	97.39	100.69%	28,450.00
8401 - Agricultural Pool - WM Staff Salaries	10,864.08	12,467.48	-1,603.40	87.14%	24,935.00
8501 - Non-Agricultural Pool - WM Staff Salaries	6,225.41	7,116.52	-891.11	87.48%	14,233.00
6901 - OBMP - WM Staff Salaries	112,573.59	108,495.98	4,077.61	103.76%	216,992.00
7101.1 - Production Monitor - WM Staff Salaries	49,645.36	61,074.98	-11,429.62	81.29%	104,150.00
7102.1 - In-line Meter - WM Staff Salaries	4,441.94	5,181.52	-739.58	85.73%	10,363.00
7103.1 - Grdwater Quality - WM Staff Salaries	43,310.63	52,097.48	-8,786.85	83.13%	80,195.00
7104.1 - Grdwater Level - WM Staff Salaries	20,798.67	44,931.52	-24,132.85	46.29%	89,863.00
7105.1 - Sur Wtr Qual - WM Staff Salaries	0.00	1,496.02	-1,496.02	0.0%	2,992.00
7107.1 - Grd Level Monitoring - WM Staff Salaries	0.00	783.00	-783.00	0.0%	1,566.00
7108.1 - Hydraulic Control - WM Staff Salaries	559.50	3,636.52	-3,077.02	15.39%	7,273.00
7201 - Comp Recharge - WM Staff Salaries	41,045.26	62,543.48	-21,498.22	65.63%	125,087.00
7301 - PE3&5 - WM Staff Salaries	11,156.66	18,771.52	-7,614.86	59.43%	37,543.00
7401 - PE4 - WM Staff Salaries	3,468.47	6,117.52	-2,649.05	56.7%	12,235.00
7501.1 - PE 6&7 - WM Staff Salaries (Plume)	18,213.75	0.00	18,213.75	100.0%	0.00
7501 - PE6&7 - WM Staff Salaries	2,274.45	1,496.02	778.43	152.03%	2,992.00
7601 - PE8&9 - WM Staff Salaries	13,134.25	22,711.50	-9,577.25	57.83%	45,423.00
7701 - Inactive Well - WM Staff Salaries	0.00	206.50	-206.50	0.0%	413.00
Subtotal WM Staff Costs	659,278.05	670,292.28	-11,014.23	98.36%	1,296,894.00
60185 - Vacation	44,187.86	33,749.30	10,438.56	130.93%	51,922.00
60186 - Sick Leave	17,237.46	20,655.00	-3,417.54	83.45%	41,310.00
60187 - Holidays	30,268.12	28,917.00	1,351.12	104.67%	41,310.00
Subtotal WM Paid Leaves	91,693.44	83,321.30	8,372.14	110.05%	134,542.00
Total WM Salary Costs	750,971.49	753,613.58	-2,642.09	99.65%	1,431,436.00

Going forward, the Watermaster salaries budget will be over budget. The approved budget of \$1,431,436 did not anticipate for the changes and associated unbudgeted costs with regards to the CEO position, along with the payout of accrued vacation and administrative leave at the end of the CEO contract. The approved FY 2011/2012 budget also did not include the costs associated with hiring a part-time Interim CEO for a 6-month period beginning January 17, 2012 and continuing until July 17, 2012. It is projected that the total additional costs for the former CEO and Interim CEO will be approximately \$120,000.

WILDERMUTH ENVIRONMENTAL AND OTHER ENGINEERING:

Watermaster staff and the Wildermuth Environmental, Inc. (WEI) staff have numerous meetings throughout the year to continuously evaluate the ongoing OBMP and project needs in conjunction with the budgetary constraints. The Wildermuth Environmental, Inc. Estimated Cost at Completion (ECAC) report (see Table 1 below), details the line by line categories and calculates a shortfall of \$341,580 within the (WEI) budget for the OBMP and Project related expenses. Please note that the overall Wildermuth approved budget for FY 2011/2012 is \$2,250,068 which does not include the additional funding or expenses of \$300,000 which is being provided by Three Valleys Metropolitan Water District. When the amount of \$300,000 is added to the WEI budget of \$2,250,068 the total Engineering budget is

\$2,550,068. When compared to the ECAC report, the shortfall is reduced from \$341,580 down to \$41,580.

Table 1
Chino Basin Watermaster: Invoice Projections for Engineering Tasks for Fiscal Year 2011/12
As of December 31, 2011

Acct #	Description	Original Budget	Revised Budget	Billed Jul-11	Billed Aug-11	Billed Sep-11	Billed Oct-11	Billed Nov-11	Billed Dec-11	Projected Jan-12
6606	OBMP Engineering	\$ 258,209	\$ 258,209	\$ 13,813	\$ 10,119	\$ 48,216	\$ 31,270	\$ 12,960	\$ 15,958	\$ 21,680
6606.1	Evaluate Basin	204,010	204,010	54,189	38,124	40,060	34,495	38,123	-	30,000
7103.3	Groundwater Quality Monitoring Program	117,390	117,390	7,316	18,253	12,425	18,122	22,928	9,981	9,800
7104.3	Groundwater Level Monitoring Program	175,069	175,069	16,804	31,408	24,054	16,239	23,132	23,421	12,142
7107	MZ1 Monitoring Program	602,877	602,877	10,283	38,873	31,414	67,377	28,100	60,347	30,000
7108	Hydraulic Control Monitoring Program	452,511	452,511	22,498	39,247	19,240	31,431	34,467	34,348	36,970
7109	Recharge and Well Monitoring Program	11,169	11,169	-	-	-	-	-	-	-
7202	Comprehensive Recharge Plan	241,320	241,320	430	-	-	14,113	13,135	5,133	20,800
7303	Engineering Support for Desalters	47,840	47,840	11,341	2,488	3,334	4,538	2,000	6,511	3,000
7402	Management Zone Strategies	55,732	55,732	3,681	2,011	1,825	888	5,111	2,575	3,450
7502	Water Quality Committee	85,950	85,950	-	-	-	-	13,745	8,617	5,000
Totals		\$ 2,250,068	\$ 2,250,068	\$ 140,402	\$ 177,630	\$ 180,588	\$ 218,471	\$ 195,691	\$ 156,892	\$ 172,342

Acct #	Description	Projected Feb-12	Projected Mar-12	Projected Apr-12	Projected May-12	Projected Jun-12	Total Projected	Under / (Over) Rev. Budget	YTD % Billed Rev. Budget	Projected % Rev. Budget
6606	OBMP Engineering	\$ 17,990	\$ 17,990	\$ 13,990	\$ 9,980	\$ 9,980	\$ 224,304	\$ 31,905	52%	88%
6606.1	Evaluate Basin	30,000	30,000	30,000	30,000	-	354,010	(150,000)	100%	174%
7103.3	Groundwater Quality Monitoring Program	15,170	4,218	1,040	1,040	2,060	123,353	(5,953)	77%	105%
7104.3	Groundwater Level Monitoring Program	10,140	12,870	8,188	10,270	9,778	198,443	(21,374)	77%	112%
7107	MZ1 Monitoring Program	9,800	78,700	365,313	67,600	225,035	1,002,021	(399,144)	37%	168%
7108	Hydraulic Control Monitoring Program	66,847	63,086	26,051	21,843	21,691	419,805	32,708	40%	93%
7109	Recharge and Well Monitoring Program	2,232	2,232	-	2,232	-	6,699	4,494	0%	60%
7202	Comprehensive Recharge Plan	20,000	20,000	20,000	10,000	10,000	132,510	108,510	14%	55%
7303	Engineering Support for Desalters	3,000	-	-	-	-	38,221	11,819	63%	76%
7402	Management Zone Strategies	6,600	9,200	18,500	4,000	-	60,122	(4,393)	29%	108%
7502	Water Quality Committee	500	7,000	500	-	500	35,982	60,088	26%	42%
Totals		\$ 186,569	\$ 245,286	\$ 481,572	\$ 157,165	\$ 279,042	\$ 2,591,648	\$ (341,580)	48%	115%

Note: Billed includes MWH Laboratory Invoices paid directly by Watermaster.
 Excludes invoices for project 007-010 Perchlorate in the City of Pomona Service Area - CSWM

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 CSWM_Invoice_Summary_ISBM_20120111-Projection Summary



Note: Table 1 includes the additional expense of \$300,000 for the vertical extensometer in account 7107 but does not include the additional revenue provided by TVMWD of \$300,000.

The account adjustment from the (WEI) projected budget (including the additional funds of \$300,000 from TVMWD) is as follows:

Account	Description	Approved Budget	Projected Budget	Under/(Over) Budget
6906	OBMP Engineering	\$ 256,209	\$ 224,304	\$ 31,905
6906.1	Evaluate Basin	\$ 204,010	\$ 354,010	\$ (150,000)
7103.3	Groundwater Quality Monitoring Program	\$ 117,390	\$ 123,353	\$ (5,963)
7104.3	Groundwater Level Monitoring Program	\$ 175,069	\$ 196,443	\$ (21,374)
7107	MZ1 Monitoring Program	\$ 602,877	\$ 1,002,021	\$ (399,144)
7108	Hydraulic Control Monitoring Program	\$ 452,511	\$ 419,805	\$ 32,706
7109	Recharge and Well Monitoring Program	\$ 11,160	\$ 6,696	\$ 4,464
7202	Comprehensive Recharge Program	\$ 241,320	\$ 132,810	\$ 108,510
7303	Engineering Support for Desalters	\$ 47,840	\$ 36,221	\$ 11,619
7402	Management Zone Strategies	\$ 55,732	\$ 60,122	\$ (4,390)
7502	Water Quality Committee	\$ 85,950	\$ 35,862	\$ 50,088
	Subtotal WEI Budget	\$ 2,250,068	\$ 2,591,648	\$ (341,580)
7107	TVMWD Contribution	\$ 300,000	\$ -	\$ 300,000
	Total Engineering Budget	\$ 2,550,068	\$ 2,591,648	\$ (41,580)

The following information is provided by WEI to detail the ongoing activities and project status.

**Chino Basin Watermaster
 Budget and Description of Engineering Tasks
 Fiscal Year 2011/2012**
*Progress and Estimated Cost at Completion for the Period:
 July 1, 2011 through December 31, 2011*

6906 – Optimum Basin Management Program: General Engineering
Tasks
<ul style="list-style-type: none"> • Pool, Advisory, Watermaster Meetings • Other General Meetings as Requested • Evaluation of Transfers, Assessment of Supplemental Water Recharge • Miscellaneous Data Requests • Miscellaneous CEO Requests • Water Rights Compliance Reporting • Project Management
Milestones/Accomplishments
<p>Pool, Advisory, Watermaster Meetings</p> <ul style="list-style-type: none"> • Prepared for and attended monthly Pool, Advisory, Watermaster Meetings in the period July through December. • Other General Meetings as Requested <ul style="list-style-type: none"> • Participated in the October 2011 Court proceedings (prepared declaration, participated in hearing planning meetings and conference calls, prepared several versions of a Powerpoint presentation for use in live testimony, provided testimony). • Participated in conference calls for agenda preparation for the November 2011 Watermaster process meetings • Evaluation of Transfers, Assessment of Supplemental Water Recharge – No Activity • Miscellaneous Data Requests <ul style="list-style-type: none"> • Provided the IEUA with maps that demonstrate Chino Basin monitoring program in support of the Desalter Expansion Grant Proposal. • Provided groundwater-elevation data to the Cooperative Well Measuring Program. • Provided GeoPentech with MZI groundwater-level elevation. • At the request of Chino Basin Watermaster, generated a groundwater elevation change raster from Fall 2006 to Spring 2010 and prepared a map for MWDSC. • Delivered the Phase 3 Chino Desalter Preliminary Design Report to Kurt Burtchold at the Regional Board. • Fulfilled a data request for the Chino Basin Water Conservation District with daily evaporation data for the Chino Basin area. • Delivered shapefiles of the Chino Basin Management Zones to Jurupa Community Service District. • Prepared a soil classification map of the Chino Basin and distributed to IEUA staff and Katy Kunysz at the MWDSC. • Provided IEUA with daily wastewater discharge data used for the Recharge Optimization Modeling Study. • Created an ArcMap layer file of the 2010 depiction of the VOC plumes in the Chino Basin, and a

Chino Basin Watermaster

Fiscal Year 2011/2012

Progress and Estimated Cost at Completion for the Period: July 1, 2011 through December 31, 2011

reference map, and delivered to Frank Yoo at Watermaster.

- **Miscellaneous CEO Requests**
 - Provided assistance in updating the Annual Report.
 - Evaluated material physical injury for the GE recharge application.
 - Completed material physical injury analysis for seven pending local storage agreements.
 - Prepared a letter report on Watermaster's compliance with the 2010 Recharge Master Plan Update.
 - Assisted the CEO in preemptive recharge planning.
- **Water Rights Compliance Reporting**
 - Pursuant to Watermaster's Water Rights Permit 21225, WEI staff prepared and submitted the 2010/11 Annual Streamflow Monitoring Report that describes the impact of stormwater diversions by the Watermaster/IEUA on flow entering the Santa Ana River. The report is due each year to the Department of Fish and Game on October 1st. WEI Submitted the draft Streamflow Monitoring Report to Gerry Greene and Bradley Herrema on September 27, 2011 and the final report on September 30, 2011.
 - Project Management
 - Analyzed staffing requirements and made assignments for various tasks.
 - Reviewed and approved MWH Laboratory invoices.
 - Prepared the estimated cost at completion (ECAC) and Integrated Schedule and Budget reports.

Budget	Billed	ECAC	Projected (Over)/Under
\$256,209	\$132,424	\$224,304	\$31,905

Chino Basin Watermaster

Fiscal Year 2011/2012

Progress and Estimated Cost at Completion for the Period: July 1, 2011 through December 31, 2011

6906.1 – Evaluate Basin Dynamics Pursuant to the Peace Agreement, Watermaster Rules and Regulations			
Tasks			
<ul style="list-style-type: none"> • Purpose: New modeling is required to meet several objectives of the Judgment, the Peace Agreements, Watermaster Rules and Regulations, and the September 2010 court order regarding implementation of the 2010 Recharge Master Plan Update. These efforts include the recalibration of the 2007 Watermaster Model and the use of this model to complete several required assessments that include: completion of the safe yield estimate, evaluation of new yield created by the desalters and reoperation, evaluation of the state of hydraulic control, evaluation of the balance of recharge and discharge, evaluation of storage losses, and evaluation of the cumulative effects of transfers. 			
Milestones/Accomplishments			
<ul style="list-style-type: none"> • All data was collected to update the model • Revised hydrostratigraphy based on new wells • Revised and updated groundwater pumping and wet water recharge • Refined land use files and improved the resolution of agricultural pumping and return flows • Revised riparian vegetation mapping and evapotranspiration estimates • Revised initial estimates of aquifer properties • Revised estimates of return flows from septic tanks • Revised estimates of water system losses to groundwater • Selected calibration targets • Initiated calibration 			
Budget	Billed	ECAC	Projected (Over)/Under
\$204,010	\$204,010	\$354,010	(\$150,000)

Chino Basin Watermaster

Fiscal Year 2011/2012

Progress and Estimated Cost at Completion for the Period: July 1, 2011 through December 31, 2011

7103 – PEI: Groundwater Quality Monitoring Program			
Tasks			
<p><i>Purpose: [Basin Plan and Max Benefit] Obtain groundwater quality information in and adjacent to Chino Basin. These data are required for the triennial ambient water quality update mandated by the Basin Plan and for the Hydraulic Control Monitoring Program – a maximum benefit requirement in the Basin Plan. The data are also used for the Biannual State of the Basin report and estimating influent water quality to desalter wells.</i></p>			
<ul style="list-style-type: none"> • Obtain Groundwater Quality Data Routinely from about 200 Wells from All Appropriators and Cooperators in and Adjacent to Chino Basin. This represents about 20,000 records in Watermaster's database. Subtasks include: <ul style="list-style-type: none"> • phone calls and meetings with water quality staff • uploading hardcopy, spreadsheet, and laboratory electronic data deliverables to Watermaster's database. • Collect and Analyze Groundwater Quality Samples from About 50 Private Wells. Subtasks include: <ul style="list-style-type: none"> • annual re-evaluation of the key well program due to abandoned and destroyed wells • selecting the wells to be sampled • coordinating and scheduling with Watermaster staff whom is performing the fieldwork, and with the analytical laboratory. • uploading field and laboratory data to Watermaster's database. • The field work follows the standard operating procedures (SOPs) and the Quality Assurance Project Plan (QAPP) defined in the 2004 HCMP Work Plan. • Characterize Groundwater Quality Conditions and Trends. Subtasks include: <ul style="list-style-type: none"> • create time-history plots of key water quality constituents, e.g., TDS and nitrate-nitrogen. • Create maps showing the spatial distribution of water quality constituents. • Attend meetings on regional water quality issues as required (e.g., SAWPA's Emerging Contaminants Workgroup meetings) 			
Milestones/Accomplishments			
<ul style="list-style-type: none"> • Obtained January 2011 through June 2011 groundwater quality data from 12 appropriators and cooperators in and adjacent to Chino Basin to be used for the 2011 HCMP Annual Report, 2012 SOB Report, and the Triennial Update of the Ambient Water Quality as required by the Basin Plan. • Processed and uploaded into the database, 70 percent of the January 2011 through June 2011 groundwater quality data collected from appropriators and cooperators in the Chino Basin. • Designed the 2011 Key Well Program Groundwater Quality Monitoring Program, which includes water quality sampling at a network of private wells throughout the southern Chino Basin, the MZ3 wells, and Kaiser Plume monitoring wells. • Provided scheduling and planning assistance to Watermaster staff for the 2011 Key Well Groundwater Quality Monitoring Program. Forty two groundwater quality samples were collected from September through December 2011 and sent to MWH Laboratories. • Finalized 25 water quality exhibits for the 2010 State of the Basin Report 			
Budget	Billed	ECAC	Projected (Over)/Under
\$117,390	\$90,025	\$123,353	(\$5,963)

Chino Basin Watermaster

Fiscal Year 2011/2012

Progress and Estimated Cost at Completion for the Period: July 1, 2011 through December 31, 2011

7104 – PEI: Groundwater Level Monitoring Program			
Tasks			
<p><i>Purpose: [Basin Plan and Max Benefit] Obtain groundwater level information in and adjacent to Chino Basin. These data are required for the triennial ambient water quality update mandated by the Basin Plan and for the Hydraulic Control Monitoring Program – a maximum benefit requirement in the Basin Plan. The data are also used for the Biannual State of the Basin report and for the Chino Basin Groundwater Model.</i></p>			
<ul style="list-style-type: none"> • Collect and Analyze Groundwater Level Measurements from About 184 Wells. Subtasks include: <ul style="list-style-type: none"> • annual re-evaluation of the key well program due to abandoned and destroyed wells • scheduling the field work • performing the field work: manual measurements are collected monthly at 72 wells and transducer data is downloaded quarterly at 112 wells. • process, QC, and upload of manual water level measurements to Watermaster's database • process, QC, and upload of transducer data to Watermaster's database • field work follows the SOPs and the QAPP defined in the 2004 HCMP Work Plan. • Routinely collect, process, QC, and upload water level measurements to Watermaster's database that were compiled by CBWM staff from all Appropriators and Cooperators in and Adjacent to Chino Basin. • Routinely collect, process, QC, and upload transducer data from about 30 wells that was downloaded in the field by CBWM staff. • Characterize Groundwater Level Conditions and Trends. Subtasks include: <ul style="list-style-type: none"> • create time-history plots of groundwater elevations • create maps showing groundwater elevation contours 			
Milestones/Accomplishments			
<ul style="list-style-type: none"> • Performed 432 groundwater level measurements at the 72 wells in the Monthly Groundwater Level Program. • Uploaded all monthly measured water levels into the Watermaster database. • Downloaded, processed, analyzed, and uploaded to the database 2011 third quarter transducer data at 82 groundwater monitoring wells in August and September. • Downloaded, processed, analyzed, and uploaded to the database 2011 fourth quarter transducer data at 64 groundwater monitoring wells in November. • Processed, analyzed, and uploaded to the database 29 transducer files downloaded by Watermaster staff for February through May 2011 data. • Processed, analyzed, and uploaded to the database 30 transducer files downloaded by Watermaster staff for May through September 2011 data. • Prepared 23 groundwater level exhibits for the 2010 State of the Basin Report • Prepared and submitted to the DWR the Monitoring Plan for the Chino Basin for the Statewide Groundwater Elevation Monitor Program (CASGEM). 			
Budget	Billed	ECAC	Projected (Over)/Under
\$175.069	\$135.057	\$196.443	(\$21.374)

Chino Basin Watermaster

Fiscal Year 2011/2012

Progress and Estimated Cost at Completion for the Period: July 1, 2011 through December 31, 2011

7107 – PEI: Ground Level Monitoring Program	
Tasks	
Purposes:	<i>The first purpose is verify the protective nature of the current MZI Plan with regard to permanent land subsidence and ground fissuring in the Managed Area. The second purpose to develop information that will lead to a revised pumping and recharge plan to minimize the risk of future land subsidence and ground fissuring across all of MZI.</i>
	<ul style="list-style-type: none"> • Setup and Maintenance of Monitoring Network. Subtasks include: <ul style="list-style-type: none"> • Equipment maintenance at the Ayala Park Extensometer and across entire monitoring network • Install, calibrate, and maintain horizontal monitoring equipment across zone of historical ground fissures • Prepare technical specifications, install, calibrate, and maintain a new extensometer/piezometer facility to be located in the Southeast Area, near the Chino Creek Well Field • Aquifer System Monitoring and Testing. Subtasks include: <ul style="list-style-type: none"> • Collection and organization of groundwater-level and groundwater-production data from wells in MZI monitoring network • Conduct controlled aquifer-system stress testing and associated monitoring • Assist the City of Chino Hills with its aquifer injection test at Well CH-16, and to coordinate with the Department of Water Resources on Local Groundwater Assistant Grant reporting and administration • Aquifer System Monitoring and Testing – Outside Pro • Ground Level Surveys. Subtasks include: <ul style="list-style-type: none"> • Conduct Fall 2011 ground-level survey in Managed Area • Conduct Spring 2012 survey and EDMs (horizontal monitoring) near the zone of historical fissuring • Ground Level Surveys - Outside Pro • InSAR – subsidence monitoring across entire Chino Basin for 2010-11 • InSAR – perform comparisons between the current system used to collect InSAR data (EnviSat) and alternate systems (TerraSAR-X, Radarsat, etc.) to determine the feasibility of various alternatives if the current system fails before a replacement satellite is launched in 2013 • InSAR – Outside Pro
Milestones/Accomplishments	
	<ul style="list-style-type: none"> • Performed monthly routine maintenance and manual checking of water levels at the Ayala Park Extensometer facility. • Replaced two malfunctioning transducers in the MZI network. • Maintained a continuous internet connection to the Ayala Park Extensometer facility to facilitate a “live” data read from the PA-7 piezometer on Watermaster’s web site. • Performed quarterly downloads of data from the Ayala Park Extensometer Facility and the cable extensometers at the PC vault. Post-processed, checked and cataloged extensometer and piezometer data to the MZI database. Prepared stress-strain diagrams of water levels at piezometers vs. extensometers. • Downloaded, cataloged, and checked transducer data from MZI monitoring network of wells. Uploaded extensometer data to the Watermaster database, and selected a representative data set to upload to the

Chino Basin Watermaster

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Progress and Estimated Cost at Completion for the Period: July 1, 2011 through December 31, 2011

HydroDaVE database.

- Installed 63 benchmark monuments in the area of the Chino Creek Well Field, and incorporated the new monuments into the existing MZI survey network.
- Performed Fall 2011 ground-level survey across MZI Managed Area.
- Ordered InSAR data from the European Space Agency for 2010-11 (EnviSat system).
- Ordered sample InSAR data from an alternate satellite system (TerraSAR-X) and performed preliminary comparisons between the two datasets.
- Coordinated with DWR staff on status of AB3030 grant for aquifer injection pilot testing at CH-16. Submitted the initial progress report and invoice to the Department of Water Resources. Requested and obtained an amendment to the Local Groundwater Assistance Grant agreement allowing for an extension of the schedule through April 2014.
- Prepared technical specifications for an extensometer and nested piezometer near the Chino Creek Well Field.
- Coordinated with the County of San Bernardino to identify a site for the CCWF Extensometer facility, and to prepare a draft easement agreement for the site on County property.
- Reached an easement agreement with a private land owner that allows Watermaster to install and maintain a horizontal extensometer.
- Installed, tested, and calibrated a horizontal extensometer designed to measure horizontal strain across the zone of historical fissuring.
- Budget note: It is expected that Three Valleys Municipal Water District will contribute \$300,000 to the construction of the extensometer near the Chino Creek Well Field.
- Budget note: The Land Subsidence Committee recommended an apportionment of \$100,000 from unallocated Watermaster funds at the December 15th meeting to augment the ground-level monitoring program budget. These funds are intended to cover the cost of construction and installation of the horizontal extensometer in MZI and the vertical extensometer in the vicinity of the Chino Creek Well Field.

Revised Budget	Billed	ECAC	Projected (Over)/Under
\$602,877	\$225,373	\$1,002,021	(\$399,144)

Chino Basin Watermaster

Fiscal Year 2011/2012

Progress and Estimated Cost at Completion for the Period: July 1, 2011 through December 31, 2011

7108 – PEI: Hydraulic Control Monitoring Program

Tasks

Purpose: [Basin Plan and Max Benefit] Obtain surface water discharge and water quality data from the Santa Ana River and its tributaries and groundwater quality information in and adjacent to Chino Basin. These data are required by the Basin Plan (the surface water stations and frequencies are specified in Table 5-8a) and for the Hydraulic Control Monitoring Program – a maximum benefit requirement in the Basin Plan. The data are also used for the Biannual State of the Basin report and for the Chino Basin Groundwater Model.

- **Measure Discharge at Specified Surface Water Stations in the Santa Ana River and Tributaries.** Direct Discharge measurements are made at 6 stations every other week. Subtasks include:
 - scheduling the field work
 - performing the field work
 - QA/QC'ing the discharge calculations
 - uploading the discharge data to Watermaster's database.
 - The field work follows the SOPs and the QAPP defined in the 2004 HCMP Work Plan.
- **Collect Grab Surface Water Quality Samples at Specified Surface Water Stations in the Santa Ana River and Tributaries.** Samples are collected at 14 stations every other week as mandated by the Basin Plan. Samples are also collected from 3 POTWs every other week. When applicable water quality samples are also collected at five sites along Chino Creek to investigate rising groundwater. The Subtasks include:
 - scheduling the field work and coordinating with the analytical laboratory
 - performing the field work
 - uploading field and laboratory data to Watermaster's database.
- **Collect annual groundwater quality samples from the 21 HCMP monitoring wells.** Subtasks include:
 - scheduling the field work and coordinating with the analytical laboratory
 - performing the field work
 - uploading field and laboratory data to Watermaster's database.
- **Collect near-river groundwater samples at the NAWQA and SARWC Wells.** The 2 NAWQA and 2 SARWC wells are sampled monthly. Subtasks include:
 - scheduling the field work and coordinating with the analytical laboratory
 - performing the field work
 - uploading field and laboratory data to Watermaster's database.
- **Routinely collect discharge data from the Santa Ana River and its tributaries measured by the USGS and collect treatment plant effluent discharge and water quality data collected by the IEUA, City of Riverside, the City of Corona, and the WRCRWA.** All data are processed, checked for QA/QC and loaded to Watermaster's database.
- **Interpretation of HCMP Data and Data Analyses/Comparison with Metrics.** All data generated in the HCMP, as well as the GWQMP and the GWLMP will be analyzed and used to demonstrate the degree of hydraulic control obtained by basin re-operation and desalter production.
- **2011 Aerial Photograph.** Watermaster will purchase a compressed, digital 2011 Aerial Photograph of the Chino Basin Area in support of the HCMP.
- **HCMP Monitoring Well Master Plan and Grant Applications.** Watermaster and IEUA will develop a master plan of new monitoring wells that will be required to demonstrate hydraulic control in Chino Basin as part of the Maximum Benefit requirement.
- **Reports—Compose four quarterly data reports and one annual HCMP report (draft and final).**

Chino Basin Watermaster **Fiscal Year 2011/2012**
Progress and Estimated Cost at Completion for the Period: July 1, 2011 through December 31, 2011

- Regulatory Support – Watermaster and IEUA will work with the Regional Board to petition revised surface water monitoring program element of the HCMP monitoring program.
- Meetings

Milestones/Accomplishments

- 42 manual discharge measurements were collected at six stations in the Santa Ana River and tributaries as mandated by the Basin Plan. The discharge measurements were processed, reviewed, and uploaded to the database.
- 184 grab surface water quality samples were collected from 14 stations in the Santa Ana River and tributaries as mandated by the Basin Plan, and 5 sites along Chino Creek. Samples were sent to MWH Laboratories.
- 36 grab water quality samples were collected from three treatment plants that discharge to the Santa Ana River and tributaries as mandated by the Basin Plan. Samples were sent to MWH Laboratories
- Processed and uploaded into the database 100 percent of the surface water quality data obtained from MWH laboratories for the HCMP Surface Water Quality Program for July through December 2011 sampling events.
- Collected, and uploaded to the database results from biweekly grab water quality samples collected from IEUA for March through September 2011, for their four treatment plants that discharge to the Santa Ana River and tributaries as mandated by the Basin Plan.
- Daily discharge data for March through September 2011 were collected and uploaded into the database from seven treatment plants that discharge to the Santa Ana River and tributaries as mandated by the Basin Plan.
- Daily discharge data for March through September 2011 were collected from the USGS website and uploaded into the database, for eight stations in the Santa Ana River and tributaries as mandated by the Basin Plan.
- 24 monthly groundwater quality samples were collected from near river wells (NAWQA and SARWC wells). Samples were sent to MWH Laboratories.
- 21 annual groundwater quality samples were collected from the HCMP monitoring wells in September 2011. Samples were sent to MWH Laboratories
- Processed, uploaded into the database, and check for QA/QC the groundwater quality data collected for the HCMP Groundwater Quality Monitoring Program for July through December 2011.
- The Second Quarter 2011 Surface Water Monitoring Program Report was submitted to the Regional Board on July 15, 2011.
- The Third Quarter 2011 Surface Water Monitoring Program Report was submitted to the Regional Board on October 15, 2011.
- Prepared Basin Plan Amendment documents to submit to the Regional Board to revise the surface water monitoring program element of the HCMP monitoring program.

Budget	Billed	ECAC	Projected (Over)/Under
\$452,511	\$181,319	\$419,805	\$32,706

Chino Basin Watermaster

Fiscal Year 2011/2012

Progress and Estimated Cost at Completion for the Period: July 1, 2011 through December 31, 2011

7109 – PEI: Recharge and Well Monitoring Program: Pursuant to the Groundwater Recharge Permit and Maximum Benefit			
Tasks			
<p><i>Purpose: [Max Benefit] IEUA will prepare reports related to the Chino Basin Groundwater Recycled Water Recharge Program. Watermaster will peer review the reports.</i></p> <ul style="list-style-type: none"> • Review Quarterly and Annual Reports for Chino Basin Recycled Water Groundwater Recharge Program • Review results of the Brooks Basin Tracer Test. • Review Start-Up Protocol Reports as needed. 			
Milestones/Accomplishments			
<ul style="list-style-type: none"> • At the request of Watermaster, Quarterly and Annual Reported developed by IEUA were not reviewed this reporting period. We recommend that we resume review of these reports, because Watermaster is a co-permittee on the Chino Basin Groundwater Recharge Program and it would be in Watermaster's best interests to ensure that – to the extent possible – the reports are factually correct, free from errors, and demonstrates compliance with the permit. 			
Budget	Billed	ECAC	Projected (Over)/Under
\$11,160	\$0	\$6,696	\$4,464

Chino Basin Watermaster

Fiscal Year 2011/2012

Progress and Estimated Cost at Completion for the Period: July 1, 2011 through December 31, 2011

7202 – PE2: Comprehensive Recharge Plan			
Tasks			
<p><i>The purposes of this task are to provide engineering and institutional support to the Watermaster in the early implementation of the 2010 Recharge Master Plan Update as directed by the Court and the Watermaster Board. This will include the following efforts:</i></p> <ul style="list-style-type: none"> • Develop new groundwater production and replenishment projections pursuant to recommendations in the 2010 RMPU and as ordered by the Court in its October 8, 2010 Order. • As-requested work from the Watermaster CEO specifically in support of the 2010 RMPU steering committee. • As-requested attendance at the GRCC meetings 			
Milestones/Accomplishments			
<ul style="list-style-type: none"> • At Watermaster CEO direction, we attended the July 2011 GRCC meeting. • Prepared revised groundwater production and replenishment projections and submitted a draft report to Watermaster Parties in December 2011 for their review. Conducted a workshop in December 2011 with the Watermaster Parties. • Prepared for and participated in 2011 RMPU Steering Committee meetings in October 25, November 8, and December 7. 			
Budget	Billed	ECAC	Projected (Over)/Under
\$241,320	\$32,810	\$132,810	\$108,510

Chino Basin Watermaster

Fiscal Year 2011/2012

Progress and Estimated Cost at Completion for the Period: July 1, 2011 through December 31, 2011

7303 – Engineering Support for Desalters			
Tasks			
<p><i>Purpose: [Basin Plan and Max Benefit] Plan, site, drill, and construct wells for the Chino Creek Desalter Well Field. This well field is required for hydraulic control in the southwest portion of Chino Basin – hydraulic control is a necessary condition for maximum benefit in the Basin Plan.</i></p> <ul style="list-style-type: none"> • Chino Creek Desalter Well Field. Subtasks include: <ul style="list-style-type: none"> • Coordination with CDA, other agencies, and consultant for desalter well field development. • Review well siting. • Review of lithologic/geophysical logs and testing data, and review well design. • Provide groundwater flow modeling support to assess the effects of planned desalter well field operations, including the addition of new wells. 			
Milestones/Accomplishments			
<ul style="list-style-type: none"> • Reviewed borehole and testing data as the CCWF wells have been drilled. • Prepared letters to Watermaster CEO on the proposed designs of the CCWF wells with regard to Watermaster objectives of achieving hydraulic control and not causing damaging land subsidence. • 			
Budget	Billed	ECAC	Projected (Over)/Under
\$47,840	\$30,221	\$36,221	\$11,619

Chino Basin Watermaster

Fiscal Year 2011/2012

Progress and Estimated Cost at Completion for the Period: July 1, 2011 through December 31, 2011

7402 – PE4: Management Zone Strategies			
Tasks			
<p>Purposes:</p> <p>1) To verify the protective nature of the current MZI Plan with regard to permanent land subsidence and ground fissuring in the Managed Area.</p> <p>2) To develop a pumping and recharge plan to minimize the risk of future land subsidence and ground fissuring across all of MZI.</p> <ul style="list-style-type: none"> • PE4/MZI: Data Analyses and Reports. Subtasks include: <ul style="list-style-type: none"> • Analysis of production, piezometric, extensometer, ground-level survey, horizontal strain, InSAR, and seismic data • Preparation of MZI Annual Report • PE4/MZI: Meetings and Administration <ul style="list-style-type: none"> • Develop a scope of work and cost-estimate for FY2012-13 			
Milestones/Accomplishments			
<ul style="list-style-type: none"> • Compiled and formatted piezometric and extensometer data to analyze the response of the deep aquifer in MZI to seasonal production at Well CH-17. • Provided written progress reports and outlined budget changes stemming from to the installation of the horizontal extensometer facility in MZI and the siting and construction of a vertical extensometer in the vicinity of the Chino Creek Well Field with Watermaster staff. • Prepared for and attended Land Subsidence Committee meetings to coordinate and provide periodic updates on the subsidence work in the Chino Basin. This included meetings to discuss budget changes related to the installation of the horizontal extensometer facility in MZI and the siting and construction of a vertical extensometer in the vicinity of the Chino Creek Well Field. 			
Budget	Billed	ECAC	Projected (Over)/Under
\$55,732	\$16,072	\$60,122	(\$4,390)

Chino Basin Watermaster

Fiscal Year 2011/2012

Progress and Estimated Cost at Completion for the Period: July 1, 2011 through December 31, 2011

7502 – Water Quality Committee			
Tasks			
<i>Purpose: These tasks address special water quality issues that impact Chino Basin.</i>			
<ul style="list-style-type: none"> • Water Quality Committee Meetings. This task assumes four, quarterly meetings with the WQC. • As Needed Investigations (e.g., perchlorate isotopes). This task is for special water quality studies, for example, a perchlorate isotope source study of Hole Lake, and/or a study of low detection limit perchlorate in the Santa Ana River and potential impacts to Chino Basin due to increased desalter and JCSD pumping. • Ontario International Airport VOC Plume. Subtasks include: <ul style="list-style-type: none"> • coordination and negotiation with OIA PRPs • Chino Airport VOC Plume. Subtasks include: <ul style="list-style-type: none"> • coordination and negotiation with Chino Airport PRP. • ESTCP Cross-Fault Study 			
Milestones/Accomplishments			
<ul style="list-style-type: none"> • Water Quality Committee Meetings. • No Water Quality Committee meetings occurred during the reporting period. Ontario International Airport (OIA) VOC Plume. Subtasks include: <ul style="list-style-type: none"> • Coordination and negotiation with OIA PRPs. • Oversight of PRP monitoring program. • Uploaded data from the ABGL/Watermaster duplicate sample events (taps and wells) into HydroDaVE. • On October 13, 2011, Erler & Kalinowski, Inc. (EKI) published a Remedial Investigation Report (RI) concerning the Archibald South Plume. This report was prepared on behalf of the Potentially Responsible Parties (PRPs) at the Ontario International Airport (OIA): Aerojet, Boeing, General Electric, and Lockheed Martin (ABGL). At the request of Watermaster, WEI reviewed this report and prepared comments. The comments will be provided to Watermaster the first week in January 2012. Chino Airport VOC Plume. <ul style="list-style-type: none"> • Exchanged groundwater quality and groundwater elevation data with the County's Consultant, TetraTech. These data were subsequently loaded into HydroDaVE. • ESTCP Cross-Fault Study <ul style="list-style-type: none"> • Prepared for and attended the ESTCP Technical Advisory Committee (TAC) meeting on October 26, 2011, where Watermaster is a participant. Watermaster provided considerable groundwater elevation and groundwater quality data to the principal investigators of that study. 			
Budget	Billed	ECAC	Projected (Over)/Under
\$85,950	\$22,362	\$35,862	\$50,088

LEGAL EXPENSES:

A review of the Brownstein legal expenses as of December 31, 2011 shows that the legal costs are under budget by \$23,142 or 6.2% when consolidated. However, some of the legal budget items were front loaded for the first six months such as the Restated Judgment (6072), the Desalter Negotiations (6907.33) and the Paragraph 31 Motion (6907.35). There were also some legal line items that were budgeted for, but had no activity during the period (i.e. Court Coordination and Regional Water Quality Control Board). And the reverse, line items that had no budget, but due to unforeseen actions, had activity during the period (i.e. Replenishment Water, Santa Ana River Habitat). Projecting the expense forward to June 30, 2012, if we take into account the past expenses/issues that will not continue into the next half of the fiscal year, and project ongoing any new issues for the upcoming six months, we can estimate that the year-end legal budget will be above the approved budget of \$561,775 by a range of approximately \$87,813 to \$187,813. No budget adjustments or transfers are recommended at this time.

Estimated Costs at Year End (using 1 st half actual):	\$ 701,588
Less:	
Costs Not Anticipated For 2 nd Half:	
Replenishment Water (6075):	(\$ 42,000)
Desalter Negotiations (6907.33):	(\$ 60,000)
Add:	
Increased Costs For 2 nd Half:	
Storage Agreement Issues (6076):	\$ 25,000 to \$75,000
Recharge Master Plan (6907.39):	\$ 25,000 to \$75,000
Projected Legal Expenses:	<u>\$ 649,588 to \$749,588</u>

	Jul '11 - Dec '11	Budget	\$ Over Budget	% of Budget	Annual Budget
6070 - Watermaster Legal Services					
6071 - BHFS Legal - Court Coordination	0.00	19,550.02	-19,550.02	0.0%	39,100.00
6072 - BHFS Legal - Restated Judgment	18,306.96	62,400.00	-44,093.04	29.34%	62,400.00
6073 - BHFS Legal - Personnel Matters	33,479.65	4,937.48	28,542.17	678.07%	9,875.00
6074 - BHFS Legal - Interagency Issues	3,510.45	17,150.02	-13,639.57	20.47%	34,300.00
6075 - BHFS Legal - Replenishment Water	42,186.60	0.00	42,186.60	100.0%	0.00
6078 - BHFS Legal - Miscellaneous	35,885.25	28,440.00	7,445.25	126.18%	56,880.00
Total 6070 - Watermaster Legal Services	133,368.91	132,477.52	891.39	100.67%	202,555.00
6275 - BHFS Legal - Advisory Committee	18,674.97	15,405.00	3,269.97	121.23%	30,810.00
6375 - BHFS Legal - Board Meeting	41,272.08	28,815.00	12,457.08	143.23%	45,630.00
8375 - BHFS Legal - Appropriative Pool	10,558.87	10,665.00	-106.13	99.01%	21,330.00
8475 - BHFS Legal - Agricultural Pool	10,034.07	15,405.00	-5,370.93	65.14%	30,810.00
8575 - BHFS Legal - Non-Ag Pool	9,696.90	4,740.00	4,956.90	204.58%	9,480.00
Total BHFS Legal Services	90,236.89	75,030.00	15,206.89	120.27%	138,060.00
6907.3 - WM Legal Counsel					
6907.30 - Peace II - CEQA	0.00	0.00	0.00	0.0%	0.00
6907.31 - S. Archibald Plume-Formerly OIA	3,219.75	12,312.52	-9,092.77	26.15%	24,625.00
6907.32 - Chino Airport Plume	8,866.95	12,837.52	-3,970.57	69.07%	25,675.00
6907.33 - Desalter Negotiations	77,880.86	67,425.00	10,455.86	115.51%	67,425.00
6907.34 - Santa Ana River Water Rights	4,984.72	12,562.50	-7,577.78	39.68%	25,125.00
6907.35 - Paragraph 31 Motion	14,105.71	39,200.00	-25,094.29	35.98%	39,200.00
6907.36 - Santa Ana River Habitat	7,969.13	0.00	7,969.13	100.0%	0.00
6907.37 - Water Auction	0.00	0.00	0.00	0.0%	0.00
6907.38 - Reg. Water Quality Cntrl Board	0.00	6,875.02	-6,875.02	0.0%	13,750.00
6907.39 - Recharge Master Plan	10,161.00	15,216.00	-5,055.00	66.78%	25,360.00
6907.3 - WM Legal Counsel - Other	0.00	0.00	0.00	0.0%	0.00
Total 6907.3 - WM Legal Counsel	127,188.12	166,428.56	-39,240.44	76.42%	221,160.00
Total Brownstein, Hyatt, Farber, Schreck Costs	350,793.92	373,936.08	-23,142.16	93.81%	561,775.00

The attached forms T-12-02-01 and A-12-02-01 are provided as documentation to clearly show which general ledger accounts are being reduced and which general ledger accounts are being increased. The unbudgeted revenue of \$294,776 is being allocated to the accounts of \$161,580 leaving a balance of \$133,196 of un-appropriated funds for later use. Overall, the approved expense budget for FY 2011-2012 of \$6,873,187 will be increased by an additional amount of \$161,580, to a new approved budget of \$7,034,767. The form T-12-02-01 is a zero based document, which means the reductions and additions within the general ledger accounts equal.

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**CHINO BASIN WATERMASTER
 BUDGET TRANSFERS**

ATTACHMENT #T-12-02-01

To: **All Parties**

T-12-02-01

From: Joseph S. Joswiak, CFO Date: February 9, 2012

Describe reason for the transfer between budget categories here: To transfer funds to cover anticipated cost overages in accounts referenced below.

Budgetary account reduction

<i>Line Item Description</i>	<i>Account Number</i>	<i>Amount</i>
OBMP Engineering Services	6906	\$ (31,905)
Hydraulic Control - Engineering	7108.3	\$ (32,706)
Recharge and Well - Engineering	7109.3	\$ (4,464)
Comprehensive Recharge - Implementation	7202.3	\$ (108,510)
PE 3&5 - Engineering - Other	7303	\$ (11,619)
PE 6&7 - Engineering	7502	\$ (50,088)
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -

Budgetary account addition

OBMP - Watermaster Model Update	6906.1	\$ 150,000
Groundwater Quality - Engineering	7103.3	\$ 5,963
Groundwater Level - Engineering	7104.3	\$ 21,374
Ground Level Monitoring - Extensometer	7107.7	\$ 57,564
PE4 - Engineering	7402	\$ 4,391
		\$ -
		\$ -
		\$ -
		\$ -

Should be zero

Transfer Procedure	Finance Use Only
<ol style="list-style-type: none"> Staff brings the transfer request to the Appropriate Pool for information purposes if the transfer is under \$25,000. Transfers over \$25,000 within the same budget category require Pools, Advisory Committee and Board approval. Transfers between budget categories, regardless of amount must be approved by the Pools, Advisory Committee and Board Once the form has been completed by the CFO, and approved by the board if required, the Chief Financial Officer will prepare and process the budget transfer in the accounting system. A log will be maintained by the CFO detailing the transfer. A fiscal year file will also be kept to hold all budget amendment forms for auditor review. 	<p>Date Board Approved _____</p> <p>Finance Log # _____</p> <p>Date Posted _____</p> <p>Posted By _____</p> <p>Approved by _____</p> <p>Date approved _____</p>

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ATTACHMENT A-12-02-01

**CHINO BASIN WATERMASTER
 BUDGET AMENDMENT**

To: **All Parties**

Fiscal Year 2011-2012

From: Joseph S. Joswiak, CFO Date: February 9, 2012

Describe reason for the budget amendment here: The Watermaster approved FY 2011/2012 budget did not include the CEO changes during the year. The Wildermuth ECAC report shows a shortfall when consolidated of \$41,580. The MWD unbudgeted revenue of \$294,776 will be partially appropriated, leaving a remaining balance of \$133,196 to be appropriated at later date, if required.

Expenditure Amendment				
<i>Line Item Description</i>	<i>Account Number</i>	<i>Original Budget</i>	<i>Amended Budget</i>	<i>Amendment Amount</i>
Watermaster Staff Salaries	6011	\$441,032	\$561,032	\$120,000
Groundwater Level - Extensometer Install	7107.7	\$365,945	\$407,525	\$41,580
TOTAL:				\$ 161,580

Revenue Source				
<i>Line Item Description</i>	<i>Account Number</i>	<i>Original Budget</i>	<i>Amended Budget</i>	<i>Amendment Amount</i>
Cooperative Agreement - MWD	4040	\$0	(\$161,580)	(\$161,580)
TOTAL:				\$(161,580)

- Amendment Procedure**
1. Staff takes amendment requests to the Pools, Advisory Committee & Board for approval.
 2. The Chief Financial Officer will prepare and process the budget entry.
 4. A log will be maintained by the Finance Department detailing the adjustment.
 5. A fiscal year file will also be kept to hold all budget amendment forms for auditor review.

Finance Use Only

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Entered into System By _____

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**CHINO BASIN WATERMASTER
BUDGET TRANSFERS**

To: All Parties

T-12-02-01

From: Joseph S. Joswiak, CFO Date: February 9, 2012

Describe reason for the transfer between budget categories here: To transfer funds to cover anticipated cost overages in accounts referenced below.

Budgetary account reduction		
<i>Line Item Description</i>	<i>Account Number</i>	<i>Amount</i>
OBMP Engineering Services	6906	\$ (31,905)
Hydraulic Control - Engineering	7108.3	\$ (32,706)
Recharge and Well - Engineering	7109.3	\$ (4,464)
Comprehensive Recharge - Implementation	7202.3	\$ (108,510)
PE 3&5 - Engineering - Other	7303	\$ (11,619)
PE 6&7 - Engineering	7502	\$ (50,088)
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -

Budgetary account addition		
OBMP - Watermaster Model Update	6906.1	\$ 150,000
Groundwater Quality - Engineering	7103.3	\$ 5,963
Groundwater Level - Engineering	7104.3	\$ 21,374
Ground Level Monitoring - Extensometer	7107.7	\$ 57,564
PE4 - Engineering	7402	\$ 4,391
		\$ -
		\$ -
		\$ -
		\$ -

Should be zero

Transfer Procedure

1. Staff brings the transfer request to the Appropriate Pool for information purposes if the transfer is under \$25,000. Transfers over \$25,000 within the same budget category require Pools, Advisory Committee and Board approval. Transfers between budget categories, regardless of amount must be approved by the Pools, Advisory Committee and Board
2. Once the form has been completed by the CFO, and approved by the board if required, the Chief Financial Officer will prepare and process the budget transfer in the accounting system.
3. A log will be maintained by the CFO detailing the transfer.
4. A fiscal year file will also be kept to hold all budget amendment forms for auditor review.

Finance Use Only

Date Board Approved _____

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Date approved _____

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ACTIONS:

- February 9, 2012 Appropriative Pool – Approved unanimously
- February 9, 2012 Non-Agricultural Pool – 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
- February 9, 2012 Agricultural Pool – Approved unanimously
- February 16, 2012 Advisory Committee –
- February 23, 2012 Watermaster Board –

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CHINO BASIN WATERMASTER

II. BUSINESS ITEM

- B. CHINO CREEK WELL FIELD EXTENSOMETER
CONSTRUCTION CHANGE ORDER
REIMBURSEMENT AGREEMENT WITH CHINO
DESALTER AUTHORITY





CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: February 16, 2012
TO: Committee Members
SUBJECT: Approval of Chino Creek Well Field Extensometer Construction Change Order Reimbursement Agreement with Chino Desalter Authority

SUMMARY

Issue – Consider Approval of a Proposed Reimbursement Agreement Between Watermaster and Chino Desalter Authority for Construction of the Chino Creek Well Field Extensometer.

Recommendation – Authorize the Watermaster Interim Chief Executive Officer to Finalize and then Enter into the Draft Reimbursement Agreement.

Financial Impact – The Engineer's Cost Opinion for Construction of the Chino Creek Well Field Extensometer is \$295,200, plus 10% contingency recommendation. Category 7107.7 (Ground Level Extensometer Installation) of the 2011-12 Watermaster budget was approved at \$365,945.

BACKGROUND

Watermaster's obligations contained in the monitoring and mitigation requirements in the Final Peace II SEIR call for the expansion of Watermaster's subsidence monitoring program into the vicinity of the Chino Creek Well Field (CCWF). The program includes monitoring by InSAR, ground-level surveys, and extensometers. The monitoring program is to begin prior to startup of the CCWF, so that any subsidence caused by the CCWF can be identified and mitigated, if necessary.

The purpose of the extensometer is to measure the physical deformation (compaction) of the aquifer system sediments as pumping at the desalter wells causes drawdown. Monitoring of pumping, groundwater levels, and deformation of the aquifer system at the extensometer can reveal the cause-and-effect relationships between pumping/drawdown and subsidence. The data from the extensometer will provide the criteria for managing pumping/drawdown in the event the Land Subsidence Committee identifies a need to mitigate the subsidence.

Watermaster staff performed a search of its database for an appropriate existing well near the CCWF to install a cable extensometer. To be "appropriate," a well must be located near the CCWF and at least 600 ft deep. No wells were identified as appropriate through this search. While no existing wells were determined to be appropriate, there were also advantages to constructing a new extensometer:

1. There are two distinct aquifer systems in this area—a shallow unconfined system, and a deep confined system. A new extensometer facility can be constructed as two cable extensometers within two separate piezometers that are nested in one borehole. In this arrangement, the piezometers and extensometers can measure depth-specific groundwater levels and compaction, and thereby differentiate drawdown and compaction in each of the two aquifer systems, which is a necessary purpose of this monitoring facility.
2. A new extensometer facility, designed for this particular purpose, has a better chance of returning data of higher resolution and accuracy than a facility constructed from an existing well.
3. A detailed description of the borehole sediments is necessary to accurately interpret the extensometer data. Drilling a new borehole, as opposed to relying on the generalized descriptions of the borehole sediments on an old well driller's log, is an opportunity to collect a higher-resolution and better description of the borehole sediments.
4. The piezometers of this extensometer facility could also function as monitoring wells for the Hydraulic Control Monitoring Program.
5. While an existing well would likely be located on private property and dedicated to an existing purpose, the new monitoring facility has been located on public land, which should expedite agreement negotiation and construction of the monitoring facility.
6. The CCWF Extensometer is to be installed, calibrated and operational, prior to CCWF production for delivery to the CDA. The CCWF wells are currently under construction, so final parcel selection and change order expedited construction of the CCWF extensometer by the current well contractor is warranted to avoid delays in operation of the CCWF and demonstrate additional progress in achieving hydraulic control to meet the maximum benefit objectives.

Construction and implementation costs for the CCWF Extensometer are currently estimated at \$487,798, plus \$1,596 for this year's Land Use Agreement cost, and a \$30,000 extensometer construction contingency. Category 7107.7 (Ground Level Extensometer Installation) of the 2011-12 Watermaster budget was approved in the amount of \$365,945, which includes \$300,000 committed by Three Valleys Municipal Water District, through the Peace Agreement, for an MZ-1 project and was recently received by Watermaster. On December 15, 2011, the Land Subsidence Committee recommended apportionment of \$100,000 in unallocated Watermaster funds to augment the ground-level monitoring program budget. The Land Subsidence Committee request was intended to cover the construction and installation costs of the MZ-1 horizontal and CCWF vertical (cable) extensometers. The February 2012 Mid Year Budget Transfer Staff Report and recommendations address the resulting funding deficiency between the approved budget and current cost estimates.

Actions:

February 9, 2012 Appropriative Pool – Approved Unanimously

February 9, 2012 Non-Agricultural Pool – 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

February 9, 2012 Agricultural Pool – Approved Unanimously

February 16, 2012 Advisory Committee –

February 23, 2012 Watermaster Board –

TERM SHEET

Chino Basin Watermaster Reimbursement for Construction
of the Chino Creek Well Field Extensometer

February 23, 2012

WHEREAS, the Chino Basin Watermaster ("Watermaster") wishes to drill and construct an extensometer facility in the vicinity of the area known as the Chino Creek Well Field ("CCWF").

WHEREAS, the Chino Basin Desalter Authority ("CDA") is currently drilling and constructing wells in the CCWF.

WHEREAS, efficiencies and cost savings could be realized if Best Drilling, the contractor that is currently performing the work for CDA, was instructed to additionally perform the work to drill and construct the wells for the extensometer.

WHEREAS, the CDA is willing to instruct Best Drilling to additionally drill and construct the extensometer wells by way of a change order if Watermaster will agree to reimburse CDA for the cost of the change order.

NOW THEREFORE IT IS AGREED THAT:

1. CDA will issue a change order to Best Drilling to perform additional work to drill and construct the CCWF Extensometer wells.
2. Watermaster, through its consultants Wildermuth Environmental, Inc. ("WEI"), will act as project manager for the additional drilling work.
3. CDA will instruct Best Drilling to perform the additional work under the direction of WEI and to WEI's specifications.
4. Watermaster will reimburse CDA for any costs associated with the change order.
5. Watermaster will advance funds to CDA for the change order in the amount of \$295,200, which is the estimated cost for Best Drilling to perform the work to drill and construct the CCWF Extensometer wells.

Ken Jeske, Interim Chief Executive Officer
Chino Basin Watermaster

Curtis D. Paxton, Chief Executive Officer
Chino Basin Desalter Authority

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CHINO BASIN WATERMASTER

II. BUSINESS ITEM

C. CHINO CREEK WELL FIELD EXTENSOMETER LAND LEASE AGREEMENT





CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: February 16, 2012
TO: Committee Members
SUBJECT: Approval of Chino Creek Well Field Extensometer Land Lease Agreement

SUMMARY

Issue – Consider Approval of a Proposed Agreement Between Watermaster and the County of San Bernardino for Lease of Land for Construction of the Chino Creek Well Field Extensometer.

Recommendation – Authorize the Watermaster Interim Chief Executive Officer to Finalize and then Enter into the Land Lease Agreement With San Bernardino County.

Financial Impact – The Unbudgeted First Year Watermaster Land Lease Agreement Cost is \$1,596. This Cost will be Adjusted Annually Thereafter, Based on the Consumer Price Index (CPI), for a Ten (10) Year Term, with the Option for Two (2) Five (5) Year Extensions.

BACKGROUND

Watermaster's obligations contained in the monitoring and mitigation requirements in the Final Peace II SEIR call for the expansion of Watermaster's subsidence monitoring program into the vicinity of the Chino Creek Well Field (CCWF). The program includes monitoring by InSAR, ground-level surveys, and extensometers. The monitoring program is to begin prior to startup of the CCWF, so that any subsidence caused by the CCWF can be identified and mitigated, if necessary.

The purpose of the extensometer is to measure the physical deformation (compaction) of the aquifer system sediments as pumping at the desalter wells causes drawdown. Monitoring of pumping, groundwater levels, and deformation of the aquifer system at the extensometer can reveal the cause-and-effect relationships between pumping/drawdown and subsidence. The data from the extensometer will provide the criteria for managing pumping/drawdown in the event the Land Subsidence Committee identifies a need to mitigate the subsidence.

Watermaster staff performed a search of its database for an appropriate existing well near the CCWF to install a cable extensometer. To be "appropriate," a well must be located near the CCWF and at least 600 ft deep. No wells were identified as appropriate through this search. While no existing wells were determined to be appropriate, there were also advantages to constructing a new extensometer:

1. There are two distinct aquifer systems in this area—a shallow unconfined system, and a deep confined system. A new extensometer facility can be constructed as two cable extensometers within two separate piezometers that are nested in one borehole. In this arrangement, the piezometers and extensometers can measure depth-specific groundwater levels and compaction, and thereby differentiate drawdown and compaction in each of the two aquifer systems, which is a necessary purpose of this monitoring facility.
2. A new extensometer facility, designed for this particular purpose, has a better chance of returning data of higher resolution and accuracy than a facility constructed from an existing well.
3. A detailed description of the borehole sediments is necessary to accurately interpret the extensometer data. Drilling a new borehole, as opposed to relying on the generalized descriptions of the borehole sediments on an old well driller's log, is an opportunity to collect a higher-resolution and better description of the borehole sediments.
4. The piezometers of this extensometer facility could also function as monitoring wells for the Hydraulic Control Monitoring Program.
5. While an existing well would likely be located on private property and dedicated to an existing purpose, the new monitoring facility has been located on public land, which should expedite agreement negotiation and construction of the monitoring facility.
6. The CCWF Extensometer is to be installed, calibrated and operational, prior to CCWF production for delivery to the CDA. The CCWF wells are currently under construction, so final parcel selection and change order expedited construction of the CCWF extensometer by the current well contractor is warranted to avoid delays in operation of the CCWF and demonstrate additional progress in achieving hydraulic control to meet the maximum benefit objectives.

Construction and implementation costs for the CCWF Extensometer are currently estimated at \$487,798, plus the \$1,596 recommend for approval through this Land Use Agreement, and a \$30,000 extensometer construction contingency. Category 7107.7 (Ground Level Extensometer Installation) of the 2011-12 Watermaster budget was approved in the amount of \$365,945, which includes \$300,000 committed by Three Valleys Municipal Water District, through the Peace Agreement, for an MZ-1 project and was recently received by Watermaster. On December 15, 2011, the Land Subsidence Committee recommended apportionment of \$100,000 in unallocated Watermaster funds to augment the ground-level monitoring program budget. The Land Subsidence Committee request was intended to cover the construction and installation costs of the MZ-1 horizontal and CCWF vertical (cable) extensometers. The February 2012 Mid Year Budget Transfer Staff Report and recommendations address the resulting funding deficiency between the approved budget and current cost estimates.

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- February 16, 2012 Advisory Committee –
- February 23, 2012 Watermaster Board –

COUNTY OF SAN BERNARDINO

LEASE AGREEMENT

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

COUNTY: **COUNTY OF SAN BERNARDINO**
Real Estate Services Department
385 North Arrowhead Avenue, Third Floor
San Bernardino, CA 92415

PREMISES: Approximately 400 square feet of County-owned land
south of the Chino Airport in Chino, California
(as outlined in Exhibit "A" attached)

TERM OF LEASE: Ten (10) years

COMMENCEMENT DATE OF LEASE: March 1, 2012 or upon execution by all parties

COUNTY CONTRACT NUMBER:

TYPED: 01/19/2011

REV: 1/26/2010 (110568.13)

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DRAFT

LEASE AGREEMENT

1. **PARTIES:** This lease ("Lease") is made between The County of San Bernardino ("COUNTY"), and the Chino Basin Watermaster ("TENANT"), who agree as follows:

2. **PREMISES LEASED:** COUNTY owns land south of the Chino Airport in Chino, California. COUNTY hereby leases to TENANT and TENANT leases from COUNTY a portion of Assessor Parcel No. 1056101010000 consisting of approximately 400 square feet of a larger parcel consisting of approximately 625,086 square feet (14.35 acres) known as ("Premises"), as described in Exhibit "A", Premises. The Premises are leased subject to all easements, reservations, restrictions, rights and rights-of-way of record.

3. **TERM:**

a. **Initial Term.** The Lease's initial term ("Initial Term") shall commence on March 1, 2012 or upon execution by all parties ("Commencement Date") and end on February 28, 2022 ("Ending Date").

4. **RENT:**

a. TENANT shall pay to COUNTY annual rental payments of One Thousand Five Hundred Ninety Six and 00/100 Dollars (\$1596.00), commencing when the term commences and continuing for the first twelve (12) months of the term. Thereafter, the annual rent shall be subject to annual adjustments on the anniversary of the Commencement Date based on the change in the Consumer Price Index as provided below:

The base for computing the adjustment is the Consumer Price Index ("C.P.I."), Pacific Cities and U.S. City Average, All Items, Los Angeles, Anaheim and Riverside, Urban Wage Earners and Clerical Workers (1982-1984 = 100), published by the United States Department of Labor, Bureau of Labor Statistics ("Index"), which is in effect two (2) months prior to the date of the commencement of the initial term ("Beginning Index"). The Index in effect two (2) months prior to the adjustment date in question ("Extension Index") is to be used in determining the amount of the adjustment. If the Extension Index has increased over the Beginning Index, the rent for the following year (until the next rent adjustment) shall be set by multiplying the rent in effect at the beginning of the Initial Term by a fraction, the numerator of which is the Extension Index and the denominator of which is the Beginning Index. If the Index is changed so that the base year differs from that in effect when the term commences, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the term, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised.

b. Rent for any partial year shall be prorated. All rent shall be paid to COUNTY at the address to which notices to COUNTY are given.

5. **OPTION TO EXTEND TERM:** COUNTY gives TENANT the option to extend the term of the Lease on the same provisions and conditions, except for the annual rent, for two (2) five-year periods ("extended terms") following expiration of the Initial Term, by TENANT giving notice of its intention to exercise the option to COUNTY prior to the expiration of the preceding term. The rent for each extended term shall be adjusted by good faith negotiation of the parties to the fair market rental rate then prevailing based upon the rental rates of comparable leased property in San Bernardino County.

6. **RETURN OF PREMISES:** The TENANT agrees that it will, upon any termination of this Lease, return the Premises to bare land, removing all fixtures and equipment.

7. **HOLDING OVER:** TENANT shall not hold over and continue to occupy the Premises without the written consent of the COUNTY. In such event the tenancy shall be deemed to be a tenancy from year-to-year upon the same terms and conditions, including rent, as existed and prevailed at the time of the expiration of the term of this Lease.

8. **TAXES:** COUNTY shall pay all real property taxes, and general and special assessments levied and assessed against the Premises.

9. **USE:** TENANT shall occupy the Premises during the term hereof only for the installation, maintenance and monitoring of a dual-nested piezometer with internal cable extensometers near the Chino Creek Well Field south of Chino Airport. TENANT shall comply with all laws, ordinances and regulations applicable to the use of the Premises, including the requirements of the Federal Aviation Administration, as may be amended. TENANT shall promptly comply with all governmental orders and directions for the correction, prevention and abatement of any violations in or upon, or in connection with Premises, at TENANT's sole expense.

10. **HEALTH, SAFETY AND FIRE CODE REQUIREMENTS:** As a condition precedent to the existence of this Lease, TENANT, at its sole expense will ensure the Premises used by TENANT meet the applicable requirements of the Health, Safety, Fire and Building Codes for public and governmental buildings, including any requirements for a notice of completion, certificate of occupancy and the Americans with Disabilities Act ("ADA").

11. **SIGNS:** TENANT will display only such sign or signs on the Premises as are not prohibited by law.

12. **IMPROVEMENTS:** TENANT will construct and maintain a dual-nested piezometer with internal cable extensometers (TENANT Property) near the Chino Creek Well Field south of Chino Airport as set forth on Exhibit "B", Improvements, attached hereto, provided that said Improvements shall be approved in writing by COUNTY prior to the commencement of any work and provided further that all Improvements are completed in: (1) accordance with the plans and specifications (as defined on Exhibit "B") approved by COUNTY, (ii) a good and workmanlike manner, (iii) conformity with all county, city, state and federal regulations, any and all applicable permits and the Master Plan for the Airport. TENANT shall provide COUNTY with not less than ten (10) days' notice prior to the commencement of any work in, on or about

the Premises so that COUNTY, at COUNTY'S option, may post a Notice of Non Responsibility as provided by law. All work shall be completed by duly licensed and insured contractors, which contractors shall be acceptable to COUNTY. COUNTY makes no representation with the applicability of public bidding procedures or requirements for the payment of prevailing wages hereunder.

13. **FIXTURES:** All TENANT owned fixtures will be removed and the Premises put back to bare land by TENANT at the termination or expiration of the lease.

14. **MAINTENANCE:** TENANT, at its cost, shall maintain and repair the TENANT Property as is necessary to keep such TENANT Property in a safe and orderly condition. TENANT shall be responsible for weed abatement on the Premises.

15. **UTILITIES:** TENANT shall pay for all its utilities, maintenance and repair charges, including costs of installation of said utilities as required.

16. **HOLD HARMLESS:** To the fullest extent permitted by law, the parties agree to save, indemnify, defend, and hold harmless each other from any and all liability, claims, suits, actions, arbitration proceedings, administrative proceedings, and regulatory proceedings, losses, expenses, or any injury or damage of any kind whatsoever, whether actual, alleged or threatened, attorney fees, court costs, and any other costs of any nature without restriction incurred in relation to, as a consequence of, or arising out of, the performance of this Agreement, and attributable to the fault of the other. Following a determination of the percentage of fault and or liability by agreement between the parties or a court of competent jurisdiction, the party responsible for liability to the other will indemnify the other party to this Agreement for the percentage of liability determined.

17. **INSURANCE:** TENANT and COUNTY shall each be responsible for providing insurance coverage to protect its own interests and exposures under this Lease.

18. **DESTRUCTION OF PREMISES:** During the term of this Lease, if any casualty renders a portion of the Premises unusable for the purpose intended, TENANT may terminate this Lease as of the date of casualty. If this Lease is terminated, the TENANT shall have a reasonable time to remove the TENANT Property and vacate the Premises.

19. **TENANT'S DEFAULT:** Except where another time limit is specifically provided, TENANT shall be in default of this Lease if TENANT fails or refuses to perform any material provisions of this Lease and such failure or refusal to perform is not cured within thirty (30) days following TENANT's receipt of written notice of default from COUNTY. If the default cannot reasonably be cured within thirty (30) days, TENANT shall not be in default of this Lease if TENANT commences to cure the default within the thirty (30) day period and diligently and in good faith continues to cure the default.

20. **COUNTY'S REMEDIES ON TENANT'S DEFAULT:** COUNTY, at anytime after TENANT is in default, can terminate this Lease immediately upon written notice to TENANT or can cure the default at COUNTY's cost. If COUNTY at any time, by reason of TENANT's

default, pays any sum or does any act that requires the payment of any sum (including charges for COUNTY's employees and equipment), the sum paid by COUNTY shall be due from TENANT to COUNTY within five (5) days of notice of such sum, and if paid at a later date shall bear interest at the maximum rate the COUNTY is permitted by law to charge from the date the sum was paid by COUNTY until COUNTY is reimbursed by TENANT. If TENANT fails to reimburse COUNTY as required by this paragraph, COUNTY shall have the right to withhold from future rent due the sum COUNTY has paid until COUNTY is reimbursed in full for the sum and interest on it. The remedies set forth in this paragraph are in addition to and do not in any manner limit other remedies set forth in particular paragraphs of this Lease.

21. TENANT'S DEFAULT: The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by TENANT:

a. The vacating for more than thirty (30) consecutive days or abandonment of the Premises by TENANT.

b. The failure by TENANT to perform any material provisions of this Lease to be performed by TENANT, including the payment of rent, where such failure shall continue for a period of thirty (30) days after notice by COUNTY to TENANT; provided, however, that if the nature of TENANT's default is such that more than thirty (30) days are reasonably required for its cure, then TENANT shall not be deemed to be in default if TENANT commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion. The purpose of this notice requirement is to extend the notice requirements of the unlawful detainer statutes of California.

22. TENANT'S REMEDIES ON COUNTY'S DEFAULT: TENANT, at anytime after COUNTY is in default, can terminate this Lease immediately upon written notice to COUNTY or can cure the default at TENANT's cost. If TENANT at any time, by reason of COUNTY's default, pays any sum or does any act that requires the payment of any sum (including charges for TENANT's employees and equipment), the sum paid by TENANT shall be due from COUNTY to TENANT within five (5) days of notice of such sum, and if paid at a later date shall bear interest at the maximum rate the TENANT is permitted by law to charge from the date the sum was paid by TENANT until TENANT is reimbursed by COUNTY. If COUNTY fails to reimburse TENANT as required by this paragraph, TENANT shall have the right to withhold from future rent due the sum TENANT has paid until TENANT is reimbursed in full for the sum and interest on it. The remedies set forth in this paragraph are in addition to and do not in any manner limit other remedies set forth in particular paragraphs of this Lease.

23. COUNTY'S DEFAULT: The occurrence of the following events shall constitute a default and breach of this Lease by COUNTY:

a. The failure by COUNTY to perform any material provisions of this Lease to be performed by COUNTY, where such failure shall continue for a period of thirty (30) days after notice by TENANT to COUNTY; provided, however, that if the nature of COUNTY's default is such that more than thirty (30) days are reasonably required for its cure, then COUNTY shall not

be deemed to be in default if COUNTY commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

24. COUNTY'S ACCESS TO PREMISES: COUNTY and its authorized representatives shall have the right to enter the Premises at all reasonable times for any of the following purposes:

- a. To determine whether the Premises are in good condition; and,
- b. To do any necessary maintenance and to make any restoration to the Premises that COUNTY has the right or obligation to perform; and,
- c. To serve, post, or keep posted any notices required by law; and,
- d. To post "for sale" signs at any time during the term, to post "for rent" or "for Lease" signs during the last three (3) months of the term.

COUNTY shall conduct its activities on the Premises as allowed in this paragraph in a manner that will cause the least possible inconvenience, annoyance, or disturbance to TENANT.

25. AIRPORT DEVELOPMENT: COUNTY, at its sole discretion, shall determine and may from time to time change the routes of surface ingress and egress to the Premises, but agrees to locate such routes as conveniently as may be done for TENANT, having in mind the reasonable requirements of COUNTY with respect to the operation of the Airport. COUNTY ALSO REERVES THE RIGHT TO FURTHER DEVELOP OR IMPROVE THE Airport as it sees fit, regardless of the desires or view of the TENANT and without interference or hindrance.

26. NOTICES:

a. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party shall be addressed to the other party at the address set forth below. Either party may change its address by notifying the other party of the change of address. Notice shall be deemed communicated two (2) TENANT working days from the time of mailing if mailed as provided in this paragraph.

TENANT'S address: Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

COUNTY's address: County of San Bernardino
Real Estate Services Department
825 East Third Street, Room 207
San Bernardino, CA 92415-0832

b. If, at any time after the TENANT accepts the Premises, the COUNTY assigns or transfers a non-controlling interest of its rights in the Premises to a third party, COUNTY must notify TENANT of its action at least fifteen (15) TENANT working days prior to completing any such action.

c. If, at any time after the TENANT accepts the Premises, the COUNTY assigns or transfers a controlling interest of its rights in the Premises to a third party, COUNTY must notify TENANT of its action at least fifteen (15) TENANT working days prior to completing any such action. The new owner must provide TENANT with evidence of completion of such action. The parties shall immediately execute an amendment to this Lease stating the change of ownership of the Premises.

27. **INCORPORATION OF PRIOR AGREEMENT:** This Lease contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Lease, and no prior agreement or understanding pertaining to any such matter shall be effective for any purpose.

28. **WAIVERS:** No waiver by either party of any provisions of this Lease shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by either party of the same or any other provisions.

29. **AMENDMENTS:** No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successor in interest, expressing by its terms an intention to modify this Lease.

30. **SUCCESSORS:** This Lease shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors, and assigns of the parties hereto.

31. **SEVERABILITY:** If any word, phrase, clause, sentence, paragraph, section, article, part or portion of this Lease is or shall be invalid for any reason, the same shall be deemed severable from the remainder hereof and shall in no way affect or impair the validity of this Lease or any other portion thereof.

32. **TIME OF ESSENCE:** Time is of the essence of each provision of this Lease which specifies a time within which performance is to occur. In the absence of any specific time for performance, performance may be made within a reasonable time.

33. **QUIET ENJOYMENT:** Subject to the provisions of this Lease and conditioned upon performance of all the provisions to be performed by TENANT hereunder, COUNTY shall secure to COUNTY during the Lease term the quiet and peaceful possession of the Premises and all right and privilege appertaining thereto.

34. **PROVISIONS ARE COVENANTS AND CONDITIONS:** All provisions, whether covenants or conditions, on the part of either party shall be deemed to be both covenants and conditions.

35. **CONSENT:** Whenever consent or approval of either party is required that party shall not unreasonably withhold, condition or delay such consent or approval.

36. **EXHIBITS:** All exhibits referred to are attached to this Lease and incorporated by reference.

37. **LAW AND VENUE:** This Lease shall be construed and interpreted in accordance with the laws of the State of California. The parties acknowledge and agree that this lease was entered into and intended to be performed in San Bernardino County, California. The parties agree that the venue for any action or claim brought by any party to this lease will be the Superior Court of California, County of San Bernardino, and San Bernardino District. Each party hereby waives any law, statute (including but not limited to Code of Civil Procedure section 394), or rule of court that would allow them to request or demand a change of venue. If any action or claim concerning this lease is brought by and third party, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, County of San Bernardino, San Bernardino District.

38. **ATTORNEYS' FEES AND COSTS:** If any legal action is instituted to enforce or declare any party's rights hereunder, each party, including the prevailing party, must bear its own costs and attorneys' fees. This paragraph shall not apply to those costs and attorneys' fees directly arising from any third party legal action against **either party for whom the other party has an obligation to hold harmless, indemnify and defend pursuant to the provisions of this Lease.**

39. **CAPTIONS, TABLE OF CONTENTS AND COVER PAGE:** The paragraph captions, table of contents and the cover page of this Lease shall have no effect on its interpretations.

40. **SURVIVAL:** The obligations of the parties that, by their nature, continue beyond the term of this Lease, will survive the termination of this Lease.

41. **FORMER COUNTY OFFICIALS:** TENANT agrees to provide or has already provided information on former County administrative officials (as defined below) who are employed by or represent TENANT. The information provided includes a list of former County administrative officials who terminated County employment within the last five years and who are now officers, principals, partners, associates or members of the business. The information should also include the employment and/or representative capacity and the dates these individuals began employment with or representation of your business. For purposes of this provision, "County administrative official" is defined as a member of the Board of Directors or such officer's staff, County Administrative Officer or member of such officer's staff, County department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit. (See Exhibit "C", List of Former County Officials.)

42. **BROKER'S COMMISSIONS:** Neither party has utilized a broker who has negotiated or otherwise provided services in connection with this Lease, therefore neither party shall be responsible for payment of broker's commissions.

43. **PUBLIC RECORDS DISCLOSURE:** All information received by the COUNTY from the TENANT or any source concerning this Lease, including the Lease itself, may be treated by the COUNTY as public information subject to disclosure under the provisions of the California Public Records Act, Government Code Section 6250 et seq. (the "Public Records Act"). TENANT understands that although all materials received by the COUNTY in connection with this Lease are intended for the exclusive use of the COUNTY, they are potentially subject to disclosure under the provisions of the Public Records Act. In the event a request for disclosure of any part or all of any information which TENANT has reasonably requested COUNTY to hold in confidence is made to the COUNTY, the COUNTY shall notify the TENANT of the request and shall thereafter disclose the requested information unless the TENANT, within five (5) days of receiving notice of the disclosure request, requests nondisclosure, provides COUNTY a legally sound basis for the nondisclosure, and agrees to indemnify, defend, and hold the COUNTY harmless in any/all actions brought to require disclosure. TENANT waives any and all claims for damages, lost profits, or other injuries of any and all kinds in the event COUNTY fails to notify TENANT of any such disclosure request and/or releases any information concerning this Lease received from the TENANT or any other source.

44. **CONDEMNATION:** If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (all of which are herein called "condemnation"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than ten percent (10%) of the floor area of the Premises, or more than twenty-five percent (25%) of the portion of the Common Areas or that portion of the Premises designated for TENANT's parking, is taken by condemnation, TENANT may, at TENANT's option, to be exercised in writing within thirty (30) days after COUNTY shall have given TENANT written notice of such taking (or in the absence of such notice, within thirty (30) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If TENANT does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the rent shall be reduced in the same proportion as the rentable floor area of the Premises taken bears to the total rentable floor area of the Premises. No reduction of rent shall occur if the condemnation does not apply to any portion of the Premises. TENANT shall be entitled to receive the following amounts of any award for the taking of all or any part of the Premises under the power of eminent domain or any payment made under threat of the exercise of such power: (a) one hundred percent (100%) of any amount attributable to any excess of the market value of the Premises for the remainder of the Lease Term over the present value as of the Termination Date of the Rent payable for the remainder of the Lease Term (commonly referred to as the "bonus value" of the Lease); and (b) TENANT shall have the right to make a separate claim in the Condemnation proceeding for: (i) The taking of the amortized or undepreciated value of any trade fixtures or leasehold improvements owned by TENANT that TENANT has the right to remove at the end of the Lease term and that TENANT elects not to remove; (ii) Reasonable removal and relocation costs for any trade fixtures or leasehold improvements that TENANT has

the right to remove and elects to remove (if Condemnor approves of the removal); (iii) Loss of goodwill; (iv) Relocation costs under Government Code section 7262, the claim for which TENANT may pursue by separate action independent of this Lease; and (v) Any other amount in addition to the foregoing that the TENANT is allowed under condemnation law. TENANT shall have the right to negotiate directly with Condemnor for the recovery of the portion of the Award that TENANT is entitled to under **subparagraph (b)** of this paragraph. In the event that this Lease is not terminated by reason of such condemnation, COUNTY shall repair any damage to the Premises caused by such condemnation authority pursuant to **Paragraph 13, MAINTENANCE**, and **Paragraph 17, DESTRUCTION OF PREMISES**.

45. USE OF AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 FUNDS AND REQUIREMENTS:

This Contract may be funded in whole or in part with funds provided by the American Recovery and Reinvestment Act of 2009 ("ARRA"), signed into law on February 17, 2009. Section 1605 of ARRA prohibits the use of recovery funds for a project for the construction, alteration, maintenance or repair of a public building or public work (both as defined in 2 CFR 176.140) unless all of the iron, steel and manufactured goods (as defined in 2 CFR 176.140) used in the project are produced in the United States. A waiver is available under three limited circumstances: (i) Iron, steel or relevant manufactured goods are not produced in the United States in sufficient and reasonable quantities and of a satisfactory quality; (ii) Inclusion of iron, steel or manufactured goods produced in the United States will increase the cost of the overall project by more than 25 percent; or (iii) Applying the domestic preference would be inconsistent with the public interest. This is referred to as the "Buy American" requirement. Request for a waiver must be made to the TENANT for an appropriate determination.

Section 1606 of ARRA requires that laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to ARRA shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. 31). This is referred to as the "wage rate" requirement.

The above described provisions constitute notice under ARRA of the Buy American and wage rate requirements. COUNTY must contact the TENANT contact if it has any questions regarding the applicability or implementation of the ARRA Buy American and wage rate requirements. COUNTY will also be required to provide detailed information regarding compliance with the Buy American requirements, expenditure of funds and wages paid to employees so that the TENANT may fulfill any reporting requirements it has under ARRA. The information may be required as frequently as monthly or quarterly. COUNTY agrees to fully cooperate in providing information or documents as requested by the TENANT pursuant to this provision. Failure to do so will be deemed a default and may result in the withholding of payments and termination of this Contract.

COUNTY may also be required to register in the Central Contractor Registration (CCR) database at <http://www.ccr.gov> and may be required to have its subcontractors also register in the

same database. COUNTY must contact the TENANT with any questions regarding registration requirements.

46. SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS: In addition to the requirements described in "Use of ARRA Funds and Requirements," proper accounting and reporting of ARRA expenditures in single audits is required. LICENSEE agrees to separately identify the expenditures for each grant award funded under ARRA on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC) required by the Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Nonprofit Organizations." This identification on the SEFA and SF-SAC shall include the Federal award number, the Catalog of Federal Domestic Assistance (CFDA) number, and amount such that separate accountability and disclosure is provided for ARRA funds by Federal award number consistent with the recipient reports required by ARRA Section 1512 (c). In addition, LICENSEE agrees to separately identify to each subcontractor and document at the time of sub-contract and at the time of disbursement of funds, the Federal award number, any special CFDA number assigned for ARRA purposes, and amount of ARRA funds. LICENSEE may be required to provide detailed information regarding expenditures so that the County may fulfill any reporting requirements under ARRA described in this section. The information may be required as frequently as monthly or quarterly. LICENSEE agrees to fully cooperate in providing information or documents as requested by the TENANT pursuant to this provision. Failure to do so will be deemed a default and may result in the withholding of payments and termination of this Contract.

47. MATERIAL MISREPRESENTATION: If during the course of the administration of this lease, either party determines that the other party has made a material misstatement or misrepresentation or that materially inaccurate information has been provided, this Lease may be immediately terminated. If this Lease is terminated according to this provision, the terminating party is entitled to pursue any available legal remedies against the other party.

48. INTERPRETATIONS: As this Lease was jointly prepared by both parties, the language in all parts of this Lease shall be construed, in all cases, according to its fair meaning, and not for or against either party hereto.

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49. **AUTHORIZED SIGNATORS:** Both parties to this Lease represent that the signators executing this document are fully authorized to enter into this agreement.

COUNTY OF SAN BERNARDINO

**TENANT: CHINO BASIN
WATERMASTER**

Josie Gonzales, Chair, Board of Supervisors

By: _____

Ken Jeske

Date: _____

Title: Interim CEO

SIGNED AND CERTIFIED THAT
A COPY OF THIS DOCUMENT
HAS BEEN DELIVERED TO THE
CHAIRMAN OF THE BOARD

Date: _____

LAURA H. WELCH, Clerk of the Board of
Supervisors

By: _____

Deputy

Date: _____

Approved as to Legal Form:

JEAN-RENE BASLE, County Counsel
San Bernardino County, California

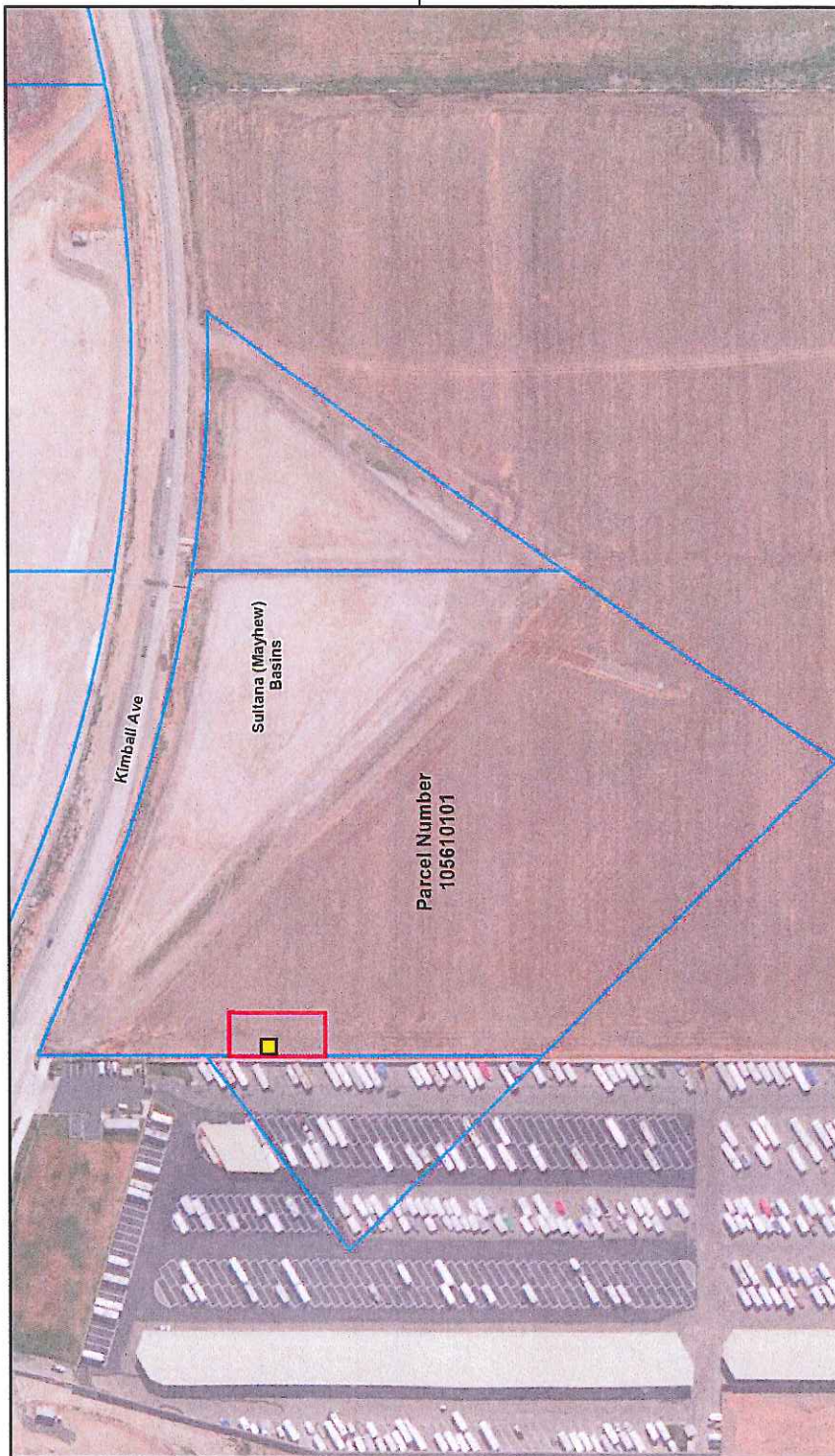
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EXHIBIT "A" PREMISES



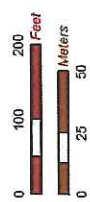
Produced for:

**Premises for the
CCWF Extensometer Facility
Exhibit "A"**

Approximate Temporary
Construction Work Area
60 by 130 feet

Approximate Lease Area
20 by 20 feet

Parcels
San Bernardino County Airport



Produced by:
WILDERMUTH
ENVIRONMENTAL, INC.
www.wildermonthenvironmental.com

Author: TCR
Date: 20120201
File: County_Property_Disc_20111219.mxd

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EXHIBIT "B" IMPROVEMENTS

Project Summary: Drill one 17.5-inch diameter borehole to about 600 feet below the ground surface. Install and develop two 4-inch diameter PVC piezometers within the borehole. Install one cable extensometer within each piezometer. The well head completion will be about 4 feet underground within a 6 feet by 6 feet concrete vault that will be approximately flush with the ground surface. The extensometer instrumentation, a deep-cycle battery, and a data logger will be installed within vault.

Project Location: The approximate location for the facility is shown in Exhibit "A". The Assessor's Parcel Number for the property is 1056101010000.

Construction Schedule: The project is scheduled to begin in early March, 2012. The total time for construction will be approximately eight to eleven weeks:

- *Piezometers.* Borehole drilling and well construction will take approximately three to four weeks. This phase will include 24-hour per day work, and could include weekend work. Well development and wellhead completion will take approximately two to three weeks and will be conducted during daylight hours only.
- *Cable Extensometers.* Construction of the cable extensometers will take approximately three to four weeks immediately following the completion of the piezometers. This work will be conducted during weekdays and daylight hours only.

Temporary Construction Work Area: A temporary construction work area with an area of approximately 7,800 square feet (sq. ft.) and dimensions of at least 60 feet by 130 feet is required for the drilling rig and ancillary equipment during piezometer installation. The drilling rig mast height is approximately 65 feet above ground level. An area of approximately 900 sq. ft. and dimensions of approximately 30 feet by 30 feet is required for installation of the cable extensometer equipment.

Final Lease Area and Final Facility Size: The well head and monitoring equipment will be contained within a precast underground concrete vault with inside dimensions of approximately six feet long by six feet wide by four feet deep. The vault will have dual hinged doors that are traffic-rated to 16,000 pounds of wheel load. The vault will extend three to four inches above grade to allow for future settling so that surface water will drain away from the vault. If site conditions allow, four bollards will be installed near the corners of the vault. A permanent easement of approximately 400 sq. ft. and dimensions of approximately 20 feet by 20 feet is requested. The space above the easement should remain unoccupied so that the facility can be serviced using a crane or rig with a derrick, if necessary in the future.

Long-term Facility Access: Watermaster staff will visit the site periodically to download data and maintain the facility. Visits will take place on weekdays during daylight hours:

- Routine data retrieval and facility maintenance will take place one day per month for

approximately one to three hours. Access to the site will include the use of a pick-up truck or utility van.

- Infrequently, additional maintenance of the facility may be required. For example, well redevelopment may be necessary after several years of operation. Redevelopment rigs are typically about 20 feet long and have mast heights of 25 to 36 feet.

DRAFT

EXHIBIT "C"

LIST OF FORMER COUNTY OFFICIALS

INSTRUCTIONS: List the full name of the former COUNTY Administrative Official, the title/description of the Official's last position with the COUNTY, the date the Official terminated COUNTY employment, the Official's current employment and/or representative capacity with the TENANT, the date the Official entered TENANT's employment and/or representation.

OFFICIAL'S NAME:

REQUIRED INFORMATION

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CHINO BASIN WATERMASTER

II. BUSINESS ITEM

D. APPLICATIONS FOR RECHARGE

1. **Consider Approval for Applications for Recharge -**
The City of Upland has submitted an application for recharge for 9,500.000 acre-feet to be placed into a Local Supplemental Storage Account. Date of Application: November 29, 2011
2. **Consider Approval for Applications for Recharge -**
San Antonio Water Company has submitted an application for a recharge for 2,000.000 acre-feet to be placed into a Local Supplemental Storage Account. Date of Application: December 1, 2011





CHINO BASIN WATERMASTER

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

STAFF REPORT

DATE: February 16, 2012
TO: Committee Members
SUBJECT: City of Upland Application for Recharge

SUMMARY

Issue – On November 29, 2011, the City of Upland submitted an application for a Local Storage Agreement for 9,500,000 acre-feet to be placed into a Local Supplemental Storage Account, inclusive of an Application for Recharge. Upland has requested prompt Watermaster action on its application. However, there are seven pending applications for Local Storage Agreements (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; (3) analysis of Material Physical Injury; and (4) stakeholder input and a Watermaster determination on the general terms and conditions concerning Preemptive Replenishment Storage. The City of Upland application has been deemed complete and Wildermuth Environmental, Inc. has opined that the City of Upland application would not cause Material Physical Injury. However, 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 the City of Upland’s application in so far as Recharge is concerned but 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 the City of Upland 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 by May 15, 2012 on a timeline consistent with Watermaster’s further reporting to the Court on the status of the Recharge Master Plan. This approach will allow Upland 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 I and Peace II Agreements and report to Watermaster if a potential for Material Physical Injury is discovered so that it may be further redressed by Watermaster on a non-discriminatory basis, and (3) Approve the Application for Recharge element for all sources of water listed, excluding recycled water, and request that the City of Upland submit applicable documents for the recharge of recycled water at an appropriate time in the future so that Watermaster may perform the necessary Material Physical Injury analysis on its potential impacts.

Fiscal Impact –Potential increases to recharge basin O&M costs.

BACKGROUND

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

On November 29, 2011, the City of Upland submitted Form 1, an Application for a Local Storage Agreement. The Application identifies the maximum quantity of the storage account to be 9,500.00 acre-feet to be placed into a Local Supplemental Storage Account. The Application states the purposes of storing the water is to stabilize or reduce further water costs/assessments, facilitate utilization of other available sources of supply, and to transfer to other parties.

The Application states that the method of placement in storage is via percolation/recharge and a Form 2 (Application for Recharge) was included. The Form 2 (attached for reference) states that the Upland Basin will be utilized. The Application states that the method and location of recapture from storage is transfer to another Party to the Judgment. At that point, the City of Upland and the other Party will need to submit appropriate water transfer forms.

On December 2, 2011, a Notice was issued for the City of Upland's Application for a Local Storage Agreement for 9,500.000 acre-feet to be placed into a Local Supplemental Storage Account. Inclusive of this Notice was their Application for Recharge for 9,500.000 acre-feet of Six Basins area groundwater, San Antonio Creek water, Cucamonga Basin groundwater, and IEUA recycled water through Upland Basin.

DISCUSSION

The Application for a Local Storage Agreement, inclusive of the Application for Recharge, was placed on the December 8, 2011 Appropriative Pool, Non-Ag Pool, and Agricultural Pool meeting agendas. The applications were discussed extensively during the Pool meetings. The Appropriative Pool and Non-Ag Pool deferred the items. The Agricultural Pool took unanimous action to defer the Local Supplemental Storage Agreement, but to approve by majority vote the Application for Recharge. The issue was then discussed at the Advisory Committee and Board meeting. The Board directed Staff to analyze all of the pending Applications for Local Supplemental Storage Accounts for Material Physical Injury, and to agendize the Application for Recharge on the January Pool meetings.

This Application for Recharge will first be considered by each of the respective Pool committees during this month of January 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 February 16, 2012 and then by the Watermaster Board on February 23, 2012.

Based on the Material Physical Injury analysis performed by Wildermuth Environmental, Inc., there will be no Material Physical Injury from the proposed Application for the recharge of Six Basins area groundwater, San Antonio Creek water, and Cucamonga Basin groundwater. The recharge of recycled water at the Upland Basin is not covered in the existing Watermaster and IEUA recharge permit nor has the City of Upland currently possess a permit to recharge recycled water in the Upland Basin. The City will need to conduct investigations pursuant to the requirements of the Department of Public Health and the Regional Board and supply the results of this investigation to Watermaster prior to Watermaster completing a material physical injury analysis for the recharge of recycled water. It is the understanding of Watermaster Staff that the City of Upland will not have the ability to recharge recycled water for a few years.

Staff recommends approval of the Application for Recharge for all sources of water listed, excluding recycled water. Staff further requests that the City of Upland submit applicable documents for the recharge of recycled water at an appropriate time in the future so that Watermaster may perform the necessary Material Physical Injury analysis on its potential impacts.

Once approved, the City of Upland may begin recharging the water as described in the application. However, the City of Upland 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 the City of Upland is not guaranteed. Moreover, no party with a pending application for Local Supplemental Storage Agreements will be prejudiced by Watermaster's conditional action on Upland's application.

Actions:

January 12, 2012 Appropriative Pool – Approved unanimously the Recharge Applications for the City of Upland and San Antonio Water Company Applications for Recharge exclusive of recycled water and to direct Watermaster to account for supplemental water recharged in the existing local supplemental storage account

January 12, 2012 Non-Agricultural Pool – Approved unanimously the Recharge Applications for the City of Upland and San Antonio Water Company exclusive of recycled water and account for the water in existing local supplemental storage accounts, subject to any changes which the Chair of the Non-Ag Pool and Chair of the Advisory Committee determines appropriate

January 12, 2012 Agricultural Pool – Approved unanimously the Recharge Applications for the City of Upland and San Antonio Water Company Applications for Recharge exclusive of recycled water and to direct Watermaster to account for supplemental water recharged in the existing local supplemental storage account

February 16, 2012 Advisory Committee –

February 23, 2012 Watermaster Board –

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PUBLIC WORKS DEPARTMENT
1370 North Benson Avenue
Upland, California 91786-0460
Telephone (909) 291-2930
Facsimile (909) 291-2974

November 29, 2011

Danielle D. Maurizio, PE, Senior Engineer, Interim CEO
Chino Basin Watermaster
9641 San Bernardino Rd.
Rancho Cucamonga, CA. 91730

Subject: Local Storage Agreement, Chino Groundwater Basin

Dear Mrs. Maurizio:

This letter is the City of Upland's formal submission of the appropriate application for Local Storage Agreement (Form 1), application for recharge (Form 2), and request for a Standard Local Storage Agreement (Form 8). The City of Upland completed the construction of a large storm, supplemental/imported water recharge basin (Upland Basin) located approximately on the south east corner of Monte Vista Avenue and Arrow Route through a significant investment by its local community. The City has allowed Chino Basin Watermaster to use the Upland Basin for the benefit of the regional recharge program.

The City of Upland makes this request to exercise and use its Upland Basin for recharge of local non-native water resources up to 9,500AF, which it has as part of its water resource supply portfolio. These local non-native water supplies include the City's direct water and water through its shareholder entitlement and partnerships with San Antonio Water Company and West End Consolidated Water Company, and Inland Empire Utilities Agency. These non-native local water supplies include water resources from San Antonio Canyon, Six Basins, and Cucamonga Basin. The recharge of this local non-native water is consistent with the groundwater recharge objectives, increase reliability of local water supplies, and reduced dependence on imported water. Furthermore, these local water supplies are of high water quality improving the overall long-term water quality characteristics in the Chino Groundwater Basin.

Pursuant to the Judgment and supplemental filings "Watermaster shall approve the storage of Supplemental water under a Local Storage Agreement" so long as:

- (1) The total quantity of Supplemental Water authorized to be held in Local Storage under all then existing Local storage Agreement, other than amounts classified as Supplemental water under the procedures set forth in Article VII Section 8.1, for all parties does not exceed the cumulative total of 100,000 AF (Peace II Provision);
- (2) The party to the Judgment making the request provides their own Recharge facilities for the purpose of placing the Supplemental Water into Local Storage (Upland Basin);
- (3) The agreement will not result in Material Physical Injury to any party to the Judgment or the basin. Watermaster may approve a proposed agreement with conditions that mitigate any threatened potential Material Physical Injury.

It is anticipated, this storage will be used to assist parties to the judgment in their groundwater production or over production replenishment obligations.

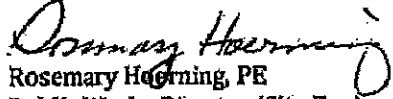
City of Upland

460 North Euclid Avenue, Upland, CA 91786-4732 • (909) 931-4100 • Fax (909) 931-4123 • TDD (909) 735-2929 • www.ci.upland.ca.us

For the aforementioned reasons, this request is consistent with the basin management objectives and development of local high quality water supply.

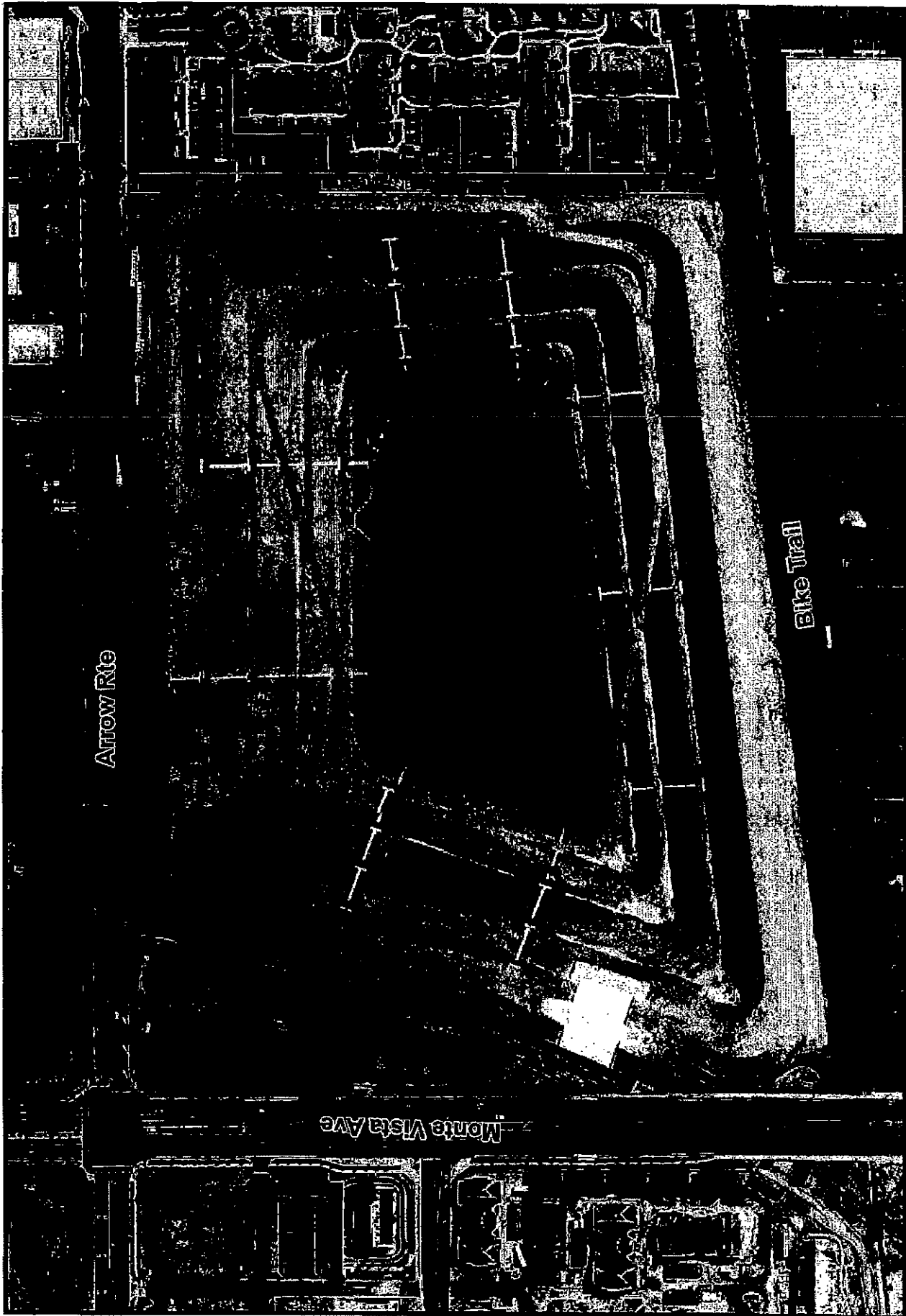
I look forward to the positive and timely prosecution of these applications, as the City would like to commence recharge activities at this location. Should you require additional information or a clarification on these submittals please contact me at (909) 291-2931.

Sincerely,


Rosemary Hoerning, PE
Public Works Director/City Engineer
City of Upland

Att: Form 1 Application for Local Storage Agreement
Form 2 Application for Recharge & Location Map
Form B Chino Basin Watermaster, Standard Local Storage Agreement

cc: Ken Willis, Chino Basin Watermaster Chair
Stephen Dunn, City Manager



Upland Basin



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APPLICATION
FOR
RECHARGE

APPLICANT

City of Upland			11/29/11	
Name of Party			Date Requested	Date Approved
460 N. Euclid Ave.			9,500	
Street Address			9,500 Acre-feet	
Upland	CA	91786	Amount Requested	Amount Approved
City	State	Zip Code	1 Foot Per day	Varies
Telephone: 909-291-2931			Projected Rate of Recharge	Projected Duration of Recharge
			Facsimile: 909-291-2974	

SOURCE OF SUPPLY

Water from:

- State Water Project
- Colorado River
- Local Supplemental Upland/SAW Co.-Six Basins, San Antonio Canyon, and Cucamonga Basin
- Recycled Water Source: Water and IEUA Recycled Water
- Other, explain

METHOD OF RECHARGE

<input checked="" type="checkbox"/> PERCOLATION	Basin Name	Upland Basin
	Location	SEC Monte Vista Ave. & Arrow Rte., Upland
<input type="checkbox"/> INJECTION	Well Number	N.A.
	Location (attach map)	
<input type="checkbox"/> EXCHANGE	Facility Name	Upland Basin
	Share of Safe Yield	5.202%
	Carry Over Right	Per Judgement
	Water in Storage	
	Pumping Capacity (cfs)	

WATER QUALITY AND WATER LEVELS

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

Recharge water will be high quality. Groundwater levels will be similar, as this is

an existing recharge basin facility

MATERIAL PHYSICAL INJURY

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

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

ADDITIONAL INFORMATION ATTACHED

Yes [✓] No []

Rosemary Heurich
Applicant, City of Upland

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

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

STAFF REPORT

DATE: February 16, 2012
TO: Committee Members
SUBJECT: San Antonio Water Company Application for Recharge

SUMMARY

Issue – On December 1, 2011, the San Antonio Water Company (SAWCO) submitted an application for a Local Storage Agreement for 2,000,000 acre-feet to be placed into a Local Supplemental Storage Account, inclusive of an Application for Recharge. SAWCO has requested prompt Watermaster action on its application. However, there are seven pending applications for Local Storage Agreements (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) analysis of Material Physical Injury; and (4) stakeholder input and a Watermaster determination on the general terms and conditions concerning Preemptive Replenishment, Storage. The SAWCO application has been deemed complete and Wildermuth Environmental, Inc. has opined that the SAWCO application would not cause Material Physical Injury. However, 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 SAWCO’s application in so far as Recharge is concerned but 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 SAWCO 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 by May 15, 2012 on a timeline consistent with Watermaster’s further reporting to the Court on the status of the Recharge Master Plan. This approach will allow SAWCO 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 I and Peace II Agreements 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 –Potential increases to recharge basin O&M costs.

BACKGROUND

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

On December 1, 2011, SAWCO submitted Form 1, an Application for a Local Storage Agreement. The Application identifies the maximum quantity of the storage account to be 2,000.00 acre-feet to be placed into a Local Supplemental Storage Account. The Application states the purpose of storing the water is to 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) was included. The Form 2 (attached for reference) states that the Upland and Montclair 1 Basins will be utilized. The Application does not state the method and location of recapture. At the time of recapture, the SAWCO will need to submit appropriate water forms.

On December 2, 2011, a Notice was issued for SAWCO's Application for a Local Storage Agreement for 2,000.000 acre-feet to be placed into a Local Supplemental Storage Account. Inclusive of this Notice was their Application for Recharge for 1,500.000 acre-feet of San Antonio Creek water through Upland and Montclair 1 Basins.

DISCUSSION

The Application for a Local Storage Agreement, inclusive of the Application for Recharge, was placed on the December 8, 2011 Appropriative Pool, Non-Ag Pool, and Agricultural Pool meeting agendas. The applications were discussed extensively during the Pool meetings. The Appropriative Pool and Non-Ag Pool deferred the items. The Agricultural Pool took unanimous action to defer the Local Supplemental Storage Agreement, but to approve by majority vote the Application for Recharge. The issue was then discussed at the Advisory Committee and Board meeting. The Board directed Staff to analyze all of the pending Applications for Local Supplemental Storage Accounts for Material Physical Injury, and to agendize the Application for Recharge on the January Pool meetings.

This Application for Recharge will first be considered by each of the respective Pool committees during this month of January 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 February 16, 2012 and then by the Watermaster Board on February 23, 2012.

Based on the Material Physical Injury analysis performed by Wildermuth Environmental, Inc., there will be no Material Physical Injury from the proposed Application for the recharge of San Antonio Creek water.

Staff recommends approval of the Application for Recharge as presented.

Once approved, SAWCO may begin recharging the water as described in the application. However, SAWCO 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 SAWCO is not guaranteed. Moreover, no party with a pending application for Local Supplemental Storage Agreements will be prejudiced by Watermaster's conditional action on SAWCO's application.

Actions:

January 12, 2012 Appropriative Pool – Approved unanimously the Recharge Applications for the City of Upland and San Antonio Water Company Applications for Recharge exclusive of recycled water and to direct Watermaster to account for supplemental water recharged in the existing local supplemental storage account

January 12, 2012 Non-Agricultural Pool – Approved unanimously the Recharge Applications for the City of Upland and San Antonio Water Company exclusive of recycled water and account for the water in existing local supplemental storage accounts, subject to any changes which the Chair of the Non-Ag Pool and Chair of the Advisory Committee determines appropriate

January 12, 2012 Agricultural Pool – Approved unanimously the Recharge Applications for the City of Upland and San Antonio Water Company Applications for Recharge exclusive of recycled water and to direct Watermaster to account for supplemental water recharged in the existing local supplemental storage account

February 16, 2012 Advisory Committee –

February 23, 2012 Watermaster Board –

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San Antonio Water Company

Incorporated October 25, 1882

Serving the original Ontario Colony lands

December 1, 2011

Ms. Danni Maurizio
Interim General Manager
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

SUBJECT: Application for Local Storage Agreement & Recharge

Dear Danni:

Enclosed are the forms for the San Antonio Water Company's application for a Local Storage Agreement and Recharge into Chino Basin via Upland Basin or Montclair Basin 1 off of the San Antonio Channel.

We ask that you process our application for the Pool's approval. If you have any questions, please call me at 909.982.4107.

Sincerely,

Charles Moorrees
General Manager
/cm

Cc: File

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APPLICATION FOR RECHARGE

APPLICANT

SAN ANTONIO WATER CO.
Name of Party

12-1-11
Date Requested

Date Approved

139 N. EUCLID AVE.
Street Address

1,500 Acre-feet
Amount Requested

Amount Approved

LIPLAND CA 91786
City State Zip Code

250 AF/MONTH
Projected Rate of Recharge

JAN - JUNE
Projected Duration of Recharge

Telephone: 909-982-4107

Facsimile: 909-920-3047

SOURCE OF SUPPLY

Water from:

- State Water Project
- Colorado River
- Local Supplemental
- Recycled Water
- Other, explain

Source: SAN ANTONIO CREEK

SAN ANTONIO WATER COMPANY ENJOYS A MAJORITY OF SURFACE WATER RIGHTS IN THE CREEK

METHOD OF RECHARGE

- PERCOLATION
- INJECTION
- EXCHANGE

Basin Name LIPLAND BASIN & MONTCLAIR BASIN
Location SE MONTEVISTA & ARROW / E/O SA CHANNEL / 70 ARROWWAY.

Well Number _____
Location (attach map) _____
Facility Name _____
Share of Safe Yield _____
Carry Over Right _____
Water in Storage _____
Pumping Capacity (cfs) _____

WATER QUALITY AND WATER LEVELS

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

EXCELLENT WATER QUALITY FROM THE SA CREEK WATERSHED. (WATERSHED SANITARY SURVEY FINDINGS & CONCLUSIONS ARE ATTACHED) POSITIVE AFFECT ON WATER LEVELS IN MZI.

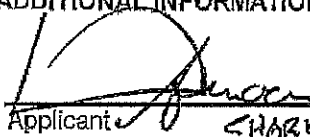
MATERIAL PHYSICAL INJURY

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?

ADDITIONAL INFORMATION ATTACHED

Yes [X] No []


Applicant: CHARLES MOORREES

- SAN ANTONIO CREEK SANITARY SURVEY FINDINGS & CONCLUSIONS
- UPLAND & MONTCLAIR BASIN

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 # _____

SECTION 6

WATERSHED SANITARY SURVEY FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

FINDINGS

1. The monitoring of the watershed as recommended in the 2000 WSS has been performed and it is clear that cryptosporidium and giardia concentrations in San Antonio Creek are very low. So low that the City of Pomona's Pedley Filtration Plant has been given a "Bin1" classification under L2ESWTR.
2. The general mineral water quality of San Antonio Creek has not changed measurably since 1994 as shown in Table 4-2c presented in Section 4
3. Average monthly raw water turbidity in San Antonio Creek as determined by measurements at Pomona's Pedley Water Treatment Plant has not changed significantly from the previous period, though turbidity in 2001-2005 was higher than previous years. This is likely due to the Grand Prix Fire.
4. Average monthly total coliform levels in San Antonio Creek as determined by measurements at Pomona's Pedley Water Treatment Plant have changed significantly for the better from the 1995-99 period. This can be seen in Figure 4-9a.
5. Average monthly fecal coliform levels in San Antonio Creek as determined by measurements at Pomona's Pedley Water Treatment Plant have not changed significantly from previous periods. See Figure 4-9b.
6. Average monthly HPC levels in San Antonio Creek as determined by measurements at Pomona's Pedley Water Treatment Plant were higher in 2001 - 2005 than previous 5-year periods and the 2006 - 2010 period. See Figure 4-9c.
7. Evey Canyon intake to the City of Pomona's pipeline appears to a significant source of coliform and E. coli. The source of these microorganisms is not known. There are recommendations for increased monitoring of the this area to determine the possible sources. See Figures 4-11a and b. It is also noteworthy to look at Figures 4-19a and 4-19b. The total coliform concentration at SACWTP is substantially less than that measured at Evey Canyon and the Pedley Filtration Plant raw water inlet. The SACWTP source is the 60/40 weir box. This further supports the finding that Evey Canyon is a significant source of coliform found in the Pedley Filtration Plant inlet raw water.
8. THM and HAA5 levels in the treated water are well below the Disinfectant and Disinfection by-product rule requirements for both the Cities of Pomona and Upland. HAA5 concentrations are well below the MCL, even with the LRAA method of computation. TTHM concentrations were also well below the MCL even with the LRAA method of computation. See Table 4-4a, 4-4b, 4-7a, and 4-7b.
9. The City of Upland made major reductions in the TTHM concentration in the distribution system between the 2001-2005 period and the 2006-2010 period. See Tables 4-7a, and 4-7b

10. Recreational activities in the watershed continue to be a concern particularly as they relate to disposal of trash.
11. Septic tanks and subsurface wastewater disposal systems continue to exist and still pose a threat to water quality. Some could be impacted by high flood flows. The largest of the systems (portion of Mt. Baldy Village and Mt. Baldy School) are now under a Regional Water Quality Control Board Waste Discharge Permit which requires regular monitoring and reporting.
12. The SACMSC has made improvements to the wastewater disposal system for the portion of the Mt. Baldy Village which is served by the company. This included an "all gravity" system from inlet to disposal which will minimize spills and overflows. The installation of the Pirana™ system has immensely improved the quality of the effluent which is percolated in the leach field.
13. Watershed signage which was recommended in the 2000 WSS has not been installed. The terrorist attacks on 9/11/01 forced water suppliers to think of security and not call attention to the fact that the creek is a source of water. The USFS has implemented a programs of "Leave No Trace" and "Tread Lightly" to educate the public to "pick up after themselves.
14. The City of Pomona and City of Upland water treatment plants will comply with the Stage 2 Disinfectant and Disinfection by-products rule and the Long Term 2 Enhanced Surface Water Treatment Rule.
15. The USFS has extended the leases of the private cabins on public lands for another 20 years. There are still concerns over the "permanent occupancy" of some of the cabins. The USFS reports that a prevention officer visits the cabins semi-annually to check on brush clearance and the USFS states that officer would also note any water quality issues. A follow-up for compliance is made. The Cities, SAWCO or the Watershed Committee however are not notified of the compliance orders. The USFS should make sure the prevention and compliance personnel are trained in observing conditions that could impact water quality.
16. The San Antonio Watershed Committee meets bi-monthly to discuss matters of mutual interest in the watershed.
17. Recreational use of the watershed is continuing at a high level. The imposition of the USFS \$5 use fee has not brought about a permanent reduction in recreational activities.
18. Permanent vault toilets have been constructed at Manker Campground and at the end of the road at Ice House Canyon. Portable toilets were observed at the ski area parking lot.
19. The "Friends of the River" have proposed making a portion of San Antonio Creek from the falls to its headwaters as "WILD and SCENIC." This will protect the area but not impact its recreational use.

CONCLUSIONS

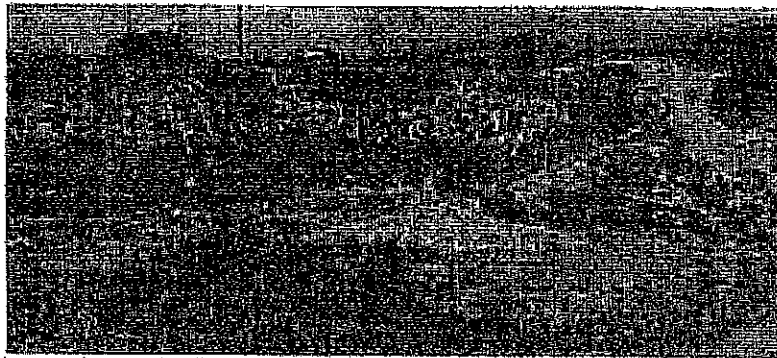
1. Water quality in San Antonio Creek continues to be of relatively high quality.

2. Microbiological contamination of the watershed is not showing any increasing trends. The City of Pomona's Evey Canyon intake appears to be a significant source of coliform.
3. Giardia and cryptosporidium concentrations in San Antonio Creek are minimal and the costly sampling could be reduced significantly.
4. The San Antonio Watershed Committee should continue their bimonthly meetings and their watershed activities.

RECOMMENDATIONS

1. The cryptosporidium and giardia monitoring currently carried out at the Upper, Middle, Lower Intake and Ice House Canyon should be reduced to once every 2 years.
2. The City of Pomona should carefully monitor the total coliform and E. coli in the Evey Canyon intake and try to identify the sources if possible.
3. The USFS should keep the Watershed Committee (and the Agencies) informed of their inspections of the cabins and compliance orders.
4. The Watershed Committee should receive copies of the reports prepared by the SACMSC for the Regional Water Quality Control Board.
5. The intake pipelines, including the SCE pipelines should be inspected on an annual basis, preferably after the heavy spring runoff season. (This was one of the recommendations in the 1995 WSS and should be discussed at the Watershed meetings since SCE is a member of the Committee.)
6. A mechanism needs to put in place, if it is not already in place, to alert the Agencies of vehicle accidents which could discharge chemicals or contaminants into the watercourse. (This was one of the recommendations in the 1995 WSS.)
7. The Agencies in conjunction with the USFS should continue and, if possible, expand their public education program of the need to protect the San Antonio Creek watershed. (This was one of the recommendations in the 1995 WSS.)
8. The County of Los Angeles and the County of San Bernardino Building and Safety Departments should notify the Watershed Committee when there are modifications or replacements of existing septic tank systems or any new systems installed or failure or overflow of existing systems.
9. The USFS should locate the septic tank and leach field at the Lower San Antonio Fire Station at Shinn Road and provide the Watershed Committee with a report on when it is pumped.
10. The USFS should require special use cabin owners (or the septic tank pumers) to provide records to the USFS when these cabin septic tanks are pumped. These reports should be provided to the Watershed Committee on an annual basis.
11. There needs to be communication between the Los Angeles County Department of Public Works Crews and Contractors when they are planning on working in the Creek as the impact on the water supply intakes from the turbidity is significant.

Upland Basin



Location

Management Zone No. 1

Upland Basin is located in the southeast corner of Monte Vista Avenue and Arrow Route in the City of Montclair, California.

Ownership

City of Upland

Potential Recharge Water Supply Sources

- * Storm Water
- * Recycled Water
- * Imported Water (SWP)

Effective Spreading Area

10.1 acres

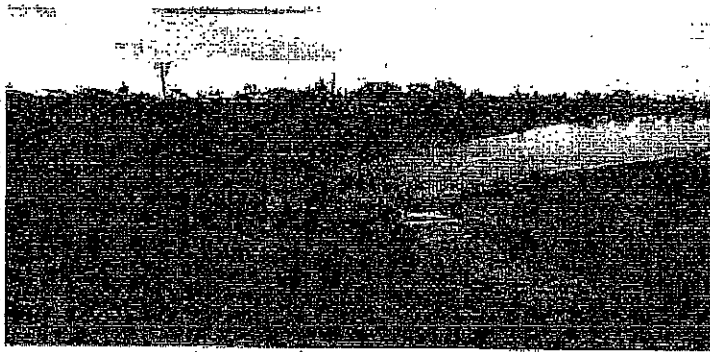
Percolation Rate

3.0 ft/day

Description

Upland Basin was once a quarry mining area. There exists one inlet for local runoff into the basin. There are no outlets for the basin.

Montclair Basins



Location

Management Zone No. 1

Montclair Basins consists of four basins (M1-M4) located in series to the east of San Antonio channel between Arroyo Highway and San Bernardino Avenue.

Ownership

Chino Basin Water Conservation District

Potential Recharge Water Supply Sources

- Storm Water Captured from the San Gabriel Mountain Watersheds
- Recycled Water
- Imported Water (SWP)

Effective Spreading Area

Montclair 1	6.8 acres
Montclair 2	10.9 acres
Montclair 3	3.9 acres
Montclair 4	6.6 acres

Percolation Rate

Montclair 1	2.0 ft/day
Montclair 2	2.5 ft/day
Montclair 3	1.5 ft/day
Montclair 4	1.0 ft/day

Description

Montclair 1 (M1) receives water from the San Antonio channel via a drop inlet structure and 48-inch RCP. There are two additional storm water inlets for M1. A 24-inch gate outlet and a spillway structure convey flows underneath Moreno Avenue from M1 to Montclair 2 (M2).

In addition to the inlet structure from M1, there is also a 36-inch diameter storm water inlet into the spreading basin. On the west side of the basin is a low-flow outlet and an overflow, concrete spillway that leads into San Antonio Channel. The outlet structure conveying flows to Montclair 3 (M3) consists of two 36-inch diameter pipes that run beneath San Jose Avenue.

In addition to the inlet structure from M2, an open channel delivers storm water runoff from Montclair Plaza and the surrounding areas. There is an overflow spillway that conveys water under I-10 and into San Antonio Channel. An 8-foot by 6-foot outlet box delivers water to Montclair 4 (M4).

In addition to the inlet structure from M3, there is also a 16-inch diameter storm water inlet. A concrete, rectangular, outlet structure at the south end of the basin delivers water to San Antonio Channel.

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CHINO BASIN WATERMASTER

IV. REPORTS / UPDATES

C. INLAND EMPIRE UTILITIES AGENCY

4. State and Federal Legislative Reports
5. Community Outreach/Public Relations Report
6. IEUA Monthly Water Newsletter



CHINO BASIN WATERMASTER

ADVISORY COMMITTEE

February 16, 2012

AGENDA

INTERAGENCY WATER MANAGER'S REPORT

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

Discussion Items:

- MWD Update (oral)
- Recycled Water Groundwater Recharge Regulations Update (oral)
- Water Softener Initiative (oral)

Written Items:

- State and Federal Legislative Reports
- Community Outreach/Public Relations Report
- IEUA Monthly Water Newsletter

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Date: February 15, 2012
To: The Honorable Board of Directors
From: Thomas A. Love
General Manager
Submitted by: Martha Davis
Executive Manager of Policy Development
Subject: January Legislative Report from Agricultural Resources

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

Dave Weiman provides a monthly report on his federal activities on behalf of IEUA.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

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Agricultural Resources

635 Maryland Avenue, N.E.
Washington, D.C. 20002-5811
(202) 546-5115
(202) 546-4472-fax
agresources@erols.com

January 29, 2012

Legislative Report

TO: Thomas Love
General Manager, Inland Empire Utility Agency

FR: David M. Weiman
Agricultural Resources
LEGISLATIVE REPRESENTATIVE, IEUA

SU: Legislative Report, January 2012

Highlights:

- *Second Session Convenes*
- *Administration Budget Delayed*
- *Water Bond Delay, Reaction in Washington*
- *Water Year, Drought Conditions Returning?*
- *Uranium Mining – Grand Canyon and Colorado River*
- *National Academy of Sciences – New Report on Water Recycling*
- *Administration Reorg Plan – DOI and Commerce (NOAA/NMFS)*
- *Water Recycling Legislation*
- *Climate Gyration*
- *Drought Conditions/Water Supply*
- *IEUA Working Partners*

Second Session Convenes, Budget Delayed. January formally begins the Second Session of the two-year Congress and it signals the start of an election year. Many issues, particularly high profile ones, will be colored by partisanship. Major issues are on the table. Whether or not this

will be a productive or grid-locked legislative year is “up-for-grabs.” Major legislation – reauthorization of the highway bill, a water resources (Corps authorization) bill, debt reduction – all pending.

Administration Budget Delayed. In late January the President delivered his State of the Union address to a joint session of the Congress. Typically, the Administration’s proposed budget for the fiscal year beginning October 1 is submitted to Congress the following Monday. Not this year. It was scheduled for a February 6 submission and in late January, OMB announced it would not be submitted until February 13 (shortly before the ACWA trip). The Administration has not explained why. The budget (overall budget, departmental budgets and agency/bureau budgets will now be released in mid-February and Congress will be in a District Work Period the third week of February – President’s Holiday). Submission of the budget initiates the appropriations process. Speaker Boehner announced, in late January, that the House would process the bills on a timely manner this year (a priority).

Water Bond Delay – Reaction in Washington. Word from the Sacramento – that the water bond would not be placed on the 2012 ballot. In turn, that’s created a certain level of “well-what’s-Plan-B” confusion here in Washington. The delay in the bond, to 2014, has the potential to impact Administration priorities – *from Delta policy issues to funding priorities*. Right now, some are rushing forward to “insist” that “nothing’s changed.” The very act of “insisting” is all but affirming that something has changed. This will play out over the next few months. Anticipate conflicting and even contradictory reports in the immediate short term.

Water Year – Drought Conditions Returning? The precipitation profile for California (at the close of December) was 97% below normal. The January 3 DWR snow survey concluded that 2011-2012 water year was among the driest on record. DWR was estimating that, with carry-over water from a wet 2011, they could deliver some 60% of the water requests (subject to increase if storms add to the snow pack). All in all, the system is at 19% of the January historical average.

Uranium Mining – Grand Canyon and Colorado River. In early January, Interior Secretary Salazar signed a Public Land Order, administratively protecting 1 million acres in the Grand Canyon watershed from new uranium mining. The Order was signed at a semi-public (invitation only) ceremony held at the National Geographic Building (in Washington DC) attended mostly by environmentalists. Curiously, officials from water agencies were not invited (ACWA, MWD and others, inexplicably, not invited). The Order applies to “new” mining applications (more than 3,000 claims already exist). At issue, the integrity of Colorado River water quality. There is a backlash to the Secretary’s Order in Congress from mining supporters. Whether or not it can or will be successfully challenged remains unclear.

National Academy of Sciences – New Report on Water Recycling. NAS released a new report, “*Water Reuse: Potential for Expanding the Nation’s Water Supply Through Reuse of Municipal Waste Water.*” Key conclusion, “*reuse offers significant potential to increase total*

available water supplies.” According to the NAS, “*With recent advances in technology and design, treating municipal wastewater and reusing it for drinking water, irrigation, industry, and other applications could significantly increase the nation's total available water resources, particularly in coastal areas facing water shortages, says a new report from the National Research Council. It adds that the reuse of treated wastewater, also known as reclaimed water, to augment drinking water supplies has significant potential for helping meet future needs. Moreover, new analyses suggest that the possible health risks of exposure to chemical contaminants and disease-causing microbes from wastewater reuse do not exceed, and in some cases may be significantly lower than, the risks of existing water supplies.*” This report is further justification for the Bureau of Reclamation’s Title XVI program and will support the growing request for such projects.

Administration Reorg Plan – DOI and Commerce (NOAA/NMFS). The Administration announced a reorganization plan focusing on trade and development. As a consequence, the Commerce Department is significantly proposed to be “rearranged.” NOAA (and its several agencies including the Weather Service, National Marine Fisheries and other agencies) are proposed to be moved to the US Department of the Interior. This has significant implications for Bay Delta and related water issues. Initial response – many are opposing the proposed move. Such proposals are always controversial – in and out of Congress. The Weather Service supporters report that they have been developing new forecasting initiatives which they are already asserting would be at risk.

Water Recycling Legislation. IEUA and Cucamonga Valley Water District have been working together – and with the Bureau of Reclamation to resolve an apparent limitation in Cucamonga’s authorizing limitation (which inhibits the scope of the IEUA-Cucamonga recycling program). Both agencies have been meeting – and discussing the challenge with the Bureau of Reclamation staff at the Temecula office – in an attempt to resolve the matter. Our preference is to work this out administratively, however the Bureau’s initial reaction is to object. This may require a statutory correction.

Climate Gyration? According to published news reports, “*Pushed down by a strong La Niña, the global average temperature last year was among the coolest of this century, though still one of the warmest of modern times, according to estimates released today by NASA and the National Oceanic and Atmospheric Administration. Last year was the ninth warmest since the 19th century, sitting 0.51 degree Celsius (0.92 degree Fahrenheit) higher than the mid-20th century average, NASA's Goddard Institute for Space Studies found. Meanwhile, NOAA's National Climatic Data Center said 2011 was the 11th warmest on record, matching 1997.*” Climate gyrations continue, and by all indications, will be erratic.

Drought Conditions and Water Supplies. The USDA-NOAA Drought Monitor now shows almost all of California in “dry” condition – the lowest level of readings. Now, half of Washington and Oregon are showing similar drought conditions – as is most of the Colorado River Basin and the Southwest states. Texas is “burning” as are portions of Georgia and the

Southeast (again). California precipitation is very low (statewide), however the first Winter storms arrived with much needed snowpack *“although many stations were still in the 20th percentile or lower.”*

IEUA Continues to Work With Various Partners. On an on-going basis in Washington, IEUA continues to work with:

- a. Metropolitan Water District of Southern California (MWD)
- b. Milk Producer's Council (MPC)
- c. Santa Ana Watershed Project Authority (SAWPA)
- d. Water Environment Federation (WEF)
- e. Association of California Water Agencies (ACWA)
- f. WaterReuse Association
- g. CALStart
- h. Orange County Water District (OCWD)
- i. Cucamonga Valley Water District (CVWD)
- j. Western Municipal Water District
- k. Chino Basin Watermaster
- l. Western Urban Water Coalition
- m. National Water Resources Association



Date: February 15, 2012
To: The Honorable Board of Directors
Through: Public, Legislative Affairs, and Water Resources Committee (2/8/12)
From: Thomas A. Love
General Manager
Submitted by: Martha Davis
Executive Manager of Policy Development
Subject: January Legislative Report from Dolphin Group

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

Michael Boccadoro provides a monthly report (attached) on the Dolphin Group's activities on behalf of the Chino Basin/Optimum Basin Management Program Coalition.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

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January 27, 2012

To: Inland Empire Utilities Agency
From: Michael Boccadoro
President
RE: January Status Report



Overview:

The Legislature has returned to Sacramento and started the second year of the 2011-2012 session. They quickly tackled bills that were carried over from last year, as the deadline for those bills to make it out of all committees, fiscal and policy was January 20. The first three weeks of the session saw many of the carryover bills IEUA had taken a position on either amended to completely change the subject of the bill, or fail passage in committee.

The Governor released his 2012-2013 budget and outlined his priorities for the year in his State of the State address. With a \$9.2 billion shortfall for the 2012-13 fiscal year, a cornerstone of the Governor's proposed budget is the assumption that the November 2012 ballot initiative to temporarily raise income and sale tax will pass and increase revenues by \$6.9 billion.

The California Public Utilities Commission (CPUC) is continuing its discussion on what to do with revenues generated from the cap and trade program. Ideas about how the money could be spent range from rebates back to ratepayers to investing in other renewable projects and additional energy efficiency programs.

The CPUC also addressed the content category definitions and restrictions for the use of Renewable Energy Credits (RECs) into the market to meet the 33 percent Renewable Portfolio Standard. While a decision was issued, there is some discussion of revisiting the categories to move unbundled credits into a different content category.

The joint legislative committee on Public Employees, Retirement and Social Security met on January 25 for the third hearing on pension reform in California. The committee is charged with discussing potential options for pension reform.

Finally, Assemblyman Roger Dickinson released a response from the Legislative Analyst Office (LAO), to his request for an evaluation of special districts. While the LAO cannot implement any of its recommendations, it sheds some light into what the Legislature might consider in the future.

Inland Empire Utilities Agency

Status Report – January 2012

Governor Brown Releases 2012-2013 Budget

The Governor released his 2012-13 budget in early January, attempting to address a \$9.2 billion shortfall. The budget assumes that the Governor's proposed tax initiative to temporarily increase sales and income taxes, proposed for the November 2012 ballot, will pass and generate \$6.9 billion in revenues by the end of the 2012-13 fiscal year. Additionally, there are significant reductions to social services and childcare programs on top of additional state borrowing. If the proposed budget passes and economic assumptions hold true, the state would be left with a \$1.1 billion reserve by the end of 2012-13.

In the event that the Governor's tax initiative does not pass, the proposal requests that the Legislature approve \$5.4 billion in "trigger cuts" to take effect on January 1, 2013. Prop 98 funding for schools and community colleges would bear the 90 percent of these trigger cuts.

The Legislative Analyst Office (LAO) has differing estimates concerning what the Governor's tax initiative would raise, raising concerns that the Legislature would have to make more cuts should the initiative pass and the revenues fail to materialize. The LAO is also concerned that the proposed budget brings uncertainty to California schools. Not knowing what funding levels will be from one year to the next makes it very difficult for schools to plan budgets from year to year.

The budget is now in the hands of the Legislature where it will be discussed in budget sub committees before it comes to a vote in each of the houses. Because there are no tax increases in the budget, it can be approved by a majority vote of each house by the June 15 deadline.

Cap and Trade Revenues

The California Public Utilities Commission (CPUC) is examining options for the revenue utilities will receive from auctioning allowances in the cap and trade system. There are competing ideas with how this revenue will be spent. The utilities suggest using the revenues in the form of bill credits to those ratepayers who see higher bills as a result of implementing various greenhouse gas related policies. Environmentalists and some ratepayer advocacy groups urge using the revenue for long-term efforts to reduce greenhouse gas emissions.

Meanwhile, Governor Brown is proposing to integrate the forward auction revenue from 2015 credits into his 2012-13 budget for either the general fund or renewable energy. While these funds are thought to be separate from the utility revenue, it is still unclear how the Governor's plan will affect the discussions at the CPUC, or if it will stand up to legal challenges.

RPS Content Categories

On December 15, 2011, the CPUC approved the definitions of the three content categories, sometimes referred to as "buckets", of the Renewable Energy Credits (RECs) that can be used to meet the 33 percent Renewable Portfolio Standard. Unbundled RECs, RECs where only the

credit is sold to the utility, not the actual energy, were put into category three, causing concern for many stakeholders. In order to limit the amount of out of state credits the utilities can purchase, the utilities are only allowed to purchase a small amount of credits from category three. While stakeholders appreciate the CPUCs attempts to generate instate resources, general consensus is that there is a great opportunity for in-state sources, such as wastewater agencies, to generate unbundled RECs, but those RECs may be limited in value.

Commission President Peevey agrees that there is an opportunity to spur development of unbundled RECs at in-state facilities if there is a better opportunity for these RECs to participate in helping meet the state's RPS goals. He issued a letter in early January urging the legislature to look at this issue. Having a higher value associated with unbundled RECs from instate sources could help spur development of distributed generation throughout California's wastewater agencies.

Joint Committee on Pension Reform

The joint legislative committee on Public Employees, Retirement and Social Security met on January 25 for the third hearing on pension reform in California. Members of the committee heard from a series of experts about the different kinds of pension plans that are in place in other states and at the federal level. Legislators asked many questions about how the different types of plans would affect California, but no specific action was taken at the hearing.

Committee members showed keen interest in the hybrid plan pensions, which would combine the defined benefit system currently in place with a defined contribution plan, such as a 401k plan, for new hires only. The major concern with this plan stems from the fact that a hybrid plan will give no immediate relief to the unfunded liability problems currently facing CalPERS because pension plans of current employees cannot be altered, however significant savings will be realized in the distant future as more and more employees are enrolled in a hybrid program.

The committee noted that they are waiting for a specific proposal from Governor Brown before taking action. The Governor did release a 12 point pension reform plan in 2011, but has not released any specific details or potential legislation. Legislators are likely reluctant to tackle such a controversial issue in an election year.

There is a continuing attempt to qualify an initiative for the November ballot that would reform the CalPERS system. The initiative is currently in the signature gathering phase and is reportedly struggling to raise funds.

Legislative Analyst Office Report on Special Districts

In 2011, Assemblyman Roger Dickinson asked the Legislative Analyst Office (LAO) to study and issue a report on special districts. He asked them to evaluate three areas of special districts: efficiency and accountability of small special districts and the effectiveness of Local Agency Formation Commissions (LAFCOs).

The LAO concluded that smaller special districts can be less efficient and less accountable than larger districts. However, they suggest that many factors affect the efficiency and accountability of special districts. They conclude that LAFCOs are generally well positioned to review the effectiveness and accountability of special districts. They also identify some barriers to the implementation of consolidation. The LAO identifies some options for legislative consideration:

- Increase special district transparency:
 - Searchable Databases: residents should know what special districts are in the area they live in
 - Property Tax Bill Information: identify where the 1% is going
 - Public Websites
- Provide voters with information when special districts do not have elections
- Develop more consistent evaluation metrics
- Reduce hurdles to LAFCO-recommended consolidations and oversight
- Increase legislative oversight of LAFCOs and special districts

Finally, the report specifically highlighted wastewater districts. They concluded that larger (“larger” is not defined) districts appeared to both provide services at a lower cost, as well as provide higher quality of service as measured by treatment levels. They note that district size does not explain all of the variations in wastewater fee levels.

Legislature Back in Sacramento

The Legislature is back in Sacramento working on the final year of the 2011-2012 session. With only one month to pass carryover bills from 2011 out of their house of origin, the Legislature is rushing to meet the January 31 deadline. Legislators must also submit any new bill requests to Legislative Counsel by January 27 and have those bills introduced by February 24. While there were very few bills left over from 2011 that have a significant effect on water/wastewater agencies, it is anticipated that 2012 will see legislation pertaining to the water bond and renewable energy. More details will most likely be released on those topics in the coming weeks.

SB 200 (Wolk) was heavily amended. The previous version of the bill sought to amend the Delta Reform Act of 2009 that requires the Delta Stewardship Council to consider the Bay Delta Conservation Plan (BDCP) for inclusion in a specified Delta Plan and the authorizes the incorporation of the plan into the Delta Plan if the BDCP meets certain requirements. The bill was amended in early January and now deals with Delta levee maintenance. These amendments change the bill drastically and allow most concerned parties to remove their opposition.

AB 19 (Fong) regarding building standards for water meters in multiunit structures was amended to narrow the scope of the bill to try to ensure passage by only making the regulations apply to “common interest developments”. These amendments did not satisfy the opposition, and the author decided to drop the bill for the session.

LEGISLATION TO BE ADDRESSED IN 2012

**AB
83** (Jeffries R) Environment: CEQA exemption: recycled water pipeline.

Introduced: 1/5/2011

Status: 1/13/2012-Failed Deadline pursuant to Rule 61(b)(1). (Last location was 2 YEAR on 5/10/2011)

Location: 1/13/2012-A. DEAD

Summary: The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA exempts specified pipeline projects from the above requirements. This bill would additionally exempt a project for the installation of a new pipeline, not exceeding a specified length, for the distribution of recycled water within an improved public street, highway, or right-of-way. Because a lead agency, which may include a local agency, is required to determine whether a project qualifies for those exemptions, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**AB
157** (Jeffries R) Safe, Clean, and Reliable Drinking Water Supply Act of 2012.

Introduced: 1/19/2011

Status: 1/10/2012-In committee: Set, second hearing. Failed passage.

Location: 1/10/2012-A. E.S. & T.M.

Summary: Existing law creates the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, which, if approved by the voters at the November 6, 2012, statewide election, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. This bill would reduce by 25% the total amount of bonds authorized to be issued pursuant to the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, and would make conforming reductions to amounts specified to be allocated from these bond funds for certain purposes. This bill contains other related provisions.

**AB
340** (Furutani D) Public employees' retirement.

Introduced: 2/10/2011

Last Amend: 9/7/2011

Status: 10/13/2011-Assembly Members Allen, Furutani, and Silva appointed to Conference Committee.

Location: 10/13/2011-A. CONFERENCE COMMITTEE

Summary: The State Teachers' Retirement System, the Public Employees' Retirement

System, the Judges' Retirement System, and the Judges Retirement System II provide pension benefits based in part upon credited service. Under existing law, counties and districts, as defined, may provide retirement benefits to their employees pursuant to the County Employees Retirement Law of 1937. This bill would declare the intent of the Legislature to convene a conference committee to craft responsible, comprehensive legislation to reform state and local pension systems in a manner that reflects both the legitimate needs of public employees and the fiscal circumstances of state and local governments.

**AB (Eng D) Environment: Safe Drinking Water, Water Quality and Supply, Flood
467 Control, River and Coastal Protection Bond Act of 2006.**

Introduced: 2/15/2011

Last Amend: 3/31/2011

Status: 1/24/2012-Read second time and amended. Ordered to second reading.

Location: 1/24/2012-A. SECOND READING

Summary: The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, an initiative statute approved by the voters at the November 7, 2006, statewide general election, makes approximately \$5.4 billion in bond funds available for safe drinking water, water quality and supply, flood control, natural resource protection, and park improvements. The bond act makes \$60,000,000 available to the State Department of Public Health for the purpose of loans and grants for projects to prevent or reduce contamination of groundwater that serves as a source of drinking water and requires the department to require repayment for costs that are subsequently recovered from parties responsible for the contamination. Existing law requires the State Department of Public Health, in collaboration with the Department of Toxic Substances Control and the State Water Resources Control Board, to develop and adopt regulations governing the repayment of costs that are subsequently recovered from parties responsible for the contamination of groundwater. This bill would instead require the State Department of Public Health, in collaboration with those agencies, to develop guidelines governing this repayment that would allow grantees to retain repayments to fund ongoing or additional groundwater cleanup activities. The bill would make a declaration concerning the compliance of those grantees with the bond act.

**AB (Huber D) Sacramento-San Joaquin Delta: peripheral canal.
550**

Introduced: 2/16/2011

Last Amend: 1/4/2012

Status: 1/20/2012-Failed passage in Assembly Water, Parks and Wildlife

Location: 1/20/2012-A. DEAD

Summary: Existing law requires various state agencies to administer programs relating to water supply, water quality, and flood management in the Sacramento-San Joaquin Delta. This bill would prohibit the construction of a peripheral canal, as defined, that conveys water from a diversion point in the Sacramento River to a location south of the Sacramento-San Joaquin Delta, unless expressly authorized by the Legislature. The bill

would require the Legislative Analyst's Office to complete an economic feasibility analysis prior to the enactment of a statute authorizing the construction of a peripheral canal. The bill would prohibit the construction and operation of a peripheral canal from diminishing or negatively affecting the water supplies, water rights, or quality of water for water users within the Sacramento-San Joaquin Delta watershed, or imposing any new burdens on infrastructure within, or financial burdens on persons residing in, the Delta or the Delta watershed.

**AB
723 (Bradford D) Energy: public goods charge.**

Introduced: 2/17/2011

Last Amend: 6/29/2011

Status: 6/29/2011-Re-referred to Com. On E., U., & C. From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. On E., U., & C.

Location: 6/29/2011-S. E. U., & C.

Summary: Under the Public Utilities Act (the act), the Public Utilities Commission (PUC) has regulatory authority over public utilities, including electrical corporations. The Reliable Electric Service Investments Act within the act requires the PUC to require an electrical corporation, until January 1, 2012, to identify a separate electrical rate component, commonly referred to as the "public goods charge," to fund energy efficiency, renewable energy, and research, development, and demonstration programs that enhance system reliability and provide in-state benefits. A violation of the act is a crime. This bill would extend this requirement to January 1, 2020, and would make other technical and conforming changes. Because a violation of the act is a crime, this bill would impose a state-mandated local program by extending the application of a crime. This bill contains other related provisions and other existing laws.

**AB
724 (Bradford D) Clean Energy Jobs and Investment Act.**

Introduced: 2/17/2011

Last Amend: 9/9/2011

Status: 10/21/2011-Measure version as amended on September 9 corrected.

Location: 9/9/2011-S. RLS.

Summary: Under the Public Utilities Act, the Public Utilities Commission (PUC) has regulatory authority over public utilities, including electrical corporations. The Public Utilities Act requires the PUC to require, until January 1, 2012, an electrical corporation to identify a separate electrical rate component (public goods charge) to fund energy efficiency, renewable energy, and research, development, and demonstration programs that enhance system reliability and provide in-state benefits. A violation of the Public Utilities Act is a crime. This bill would extend this requirement to January 1, 2020. Because a violation of this requirement is a crime, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

SB (Simitian D) California Water Resources Investment Act of 2011.

34

Introduced: 12/6/2010

Last Amend: 4/13/2011

Status: 7/13/2011-Failed Deadline pursuant to Rule 61(a)(10). (Last location was APPR. on 5/4/2011)

Location: 7/13/2011-S. 2 YEAR

Summary: Under existing law, various measures provide funding for water resources projects, facilities, and programs. This bill would enact the California Water Resources Investment Act of 2011 to finance a water resources investment program. To finance the program, the bill would impose on each retail water supplier in the state an annual charge based on the volume of water provided in its service area that is provided for nonagricultural uses and an annual charge based on each acre of land within its service area that is irrigated for agricultural purposes. The bill would require the State Board of Equalization to collect the charges from retail water suppliers in accordance with the Fee Collection Procedures Law, and would authorize the State Board of Equalization and the Department of Water Resources to adopt and enforce regulations for the administration and enforcement of the charges and related requirements as emergency regulations. This bill contains other related provisions and other existing laws.

SB
35

(Padilla D) California Energy Research and Technology Act of 2011.

Introduced: 12/6/2010

Last Amend: 7/11/2011

Status: 7/11/2011-Read second time and amended. Re-referred to Com. on NAT. RES.

Location: 7/11/2011-A. NAT. RES.

Summary: Under the Public Utilities Act, the Public Utilities Commission (PUC) has regulatory authority over public utilities, including electrical corporations. The act requires the PUC to require, until January 1, 2012, an electrical corporation to identify a separate electrical rate component to fund energy efficiency, renewable energy, and research, development, and demonstration programs that enhance system reliability and provide in-state benefits. Existing law requires that the moneys collected between January 1, 2007, and January 1, 2012, from the electrical corporations for public interest research, development, and demonstration projects be deposited in the Public Interest Research, Development, and Demonstration Fund and be used for the purposes of the Public Interest Energy Research, Demonstration, and Development Program. Existing law requires that the moneys collected by the electrical corporations for the benefit of in-state operation and development of existing and new and emerging renewable resources technologies be deposited in the Renewable Resource Trust Fund for the purposes of the Renewable Energy Resources Program. This bill would repeal those provisions. This bill contains other related provisions.

SB
200

(Wolk D) Delta levee maintenance.

Introduced: 2/8/2011

Last Amend: 1/24/2012

Status: 1/23/2012-Read second time and amended. Ordered to third reading.

Location: 1/23/2012-S. THIRD READING

Summary: Existing law establishes a delta levee maintenance program pursuant to which a local agency may request reimbursement for costs incurred in connection with the maintenance or improvement of project or nonproject levees in the Sacramento-San Joaquin Delta. Existing law declares legislative intent to reimburse eligible local agencies under this program, until July 1, 2013, in an amount not to exceed 75% of those costs that are incurred in excess of \$1,000 per mile of levee, and on and after that date, in an amount not to exceed 50% of those described costs. This bill, instead, would declare legislative intent to reimburse up to 75% of those described costs until July 1, 2014, and on and after that date, to reimburse up to 50% of those described costs. This bill contains other related provisions and other existing laws.

SB
370 **(Blakeslee R) Energy: net energy metering.**

Introduced: 2/15/2011

Status: 1/20/2012-Failed Deadline pursuant to Rule 61(b)(2). (Last location was APPR. SUSPENSE FILE on 1/18/2012)

Location: 1/20/2012-S. DEAD

Summary: Existing law relative to private energy producers requires every electric utility, as defined, to make available to an eligible customer-generator, as defined, a standard contract or tariff for net energy metering on a first-come-first-served basis until the time that the total rated generating capacity used by eligible customer-generators exceeds 5% of the electric utility's aggregate customer peak demand. Existing law requires the electric utility, upon an affirmative election by the eligible customer-generator to receive service pursuant to this contract or tariff, to either: (1) provide net surplus electricity compensation for any net surplus electricity generated in the 12-month period, or (2) allow the eligible customer-generator to apply the net surplus electricity as a credit for kilowatthours subsequently supplied by the electric utility to the surplus customer-generator. This bill would authorize an agricultural customer-generator with multiple meters to elect to aggregate the electrical load of the meters located on the property where the generation facility is located and on all property adjacent or contiguous to the property on which the generation facility is located, if those properties are solely owned by the agricultural customer-generator, as provided.

SB
900 **(Steinberg D) California regional water quality control boards: members.**

Introduced: 2/18/2011

Last Amend: 5/9/2011

Status: 7/1/2011-Ordered to inactive file on request of Assembly Member Charles Calderon.

Location: 7/1/2011-A. INACTIVE FILE

Summary: Under existing law, the State Water Resources Control Board and the 9

California regional water quality control boards prescribe waste discharge requirements in accordance with the federal national pollutant discharge elimination system (NPDES) permit program established by the federal Clean Water Act and the Porter-Cologne Water Quality Control Act (state act). This bill, with regard to a regional board, would provide that a person would not be disqualified from being a member of that board because that person receives, or has received during the previous 2 years, a significant portion of his or her income directly or indirectly from a person subject to waste discharge requirements, or an applicant for waste discharge requirements, that govern discharges not within the jurisdiction of that regional board. The bill would provide that this revised eligibility provision relating to members of a regional board shall be implemented only if certain requirements are met. This bill contains other existing laws.



Date: February 15, 2012
To: The Honorable Board of Directors
Through: Public, Legislative Affairs, and Water Resources Committee (2/8/12)
From: Thomas A. Love
General Manager
Submitted by: Martha Davis
Executive Manager of Policy Development
Subject: January Legislative Report from Innovative Federal Strategies, LLC

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

Letitia White provides a monthly report (attached) on their federal activities on behalf of IEUA.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

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Innovative Federal Strategies LLC

Comprehensive Government Relations

MEMORANDUM

To: Tom Love and Martha Davis, IEUA
From: Letitia White and Heather Hennessey
Date: January 27, 2012
Re: January Monthly Legislative Update

The month of January on Capitol Hill was very slow with Congress in recess most of the month and hardly any legislative action. The House did not come back into session until January 17th and, after a quick vote to disapprove the President's request to raise the debt limit (more on that below), it adjourned for the House Republican's annual retreat. The House Democrats had their retreat the following week, which also meant a very short work week. The Senate did not return into session until January 23rd, making their legislative month even shorter than the House's. But there is plenty of important work ahead for the month of February with tax and budget issues at the top of the list.

The Debt Ceiling Resolution of Disapproval

On Wednesday, January 18th, the House voted 239-176 to disapprove President Obama's request to increase the \$15.2 trillion federal borrowing authority by \$1.2 trillion. Realistically, the vote was meaningless, because both Republicans and Democrats had already signed off on the default-averting debt limit increase deal last August, which pre-authorized the credit expansion unless the House and Senate passed a disapproval resolution with a veto proof margin. Meanwhile, the Senate's procedural vote on the same issue resulted in a failure to invoke cloture, allowing the increase to move forward as planned. The House vote does signify, however, that the legislative year ahead will be difficult and last year's fiscal battles will be revisited with continued ardor.

Payroll Tax Holiday Extension

On the subject of fiscal battles, the Congress must again deal with the payroll tax issue before the short-term extension expires at the end of February. The issue that remains is not whether Congress will extend the payroll tax cut - that much is all but certain after House Republicans lost a great deal of political capital in December's debate - but how Congress is going to pay for the extension. Both parties seem poised to drop their more contentious proposals, which include Republican provisions to block environmental regulations and a Democratic tax hike on those with incomes of more than \$1 million. But a deal will most likely involve changes to Medicare, tax credits, or unemployment benefits, fronts on which neither side seems eager to budge. Democrats already have ruled out a Republican proposal to enact a pay freeze for federal employees.

Innovative Federal Strategies LLC

News reports have said that conferees from both parties want the negotiations to go quickly and smoothly but pressure from wild-card conservatives and others angry with President Obama's recent decision on the Keystone XL pipeline may hinder those efforts.

Keystone XL Pipeline

As mentioned above, the Obama Administration reported to Congress on January 18th, a month before the deadline, that it will disapprove the application for the Keystone XL pipeline to transport crude oil from Canada to Oklahoma and Texas. We have not heard the end of this subject! While environmentalists see this as a win, Republicans feel that the Keystone Pipeline is a jobs issue and will likely use it as a point of attack. In addition, there are efforts in the mix to attach legislation to the payroll tax holiday bill that would circumvent the President in the decision making process.

President Will Submit Budget Late

The President announced late in the month that he will not submit his budget request to Congress until February 13, one week late. Federal law stipulates the budget is to be released on the first Monday in February, but release last year was also delayed by the Office of Management and Budget (OMB). This delay will likely have no effect on the budget process but it doesn't make for a good start to fiscal year 2012; you can be sure that many took the opportunity to bash the President during this tempestuous election year!

Transportation (TEA) Reauthorization

The political pressure to pass a transportation reauthorization bill in this legislative session has increased. The current extension of the law will expire on March 31st and House Republicans have promised to move their five year, \$200 billion version of a reauthorization bill by President's Day recess. Their bill is paid for with anticipated receipts from new drilling. Senate Democrats are also moving their two year, version of the bill through their committee process which maintains current funding levels. The President ratcheted up the rhetoric in his State of the Union speech to Congress saying that \$200 billion in savings from the war effort should be used to pay for the legislation. Whatever the final outcome, we will certainly hear more about the TEA bill as the two chambers move their versions in the month of February!

As always, we will keep you posted!



Date: February 15, 2012

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee
(02/08/12)

From: Thomas A. Love
General Manager

Submitted by: Sondra Elrod
Administration and Public Affairs Officer

Subject: Public Outreach and Communications

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

2012 Calendar of Events

February 2012

- February 11, Volunteer Day in the Chino Creek Park
- February 16, Three Valleys MWD Leadership Breakfast, Avalon
- February 16, IEUA Small Business Presentation to Fontana Chamber
- February 21, Lunch n' Learn Workshop (sponsored by MWD and IEUA), IEUA Event Room
- February 25, Garden in Every School® Mandatory Workshop
- February 27, Chino City Manager Pat Glover Retirement Luncheon
- February 28, Centennial High School Service Learning in the Garden in the Park
- February 29, State of the County Address

March 2012

- March 1, Inland Empire Garden Friendly will showcase program at Home Depot's annual road show
- March 1-2, Project Wild Facilitator Training Workshop
- March 10, Chino Walk Day at the Park

Public Outreach and Communications

February 8, 2012

Page 2

- March 12-18, "Fix a Leak Week"
- March 14, Leadership Breakfast at 7:30am in the Event Room
- March 21, World Water Day (w/ Scout Troops), Chino Creek Park
- March 31, Volunteer Day, IEUA Event Room, Earth Day Prep

April 2012

- April 19, IEUA Annual Earth Day Event, Chino Creek Wetlands and Educational Park
- April 21, CVWD Earth Day Event, Frontier Project
- April 21, Healthy Kids Day, Chino Valley YMCA, 9am-12noon

May 2012

- May 7-12, International Compost Awareness Week
- May 18, NE Recycled Water Dedication
- May 18-20, MWD Solar Cup Competition, Lake Skinner

Outreach/Educational Inland Valley Daily Bulletin Newspaper Campaign

The monthly tips on ways to help conserve water continue to appear in our local newspapers each month.

Water Conservation Outreach

Regional Conservation Outreach Campaign

- Ongoing monthly ¼-page ads in the Inland Valley Daily Bulletin, Champion Newspaper, Fontana Herald News.
- Ongoing water wise gardening classes.
- IEGF is examining billboard options to promote program
- IEUA is working with member agencies to promote "Fix a Leak Week"

Educational Updates

- Outreach has begun for the "Water is Life" 2012 Student/Art Poster Contest. All schools within IEUA's service area will be eligible to enter the contest.
- Outreach has begun for schools interested in participating in the 2012 Earth Day Event to be held at the Chino Creek Wetlands and Educational Park. The schools will be eligible to apply for a Bussing Mini-Grant to receive transportation funding. The Event will be open to participating schools from 10am to 2pm and open to the public from 3pm to 6pm.
- The Water Education Water Awareness Committee (WEWAC) has begun outreach for the Water Conservation Campaign Contest open to all middle schools, junior highs and high schools within the WEWAC service area. The deadline to submit entries is March 16, 2012.
- IEUA now has its own YouTube channel featuring *The Story of the Santa Ana Watershed*, video of the newly installed wind turbine, etc.
- IEUA's website is currently being updated to be more user friendly. Buttons and links are being added and initial changes have been live since mid-January. Updates will continue to be coordinated with departments in an ongoing manner.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

The above-mentioned activities are budgeted in the FY 2011/12 Administrative Service Fund, Public Information Services budget.

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IEUA MONTHLY WATER NEWSLETTER

FEBRUARY 2012 (REPORTING JANUARY 2012 DATA)

Highlights

- **Second Snow Survey of 2012 Shows Continuing Dry Conditions** - On February 1st, the second snow survey results show that California's mountain snowpack is far below normal for this time of year. (Page 1)
- **State Water Project 2011 Draft Reliability Report** - State Water Project estimates are similar to those in the 2009 Reliability Report. (Page 1)

Second Snow Survey Results on SWP

On February 1, 2012, the Department of Water Resources (DWR) released the results of the second snow survey of the year. The DWR snow surveyors confirmed that water content in California's mountain snowpack is far below normal for this time of year. Manual and electronic readings record the snowpack's statewide water content at only 37% of normal for the date. That is just 23% of the average April 1 reading, when the snowpack normally is at its peak before the spring melt. "So far, we just haven't received a decent number of storms," said DWR Director Mark Cowin. "We have good reservoir storage thanks to wet conditions last year, but we also need more rain and snow this winter."

2011 Draft SWP Reliability Report

In January 2012, DWR issued its draft State Water Project Delivery Reliability Report. Below are a few highlights from the report:

- Estimates of average annual SWP exports under conditions that exist for 2011 are 2,607 taf, 350 taf or 12% less than the estimate under 2005 conditions.
- The estimated average annual SWP exports decrease from 2,607 taf/year to 2,521 taf/year (about 3%) between the existing and future conditions scenarios.
- Under existing conditions, the average annual delivery of Table A water estimated for this 2011 Report is 2,524 taf/year, 41 taf (2%) more than the 2,483 taf/year estimated for the 2009 Report.
- Under future conditions, the average annual delivery of Table A water estimated for this 2011 Report is 2,466 taf/year, about 1% less than the 2,487 taf/year estimate for the future conditions scenario presented in the 2009 Report.
- The likelihood of SWP Article 21 deliveries being equal to or less than 20 taf/year has increased relative to that estimated in the 2009 Report. However, both this report and the 2009 Report show a high likelihood that Article 21 water deliveries will be equal to or less than 20 taf/year, ranging between 71% and 78% for both existing and future conditions.



IEUA Water Supply Programs

Imported Water Deliveries

In January 2012, IEUA and its member agencies purchased an estimated 3,000 AF of Tier I water (approximately 5% of the annual Tier I limit). This does not include approximately 35,000 AF of replenishment water purchases that IEUA purchased between May and September 2011.

Dry Year Yield (DYY) Program

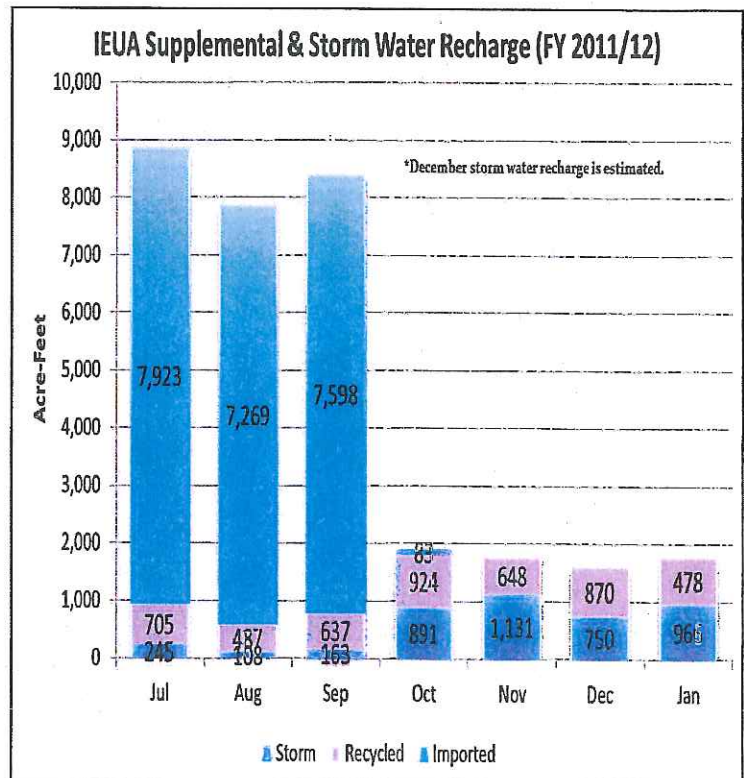
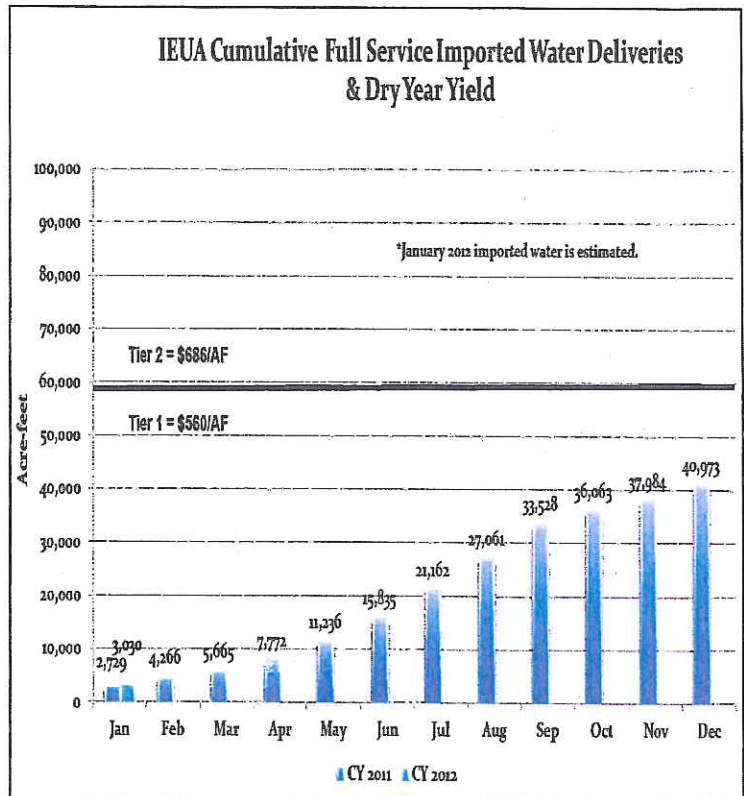
MWD has made a third consecutive call on the DYY Program. This call is considered to be a partial call because there is only 17,200 AF left in the storage account. The remaining water in the storage account will be split amongst the DYY participants based on a pre-defined "pro-rata" methodology. To date, DYY participants have certified all 17,200 AF (of which 4,707 AF will receive additional ion-exchange treatment credit from MWD).

Chino Desalter Authority (CDA)

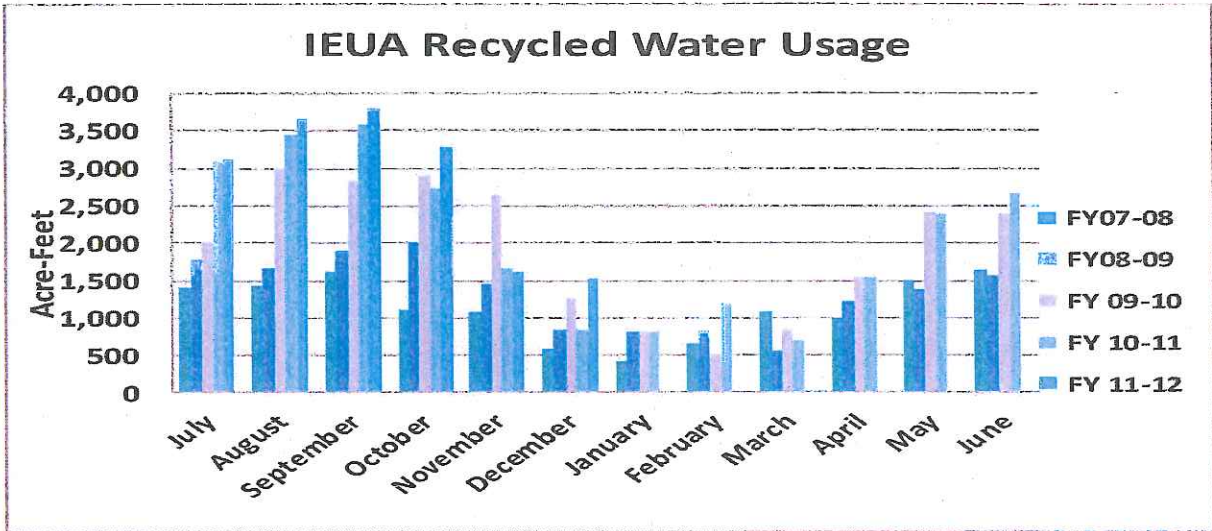
For the month of January, the two desalters produced 2,019 AF of water (of which 1,172 AF was delivered to IEUA retail agencies). The contracted entitlement is 24,600 AFY (but actual production is 25,000 to 26,000 AFY) and is scheduled for expansion to produce approximately 40,000 AFY by 2014, with the implementation of CDA Phase III.

Groundwater Recharge Program

Through January of Fiscal Year 2011/12, approximately 32,225 AF of storm, recycled and imported water has been recharged in the Chino Basin.



Recycled Water News



Recycled Water Usage:

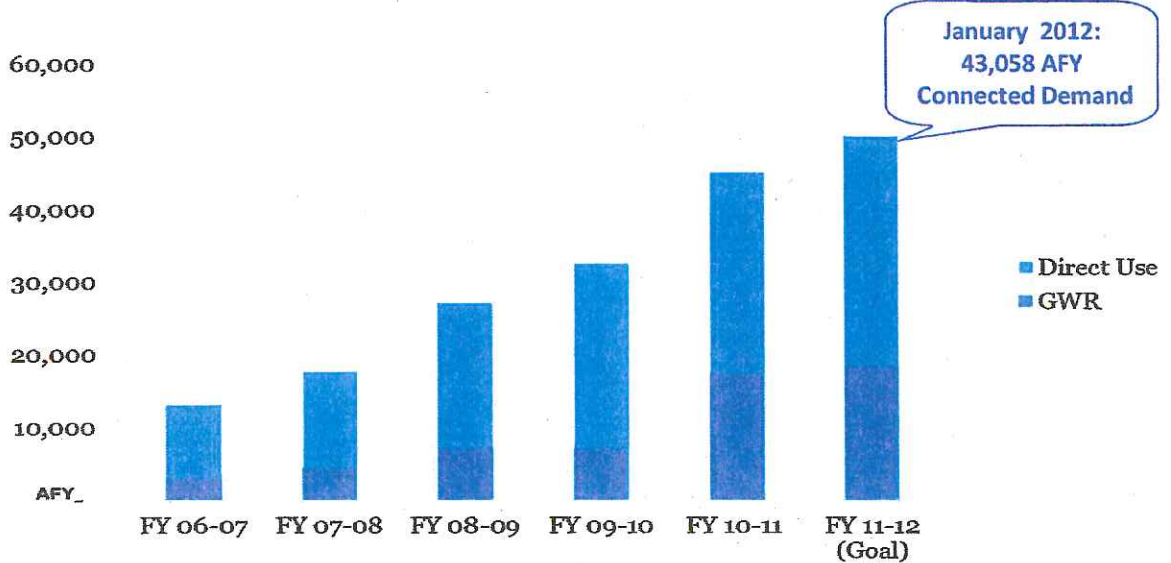
January 2012 Estimates

Recharge: 800 AF

Direct Sales: 500 AF

Total Usage: 1,300 AF

IEUA Connected Recycled Water Demand



Conservation Program News

IEUA's Lunch n' Learn Workshop

The Agency, in partnership with MWD, will host a Lunch n' Learn Workshop for commercial, industrial, and institutional customers on February 21, 2012 in the Event Center. This workshop will provide information on IEUA and MWD regional water use efficiency programs and rebates available. All interested parties must register at www.mwdsaveabuck.com.

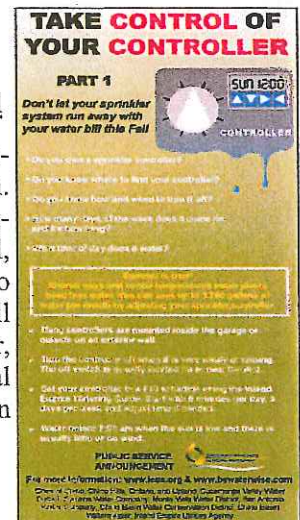


FreeSprinklerNozzles.com Program

The residential portion of the Free Sprinkler Nozzles Voucher Program that was launched in September 2011 was completed in December 2011. There were 1,595 vouchers issued and 39,691 nozzles redeemed at local suppliers throughout the IEUA service area. There are approximately 10,000 nozzles that remain to be distributed to commercial customers through the month of April in order to complete the annual program.

Re-Launch of MWD's Strategic Focus Group-Proper Irrigation Control

The Strategic Focus Group on proper irrigation control will resume meeting on February 23, 2012 to begin development on a spring public outreach campaign. This group was formed to work on key strategies identified in MWD's Long-Term Conservation Plan and on outdoor landscaping, proper irrigation control, and public awareness of outdoor water use. The goal of the workgroup is to drive market transformation through awareness and communication that will help the public to identify and understand the relationship between the weather, their controller, water use, and their water bill. In support of MWD's regional campaign and strategic focus, IEUA ran a six-week series on proper irrigation control in fall 2011.

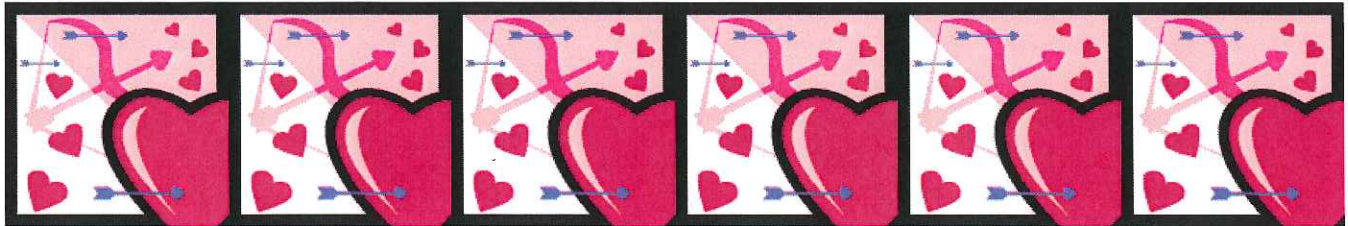


MWD Regional Water Use Efficiency Programs

To date, 48% of the budget for the residential rebate program remains for the fiscal year and 22% for the Save-A-Buck (CII) program. To date, the member agency administered programs are fully committed at \$6.1 million with \$1.3 million worth of activity processed. The agricultural program has \$140,000 committed to date with \$30,000 worth of activity processed out of the \$500,000 total budget.

FY 2011/12 Regional Landscape Evaluation and Audit Program (LEAP)

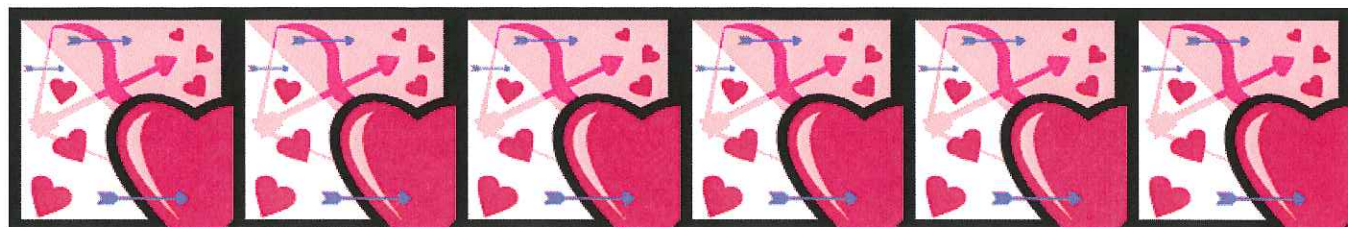
Launched in August 2010 and administered by the Chino Basin Water Conservation District, a total of 184 landscape audits have been completed to date (January 30, 2012), constituting a potential water savings of 238.39 AFY, if all recommendations are implemented. Of the completed audits, 84 were single family sites and 100 were commercial sites, with a total landscaped area of 102.56 acres.



CHINO BASIN WATERMASTER

IV. INFORMATION

1. Cash Disbursements for January 2012



Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check Bill	01/10/2012 11/30/2011	15682	AMERON	3rd of 4 payments 3rd of 4 payments, beginning 1/2010	1012 - Bank of America Gen'l Ckg 5105 - Purchase of Non-Ag Pool Water	109,071.65 109,071.65
TOTAL						
Bill Pmt -Check Bill	01/10/2012 12/31/2011	15683 2040	APPLIED COMPUTER TECHNOLOGIES	2040 Database Services - December 2011	1012 - Bank of America Gen'l Ckg 8052.2 - Applied Computer Technol	1,984.10 1,984.10
TOTAL						
Bill Pmt -Check Bill	01/10/2012 11/30/2011	15684	AQUA CAPITAL MANAGEMENT LP	3rd of 4 payments 3rd of 4 payments, beginning 1/2010	1012 - Bank of America Gen'l Ckg 5105 - Purchase of Non-Ag Pool Water	503,912.94 503,912.94
TOTAL						
Bill Pmt -Check Bill	01/10/2012 12/31/2011	15685 0023230253	ARROWHEAD MOUNTAIN SPRING WATER	0023230253 Office Water Bottle - December 2011	1012 - Bank of America Gen'l Ckg 6031.7 - Other Office Supplies	26.65 26.65
TOTAL						
Bill Pmt -Check Bill	01/10/2012 11/30/2011	15686	AUTO CLUB SPEEDWAY	3rd of 4 payments 3rd of 4 payments, beginning 1/2010	1012 - Bank of America Gen'l Ckg 5105 - Purchase of Non-Ag Pool Water	78,446.24 78,446.24
TOTAL						
Bill Pmt -Check Bill	01/10/2012 11/30/2011	15687 444585	BROWNSTEIN HYATT FARBER SCHRECK	444585 - BHFS Legal - Appropriative Pool 444585 - BHFS Legal - Agricultural Pool 444585 - BHFS Legal - Non-Ag Pool 444585 - BHFS Legal - Advisory Committee 444585 - BHFS Legal - Board Meeting 444585 - BHFS Legal - Restated Judgment 444585 - BHFS Legal - Personnel Matters 444585 - BHFS Legal - Interagency Issues 444585 - BHFS Legal - Replenishmnt Water 444585 - BHFS Legal - Miscellaneous 444585 - Recharge Master Plan 444586 - BHFS Legal - Personnel Matters 444587 - Santa Ana River Water Rights 444588 - Desalter Negotiations 444589 - Paragraph 31 Motion	1012 - Bank of America Gen'l Ckg 8375 - BHFS Legal - Appropriative Pool 8475 - BHFS Legal - Agricultural Pool 8575 - BHFS Legal - Non-Ag Pool 6275 - BHFS Legal - Advisory Committee 6375 - BHFS Legal - Board Meeting 6072 - BHFS Legal - Restated Judgment 6073 - BHFS Legal - Personnel Matters 6074 - BHFS Legal - Interagency Issues 6075 - BHFS Legal - Replenishmnt Water 6078 - BHFS Legal - Miscellaneous 6907.39 - Recharge Master Plan 6073 - BHFS Legal - Personnel Matters 6907.34 - Santa Ana River Water Rights 6907.33 - Desalter Negotiations 6907.35 - Paragraph 31 Motion	2,190.15 2,190.15 1,596.15 4,833.00 4,761.00 355.50 4,606.20 631.80 8,376.30 3,712.62 2,947.95 16,900.65 1,979.84 777.15 482.15 56,320.61
TOTAL						
Bill Pmt -Check Bill	01/10/2012 12/31/2011	15688 1394905143	CALPERS	1394905143 Medical Premiums - January 2012	1012 - Bank of America Gen'l Ckg 60182.1 - Medical Insurance	5,899.48 5,899.48
TOTAL						

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	01/10/2012	15689	CSI	3rd of 4 payments	1012 - Bank of America Gen'l Ckg	175,900.55
Bill	11/30/2011			3rd of 4 payments, beginning 1/2010	5105 - Purchase of Non-Ag Pool Water	175,900.55
TOTAL						
Bill Pmt -Check	01/10/2012	15690	DE BOOM, NATHAN	AG Pool Member Meeting Compensation	1012 - Bank of America Gen'l Ckg	125.00
Bill	12/08/2011	12/08 Ag Pool Mtg		12/08/11 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						
Bill Pmt -Check	01/10/2012	15691	DGO AUTO DETAILING	Wash 3 trucks on 12/14/11	1012 - Bank of America Gen'l Ckg	75.00
Bill	12/19/2011				6177 - Vehicle Repairs & Maintenance	75.00
TOTAL						
Bill Pmt -Check	01/10/2012	15692	DIRECTV	019447404	1012 - Bank of America Gen'l Ckg	86.99
Bill	12/31/2011	019447404		Direct TV Service for 12/19/11-01/18/12	6031.7 - Other Office Supplies	86.99
TOTAL						
Bill Pmt -Check	01/10/2012	15693	ELIE, STEVEN	12/15/11 Board Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	12/15/2011	12/15 Board Mtg		12/15/11 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						
Bill Pmt -Check	01/10/2012	15694	FEENSTRA, BOB	12/08/11 Ag Pool Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	12/08/2011	12/08 Ag Pool Mtg		12/08/11 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	12/13/2011	12/13 Personnel Comm		12/13/11 Personnel Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	12/15/2011	12/15 Advisory Comm		12/15/11 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	12/15/2011	12/15 Board Mtg		12/15/11 Board Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						500.00
Bill Pmt -Check	01/10/2012	15695	GENON WEST LP	3rd of 4 payments	1012 - Bank of America Gen'l Ckg	334,722.24
Bill	11/30/2011			3rd of 4 payments, beginning 1/2010	5105 - Purchase of Non-Ag Pool Water	334,722.24
TOTAL						
Bill Pmt -Check	01/10/2012	15696	HALL, PETE	12/15 Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	12/15/2011	12/15 Meeting		12/15/11 Land Subsidence Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	12/15/2011	12/15 Advisory Comm		12/15/11 Advisory Committee Meeting	8470 - Ag Meeting Attend -Special	125.00
Bill	12/15/2011	12/15 Board Mtg		12/15/11 Board Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						375.00
Bill Pmt -Check	01/10/2012	15697	HAUGHEY, TOM	12/15/11 Board Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	12/15/2011	12/15 Board Mtg		12/15/11 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						
Bill Pmt -Check	01/10/2012	15698	HSBC BUSINESS SOLUTIONS	7003-7309-1000-2744	1012 - Bank of America Gen'l Ckg	627.09
Bill	12/31/2011	7003730910002744		Miscellaneous office supplies	6031.7 - Other Office Supplies	627.09
TOTAL						

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						627.09
Bill Pmt -Check	01/10/2012	15699	HUITSING, JOHN	Ag Pool Member Compensation	1012 - Bank of America Gen'l Ckg	125.00
Bill	12/08/2011	12/08 Ag Pool Mtg		12/08/11 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00
TOTAL						250.00
Bill Pmt -Check	01/10/2012	15700	INLAND EMPIRE UTILITIES AGENCY	90008862	1012 - Bank of America Gen'l Ckg	552.90
Bill	12/31/2011	90008862		Readiness to Serve charges	8456 - IEUA Readiness To Serve	552.90
TOTAL						1104.90
Bill Pmt -Check	01/10/2012	15701	JAMES JOHNSTON	249	1012 - Bank of America Gen'l Ckg	855.00
Bill	12/31/2011	249		Website Consulting - December 2011	6052.3 - Website Consulting	855.00
TOTAL						1710.00
Bill Pmt -Check	01/10/2012	15702	JESKE, KEN	12/15/2011 Board Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	12/15/2011	12/15 Board Mtg		12/15/2011 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	01/10/2012	15703	KOOPMAN, GENE	AG Pool Member Meeting Compensation	1012 - Bank of America Gen'l Ckg	25.00
Bill	12/08/2011	12/08 Ag Pool Mtg		12/08/11 Ag Pool Meeting	8411 - Compensation	100.00
				AG Pool Member Meeting Compensation	8470 - Ag Meeting Attend -Special	125.00
TOTAL						150.00
Bill Pmt -Check	01/10/2012	15704	KUHN, BOB	12/08/11 Appropriative Pool Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	12/08/2011	12/08 Appro Pool Mtg		12/12/11 Administrative Meeting	6311 - Board Member Compensation	125.00
Bill	12/12/2011	12/12 Admin Mtg		12/13/11 Personnel Committee Meeting	6311 - Board Member Compensation	125.00
Bill	12/13/2011	12/13 Personnel Comm		12/15/11 Board Meeting	6311 - Board Member Compensation	125.00
Bill	12/15/2011	12/15 Board Mtg		12/19/11 Administrative Meeting	6311 - Board Member Compensation	125.00
Bill	12/19/2011	12/19 Admin Mtg				625.00
TOTAL						1250.00
Bill Pmt -Check	01/10/2012	15705	LANTZ, PAULA	12/08/11 Appropriative Pool Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	12/08/2011	12/08 Appro Pool Mtg		12/15/11 Board Meeting	6311 - Board Member Compensation	125.00
Bill	12/15/2011	12/15 Board Mtg		12/19/11 Administrative Meeting	6311 - Board Member Compensation	125.00
Bill	12/19/2011	12/19 Admin Mtg				375.00
TOTAL						750.00
Bill Pmt -Check	01/10/2012	15706	MCCALL'S METER SALES & SERVICE	21752	1012 - Bank of America Gen'l Ckg	675.00
Bill	12/09/2011	21752		21752	7102.B - In-line Meter-Calib & Test	675.00
TOTAL						1350.00
Bill Pmt -Check	01/10/2012	15707	MOBILE COMMUNITY MGMT	3rd of 4 payments	1012 - Bank of America Gen'l Ckg	146,346.76
Bill	11/30/2011			3rd of 4 payments, beginning 1/2010	5105 - Purchase of Non-Ag Pool Water	146,346.76
TOTAL						146,346.76

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	01/10/2012	15708	MWH LABORATORIES		1012 - Bank of America Gen'l Ckg	
Bill	11/22/2011	L0074529		L0074529 - Grdwtr Qual-Lab Svcs	7103.5 - Grdwtr Qual-Lab Svcs	1,066.00
Bill	11/22/2011	L0074065		L0074065 - Grdwtr Qual-Lab Svcs	7103.5 - Grdwtr Qual-Lab Svcs	1,554.00
Bill	11/30/2011	L0073666		L0073666 - Hydraulic Control-Lab Svcs	7108.4 - Hydraulic Control-Lab Svcs	1,475.00
Bill	11/30/2011	L0073528		L0073528 - Hydraulic Control-Lab Svcs	7108.4 - Hydraulic Control-Lab Svcs	1,532.00
Bill	11/30/2011	L0073529		L0073529 - Hydraulic Control-Lab Svcs	7108.4 - Hydraulic Control-Lab Svcs	2,065.00
Bill	11/30/2011	L0073530		L0073530 - Hydraulic Control-Lab Svcs	7108.4 - Hydraulic Control-Lab Svcs	615.00
Bill	11/30/2011	L0073878		L0073878 - Hydraulic Control-Lab Svcs	7108.4 - Hydraulic Control-Lab Svcs	1,830.00
Bill	11/30/2011	L0074071		L0074071 - Hydraulic Control-Lab Svcs	7108.4 - Hydraulic Control-Lab Svcs	615.00
Bill	11/30/2011	L0074525		L0074525 - Hydraulic Control-Lab Svcs	7108.4 - Hydraulic Control-Lab Svcs	2,065.00
Bill	11/30/2011	L0074681		L0074681 - Hydraulic Control-Lab Svcs	7108.4 - Hydraulic Control-Lab Svcs	1,770.00
Bill	11/30/2011	L0074972		L0074972 - Hydraulic Control-Lab Svcs	7108.4 - Hydraulic Control-Lab Svcs	2,135.00
TOTAL						16,722.00
Bill Pmt -Check	01/10/2012	15709	ONTARIO, CITY OF*		1012 - Bank of America Gen'l Ckg	
Bill	11/30/2011			3rd of 4 payments, beginning 1/2010	5105 - Purchase of Non-Ag Pool Water	756,479.54
TOTAL						756,479.54
Bill Pmt -Check	01/10/2012	15710	PARK PLACE COMPUTER SOLUTIONS, INC.		1012 - Bank of America Gen'l Ckg	
Bill	12/31/2011	458		IT Services - December 2011	6052.1 - Park Place Comp Solutn	3,150.00
TOTAL						3,150.00
Bill Pmt -Check	01/10/2012	15711	PAUL HASTINGS LLP		1012 - Bank of America Gen'l Ckg	
Bill	12/31/2011	1909701		Ag Pool Legal Services - November 2011	8467 - Ag Legal & Technical Services	8,117.50
TOTAL						8,117.50
Bill Pmt -Check	01/10/2012	15712	PETTY CASH		1012 - Bank of America Gen'l Ckg	
Bill	01/09/2012			2386-2396	7204 - Comp Recharge-Supplies	14.56
				Supplies for 10/25 RMP Workshop	6191 - Conferences - General	35.00
				Parking-G. Greene-10/18 CORO Luncheon	7103.6 - Grdwtr Qual-Supplies	45.96
				Water quality monitoring supplies	6141.2 - Committee Meetings	62.26
				Supplies-11/07 Personnel Committee Meeting	8312 - Meeting Expenses	54.95
				Supplies-11/10 & 12/08 Appropriative Pool Mtgs	6170 - Travel & Transportation	49.50
				MetroLink fare-Maurizio-MWD Replen. workshops	6055 - Computer Hardware	9.67
				Reimburse-Maurizio for plug adapter for computer	6212 - Meeting Expense	35.97
				Supplies for 12/15 Advisory Committee mtg	6312 - Meeting Expenses	17.99
				Purchase cake for Ken Willis-12/15 Board Mtg	6031.7 - Other Office Supplies	33.91
				Purchase remote for back office entry gate		359.77
TOTAL						125.00
Bill Pmt -Check	01/10/2012	15713	PIERSON, JEFFREY		1012 - Bank of America Gen'l Ckg	
Bill	12/08/2011	12/08 Ag Pool Mtg		12/08/11 Ag Pool Meeting	8470 - Ag Meeting Attend -Special	125.00

Cash Disbursements For The Month of
As of January 31, 2012

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	12/15/2011	12/15 Advisory Comm		12/15/11 Advisory Committee Meeting	8470 - Ag Meeting Attend - Special	125.00
Bill	12/15/2011	12/15 Board Mtg		12/15/11 Board Meeting	8470 - Ag Meeting Attend - Special	125.00
TOTAL						375.00
Bill Pmt -Check	01/10/2012	15714	PRAXAIR	3rd of 4 payments	1012 - Bank of America Gen'l Ckg	248,306.72
Bill	11/30/2011			3rd of 4 payments, beginning 1/2010	5105 - Purchase of Non-Ag Pool Water	248,306.72
TOTAL						51.80
Bill Pmt -Check	01/10/2012	15715	LEGAL SHIELD	111802	1012 - Bank of America Gen'l Ckg	51.80
Bill	12/20/2011	111802		Employee deductions - December 2011	60194 - Other Employee Insurance	51.80
TOTAL						48.71
Bill Pmt -Check	01/10/2012	15716	PRINTING RESOURCES	57504	1012 - Bank of America Gen'l Ckg	48.71
Bill	12/20/2011	57504		Nameplates for Kathy Tiegs, Joe LeClaire	6031.7 - Other Office Supplies	48.71
TOTAL						8,357.23
Bill Pmt -Check	01/10/2012	15717	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	8,357.23
General Journal	12/24/2011	12/24/2011		CalPERS retirement for 12/11/11-12/24/11	2000 - Accounts Payable	8,357.23
TOTAL						2,419.50
Bill Pmt -Check	01/10/2012	15718	PURCHASE POWER	8000909000168851	1012 - Bank of America Gen'l Ckg	2,419.50
Bill	12/31/2011	8000909000168851		Postage refill, meter supplies, misc. shipments	6042 - Postage - General	2,419.50
TOTAL						10,237.34
Bill Pmt -Check	01/10/2012	15719	SAN BERNARDINO COUNTY - DEPT. AIRPORTS	3rd of 4 payments	1012 - Bank of America Gen'l Ckg	10,237.34
Bill	11/30/2011			3rd of 4 payments, beginning 1/2010	5105 - Purchase of Non-Ag Pool Water	10,237.34
TOTAL						11,825.90
Bill Pmt -Check	01/10/2012	15720	SOUTHERN CALIFORNIA EDISON COMPANY	3rd of 4 payments	1012 - Bank of America Gen'l Ckg	11,825.90
Bill	11/30/2011			3rd of 4 payments, beginning 1/2010	5105 - Purchase of Non-Ag Pool Water	11,825.90
TOTAL						539.66
Bill Pmt -Check	01/10/2012	15721	STANDARD INSURANCE CO.	Policy # 00-640888-0009	1012 - Bank of America Gen'l Ckg	539.66
Bill	12/31/2011	00640888-0009		Life and AD&D premium	60191 - Life & Disab.Ins Benefits	539.66
TOTAL						1,708.82
Bill Pmt -Check	01/10/2012	15722	STATE COMPENSATION INSURANCE FUND	1970970-11	1012 - Bank of America Gen'l Ckg	1,708.82
Bill	12/31/2011	1970970-11		Workers Comp Insurance - December 2011	60183 - Worker's Comp Insurance	1,708.82
TOTAL						659.20
Bill Pmt -Check	01/10/2012	15723	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	659.20
Bill	12/20/2011	1VC070000017924		Week ending 12/11/11	6017 - Temporary Services	659.20
Bill	12/31/2011	1VC070000017954		Week ending 12/18/11	6017 - Temporary Services	659.20

Type	Date	Nam	Name	Memo	Account	Paid Amount
Bill	12/31/2011	1VC070000017980		Week ending 12/23/11	6017 - Temporary Services	751.90
TOTAL						2,070.30
Bill Pmt -Check	01/10/2012	15724	UNITED HEALTHCARE	0026237178	1012 - Bank of America Gen'l Ckg	
Bill	12/31/2011	0026237178		Dental premium - January 2012	60182.2 - Dental & Vision Ins	447.47
TOTAL						447.47
Bill Pmt -Check	01/10/2012	15725	VANDEN HEUVEL, GEOFFREY	6311	1012 - Bank of America Gen'l Ckg	
Bill	12/08/2011	12/08 Ag Pool Mtg		12/08/11 Ag Pool Meeting	6311 - Board Member Compensation	125.00
Bill	12/15/2011	12/15 Board Mtg		12/15/11 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						250.00
Bill Pmt -Check	01/10/2012	15726	VERIZON		1012 - Bank of America Gen'l Ckg	
Bill	12/20/2011	012561121521714508		012561121521714508	7405 - PE4-Other Expense	167.27
Bill	12/20/2011	012519116950792103		012519116950792103	6022 - Telephone	483.79
TOTAL						651.06
Bill Pmt -Check	01/10/2012	15727	VISION SERVICE PLAN	00-101789-0001	1012 - Bank of America Gen'l Ckg	
Bill	12/20/2011	001017890001		Vision insurance premium - January 2012	60182.2 - Dental & Vision Ins	26.71
TOTAL						26.71
Bill Pmt -Check	01/10/2012	15728	WILDERMUTH ENVIRONMENTAL INC		1012 - Bank of America Gen'l Ckg	
Bill	11/30/2011	2011435		2011435 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	5,025.00
Bill	11/30/2011	2011436		2011436 - OBMP - Watermaster Model Update	6906.1 - OBMP - Watermaster Model Update	39,123.28
Bill	11/30/2011	2011437		2011437 - OBMP Engineering Services	6906 - OBMP Engineering Services	7,095.00
Bill	11/30/2011	2011438		2011438 - OBMP Engineering Services	6906 - OBMP Engineering Services	125.00
Bill	11/30/2011	2011439		2011439 - OBMP Engineering Services	6906 - OBMP Engineering Services	539.00
Bill	11/30/2011	2011440		2011440 - OBMP Engineering Services	6906 - OBMP Engineering Services	3,210.00
Bill	11/30/2011	2011441		2011441 - Grdwtr Level-Engineering	7104.3 - Grdwtr Level-Engineering	23,131.75
Bill	11/30/2011	2011442		2011442 - Grdwtr Qual-Engineering	7103.3 - Grdwtr Qual-Engineering	17,927.50
Bill	11/30/2011	2011443		2011443 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	9,774.00
Bill	11/30/2011	2011444		2011444 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	1,164.10
Bill	11/30/2011	2011445		2011445 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	9,393.12
Bill	11/30/2011	2011447		2011447 - PE3&5-Engineering	7303 - PE3&5-Engineering	2,000.00
Bill	11/30/2011	2011448		2011448 - PE4-Engineering	7402 - PE4-Engineering	5,111.34
Bill	11/30/2011	2011449		2011449 - Recharge & Well - Engineering	7109.3 - Recharge & Well - Engineering	1,990.00
Bill	11/30/2011	2011450		2011450 - Comp Recharge-Implementation	7202.3 - Comp Recharge-Implementation	13,135.00
Bill	11/30/2011	2011451		2011451 - PE6&7-Engineering	7502 - PE6&7-Engineering	13,745.00
Bill	11/30/2011	2011446		2011446 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	6,074.93
Bill	11/30/2011	2011446		2011446 - Grd Level-Contract Svcs	7107.6 - Grd Level-Contract Svcs	18,000.00
TOTAL						176,555.02
Bill Pmt -Check	01/10/2012	15729	WILLIS, KENNETH		1012 - Bank of America Gen'l Ckg	

Cash Disbursements For The Month of
As of January 31, 2012

Type	Date	Nm	Name	Memo	Account	Paid Amount
Bill	12/13/2011	12/13 Personnel Comm		12/13/11 Personnel Committee Meeting	6311 - Board Member Compensation	125.00
Bill	12/15/2011	12/15 Board Mtg		12/15/11 Board Meeting	6311 - Board Member Compensation	125.00
TOTAL						250.00
General Journal	01/13/2012	01/13/2012	Record Payroll & Taxes for 12/25/11 - 01/07/12	Record Payroll & Taxes for 12/25/11 - 01/07/12	1012 - Bank of America Gen'l Ckg	11,013.34
				Payroll taxes for 12/25/11-01/07/12	1012 - Bank of America Gen'l Ckg	26,167.24
				Direct deposits for 12/25/11-01/07/12	1012 - Bank of America Gen'l Ckg	37,180.58
TOTAL						74,361.16
Bill Pmt -Check	01/17/2012	15730	CALIFORNIA GROUNDWATER COALITION	2012 Membership Dues	1012 - Bank of America Gen'l Ckg	4,750.00
Bill	01/16/2012			2012 Membership Dues-Jan/Jun	6111 - Membership Dues	4,750.00
				2012 Membership Dues-Jul/Dec	1433 - Prepaid Membership Dues	9,500.00
TOTAL						19,000.00
Bill Pmt -Check	01/17/2012	15731	CALPERS 457 PLAN	Record Payroll and Taxes for 12/25/11-01/07/12	1012 - Bank of America Gen'l Ckg	2,805.62
General Journal	01/13/2012	01/13/2012	CALPERS 457 PLAN	457 Employee payments for 12/25/11-01/07/12	2000 - Accounts Payable	2,805.62
TOTAL						5,611.24
Bill Pmt -Check	01/17/2012	15732	CHINO HILLS, CITY OF*	3	1012 - Bank of America Gen'l Ckg	733.50
Bill	01/10/2012	3		3	7107.6 - Grd Level-Contract Svcs	733.50
TOTAL						1,467.00
Bill Pmt -Check	01/17/2012	15733	CORELOGIC INFORMATION SOLUTIONS	80394552	1012 - Bank of America Gen'l Ckg	62.50
Bill	12/31/2011	80394552		80394552	7103.7 - Gridwir Qual-Computer Svc	62.50
				80394552	7101.4 - Prod Monitor-Computer	125.00
TOTAL						250.00
Bill Pmt -Check	01/17/2012	15734	CUCAMONGA VALLEY WATER DISTRICT	Lease Due February 1, 2012	1012 - Bank of America Gen'l Ckg	5,984.00
Bill	01/16/2012			Lease Due February 1, 2012	1422 - Prepaid Rent	5,984.00
TOTAL						11,968.00
Bill Pmt -Check	01/17/2012	15735	GREAT AMERICA LEASING CORP.	11750190	1012 - Bank of America Gen'l Ckg	2,788.53
Bill	12/31/2011	11750190		Copier lease invoice	6043.1 - Ricoh Lease Fee	180.51
				Usage for Black Copies	6043.2 - Ricoh Usage & Maintenance Fee	379.47
				Usage for Color Copies	6043.2 - Ricoh Usage & Maintenance Fee	3,348.51
TOTAL						6,596.01
Bill Pmt -Check	01/17/2012	15736	GUARANTEED JANITORIAL SERVICE, INC.	28848	1012 - Bank of America Gen'l Ckg	865.00
Bill	01/16/2012	28848		Janitorial service - January 2012	6024 - Building Repair & Maintenance	865.00
TOTAL						1,730.00
Bill Pmt -Check	01/17/2012	15737	HAUGHEY, TOM	12/13/2011 Personnel Committee Meeting	1012 - Bank of America Gen'l Ckg	125.00
Bill	12/13/2011	12/13 Personnel Comm		12/13/11 Personnel Committee Meeting	6311 - Board Member Compensation	125.00
TOTAL						250.00

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CHINO BASIN WATERMASTER
 Cash Disbursements For The Month of
 As of January 31, 2012

For Informational Purposes Only

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						125.00
Bill Pmt -Check	01/17/2012	15738	HOGAN LOVELLS	2634088	1012 - Bank of America Gen'l Ckg	1,455.74
Bill	12/31/2011	2634088		Non-Ag Pool legal services - November 2011	8567 - Non-Ag Legal Service	1,455.74
TOTAL						147.00
Bill Pmt -Check	01/17/2012	15739	MIJAC ALARM	311502	1012 - Bank of America Gen'l Ckg	147.00
Bill	01/16/2012	311502		Commercial monitoring from 1/01/12 - 3/31/12	6026 - Security Services	147.00
TOTAL						244.02
Bill Pmt -Check	01/17/2012	15740	PAYCHEX	2011122900	1012 - Bank of America Gen'l Ckg	244.02
Bill	12/31/2011	2011122900		Payroll services - December 2011	6012 - Payroll Services	244.02
TOTAL						87.82
Bill Pmt -Check	01/17/2012	15741	PREMIERE GLOBAL SERVICES	10285534	1012 - Bank of America Gen'l Ckg	87.82
Bill	12/30/2011	10285534		11/29/11 call re: Archibald South Plume	7103.6 - Gndwtr Quali-Supplies	42.31
				12/01 call re: Supplemental Water Recharge	7204 - Comp Recharge-Supplies	167.78
				12/08 Non Ag Pool Mtg	8512 - Meeting Expense	21.98
				Monthly service fees	6022 - Telephone	319.89
TOTAL						48.71
Bill Pmt -Check	01/17/2012	15742	PRINTING RESOURCES	57586	1012 - Bank of America Gen'l Ckg	48.71
Bill	01/16/2012	57586		Nameplates for Bill Kruger, Peter Rogers	6031.7 - Other Office Supplies	48.71
TOTAL						8,317.10
Bill Pmt -Check	01/17/2012	15743	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	Payor #3493	1012 - Bank of America Gen'l Ckg	8,317.10
General Journal	01/13/2012	01/13/2012		CalPERS retirement pymts for 12/25/11-01/07/12	2000 - Accounts Payable	8,317.10
TOTAL						85.00
Bill Pmt -Check	01/17/2012	15744	R&D PEST SERVICES	0151257	1012 - Bank of America Gen'l Ckg	85.00
Bill	01/10/2012	0151257		Continuing treatment outside/inside bldg.	6024 - Building Repair & Maintenance	85.00
TOTAL						7.91
Bill Pmt -Check	01/17/2012	15745	SAFEGUARD DENTAL & VISION	4135450	1012 - Bank of America Gen'l Ckg	7.91
Bill	01/02/2012	4135450		Dental premium - January 2012	60182.2 - Dental & Vision Ins	7.91
TOTAL						201.60
Bill Pmt -Check	01/17/2012	15746	SPAM SOAP, INC	S63016	1012 - Bank of America Gen'l Ckg	201.60
Bill	01/06/2012	S63016		Semi-annual billing-spam software licenses	6054 - Computer Software	201.60
TOTAL						136.61
Bill Pmt -Check	01/17/2012	15747	STAULA, MARY L	Retiree Medical	1012 - Bank of America Gen'l Ckg	136.61
Bill	01/31/2012				60182.4 - Retiree Medical	

TOTAL
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Cash Disbursements For The Month of
As of January 31, 2012

Type	Date	Num	Name	Memo	Account	Paid Amount
TOTAL						136.61
Bill Pmt -Check	01/17/2012	15748	UNION 76	300-732-989	1012 - Bank of America Gen'l Ckg	
Bill	12/31/2011	300732989		Fuel costs - December 2011	6175 - Vehicle Fuel	153.47
TOTAL						153.47
Bill Pmt -Check	01/17/2012	15749	UNITED PARCEL SERVICE	2x81x0	1012 - Bank of America Gen'l Ckg	
Bill	12/31/2011	2x81x0		Packages for the month	6042 - Postage - General	61.91
TOTAL						61.91
Bill Pmt -Check	01/17/2012	15750	VERIZON BUSINESS	63285938	1012 - Bank of America Gen'l Ckg	
Bill	01/16/2012	63285938			6053 - Internet Expense	1,562.96
TOTAL						1,562.96
Bill Pmt -Check	01/17/2012	15751	VILLEGAS, VICTORIA E.	10/28/2011 Hearing Transcript	1012 - Bank of America Gen'l Ckg	
Bill	01/16/2012			1/21/2011 Hearing Transcript	6909.4 - Printing	1,595.00
TOTAL						1,595.00
Bill Pmt -Check	01/17/2012	15752	WESTERN DENTAL SERVICES, INC.	002483	1012 - Bank of America Gen'l Ckg	
Bill	01/16/2012	002483		Dental premium - February 2012	60182.2 - Dental & Vision Ins	28.88
TOTAL						28.88
Bill Pmt -Check	01/17/2012	15753	YUKON DISPOSAL SERVICE	08-K2 213849	1012 - Bank of America Gen'l Ckg	
Bill	01/10/2012	08-K2 213849		Disposal service for January 2012	6024 - Building Repair & Maintenance	166.53
TOTAL						166.53
Bill Pmt -Check	01/25/2012	15754	BANK OF AMERICA	XXXX-XXXX-XXXX-9341	1012 - Bank of America Gen'l Ckg	
Bill	12/31/2011	XXXX-XXXX-XXXX-9341		Holiday luncheon for staff	6141.3 - Admin Meetings	306.80
				To purchase ink cartridges for CFO printer	6031.7 - Other Office Supplies	42.84
				Lunch for 12/15 Board meeting	6312 - Meeting Expenses	556.64
TOTAL						906.28
Bill Pmt -Check	01/25/2012	15755	g.Neil	0245951	1012 - Bank of America Gen'l Ckg	
Bill	01/18/2012	0245951		Poster guard protection-Federal HR Posters	6031.7 - Other Office Supplies	59.99
TOTAL						59.99
Bill Pmt -Check	01/25/2012	15756	GROOMAN'S PUMP & WELL DRILLING, INC.	12930	1012 - Bank of America Gen'l Ckg	
Bill	12/31/2011	12930			7703 - Inactive Well-Contract Svcs	167.97
Bill	12/31/2011	12937			7103.4 - Grdwtr Qual-Contract Svc	475.00
Bill	12/31/2011	12927			7102.8 - In-line Meter-Callb & Test	209.74
Bill	12/31/2011	12936			7102.8 - In-line Meter-Callb & Test	593.33
Bill	12/31/2011	12926			7102.8 - In-line Meter-Callb & Test	453.72
TOTAL						1,889.76

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill Pmt -Check	01/25/2012	15757	LEGAL SHIELD	111802	1012 - Bank of America Gen'l Ckg	51.80
Bill	01/18/2012	111802		Employee deductions - January 2012	60194 - Other Employee Insurance	51.80
TOTAL						
Bill Pmt -Check	01/25/2012	15758	MCCALL'S METER SALES & SERVICE	21853	1012 - Bank of America Gen'l Ckg	211.68
Bill	01/10/2012	21853		21853	7102.5 - In-line Meter-Computer	2,503.94
				21853	7102.7 - In-line Meter	1,500.00
				21853	7102.8 - In-line Meter-Callib & Test	4,215.62
TOTAL						
Bill Pmt -Check	01/25/2012	15759	PITNEY BOWES CREDIT CORPORATION	6684246	1012 - Bank of America Gen'l Ckg	546.30
Bill	01/18/2012	6684246		Leasing charge	6044 - Postage Meter Lease	546.30
TOTAL						
Bill Pmt -Check	01/25/2012	15760	PUMP CHECK	4482	1012 - Bank of America Gen'l Ckg	117.34
Bill	12/31/2011	4482		4482	7102.5 - In-line Meter-Computer	190.00
				4479	7102.8 - In-line Meter-Callib & Test	2,850.00
				4479	7102.8 - In-line Meter-Callib & Test	75.00
				4479	7102.5 - In-line Meter-Computer	112.50
				4479	7103.4 - Grdwtr Qual-Contract Svc	3,344.84
TOTAL						
Bill Pmt -Check	01/25/2012	15761	TELECOM SERVICES	5478	1012 - Bank of America Gen'l Ckg	125.00
Bill	01/18/2012	5478		Changes to voice-mail system	6022 - Telephone	125.00
TOTAL						
Bill Pmt -Check	01/25/2012	15762	VERIZON WIRELESS	1045449179	1012 - Bank of America Gen'l Ckg	336.77
Bill	01/08/2012	1045449179		Monthly cell phone service	6022 - Telephone	336.77
TOTAL						
Bill Pmt -Check	01/25/2012	15763	WILDERMUTH ENVIRONMENTAL INC	2011468	1012 - Bank of America Gen'l Ckg	1,800.00
Bill	12/31/2011	2011468		2011468 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	10,453.75
				2011469 - OBMP Engineering Services	6906 - OBMP Engineering Services	4,081.51
				2011470 - OBMP Engineering Services	6906 - OBMP Engineering Services	23,420.94
				2011471 - Grdwtr Level-Engineering	7104.3 - Grdwtr Level-Engineering	4,981.25
				2011472 - Grdwtr Qual-Engineering	7103.3 - Grdwtr Qual-Engineering	14,299.00
				2011473 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	1,102.50
				2011474 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	6,346.98
				2011475 - Hydraulic Control-Engineering	7108.3 - Hydraulic Control-Engineering	6,271.88
				2011476 - Grd Level-Engineering	7107.2 - Grd Level-Engineering	36,000.00
				2011476 - Associated Engineers	7107.6 - Grd Level-Contract Svcs	4,017.28
				2011476 - Michael C. Carpenter	7107.6 - Grd Level-Contract Svcs	
TOTAL						

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Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	12/31/2011	2011477	2011476 - Western Gunn Hydrology, LLC		7107.6 - Grd Level-Contract Svcs	2,258.31
Bill	12/31/2011	2011478	2011477 - PE3&5-Engineering		7303 - PE3&5-Engineering	6,511.25
Bill	12/31/2011	2011479	2011478 - PE4-Engineering		7402 - PE4-Engineering	2,575.00
Bill	12/31/2011	2011480	2011479 - OBMP Engineering Services		6906 - OBMP Engineering Services	1,422.50
Bill	12/31/2011	2011481	2011480 - Comp Recharge-Implementation		7202.3 - Comp Recharge-Implementation	5,132.50
Bill	12/31/2011	2011482	2011481 - PE6&7-Engineering		7502 - PE6&7-Engineering	8,617.18
Bill	12/31/2011	2011482	2011482 - Bill To Lewis Brisbois		6906 - OBMP Engineering Services	5,335.00
TOTAL						144,628.83
Bill Pmt -Check	01/25/2012	15764	BROWNSTEIN HYATT FARBER SCHRECK		1012 - Bank of America Gen'l Ckg	1,560.96
Bill	12/31/2011	445074	445074 - BHFS Legal - Appropriative Pool		8375 - BHFS Legal - Appropriative Pool	1,560.96
			445074 - BHFS Legal - Agricultural Pool		8475 - BHFS Legal - Agricultural Pool	1,876.87
			445074 - BHFS Legal - Non-Ag Pool		8575 - BHFS Legal - Non-Ag Pool	2,865.38
			445074 - BHFS Legal - Advisory Committee		6275 - BHFS Legal - Advisory Committee	5,800.18
			445074 - BHFS Legal - Board Meeting		6375 - BHFS Legal - Board Meeting	1,146.70
			445074 - BHFS Legal - Personnel Matters		6073 - BHFS Legal - Personnel Matters	579.15
			445074 - BHFS Legal - Replenishmnt Water		6075 - BHFS Legal - Replenishmnt Water	10,348.65
			445074 - BHFS Legal - Miscellaneous		6078 - BHFS Legal - Miscellaneous	7,213.05
			445074 - Recharge Master Plan		6907.39 - Recharge Master Plan	9,630.90
			445075 - BHFS Legal - Personnel Matters		6073 - BHFS Legal - Personnel Matters	210.60
			445076 - S. Archibald Plume-Formerly OIA		6907.31 - S. Archibald Plume-Formerly OIA	42,793.40
TOTAL						50.00
Bill Pmt -Check	01/25/2012	15765	CUCAMONGA VALLEY IAAP	Jan. 23, 2012 Cucamonga Valley IAAP Mtg	1012 - Bank of America Gen'l Ckg	50.00
Bill	01/23/2012		Fee for J. Wilson and S. Molino		6192 - Training & Seminars	50.00
TOTAL						552.90
Bill Pmt -Check	01/25/2012	15766	INLAND EMPIRE UTILITIES AGENCY	Readiness to serve	1012 - Bank of America Gen'l Ckg	552.90
Bill	12/31/2011	90009071			8456 - IEUA Readiness To Serve	552.90
TOTAL						1,066.00
Bill Pmt -Check	01/25/2012	15767	MWH LABORATORIES	L0076453 - Grdwtr Qual-Lab Svcs	7103.5 - Grdwtr Qual-Lab Svcs	1,066.00
Bill	12/31/2011	L0076453			7103.5 - Grdwtr Qual-Lab Svcs	578.00
Bill	12/31/2011	L0077437			7103.5 - Grdwtr Qual-Lab Svcs	2,074.00
Bill	12/31/2011	L0075987			7103.5 - Grdwtr Qual-Lab Svcs	835.00
Bill	12/31/2011	L0076106			7103.5 - Grdwtr Qual-Lab Svcs	1,456.00
Bill	12/31/2011	L0075979			7103.5 - Grdwtr Qual-Lab Svcs	488.00
Bill	12/31/2011	L0074690			7103.5 - Grdwtr Qual-Lab Svcs	1,456.00
Bill	12/31/2011	L0075313			7103.5 - Grdwtr Qual-Lab Svcs	488.00
Bill	12/31/2011	L0074687			7103.5 - Grdwtr Qual-Lab Svcs	578.00
Bill	12/31/2011	L0074688			7103.5 - Grdwtr Qual-Lab Svcs	578.00
Bill	12/31/2011	L0074684			7103.5 - Grdwtr Qual-Lab Svcs	3,684.00
Bill	12/31/2011	L0074980			7103.5 - Grdwtr Qual-Lab Svcs	
TOTAL						1,066.00

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CHINO BASIN WATERMASTER
Cash Disbursements For The Month of
As of January 31, 2012

Type	Date	Num	Name	Memo	Account	Paid Amount
Bill	12/31/2011	L0075977		L0075970 - Grdwtr Qual-Lab Svcs	7103.5 - Grdwtr Qual-Lab Svcs	1,086.00
Bill	12/31/2011	L0076461		L0076461 - Grdwtr Qual-Lab Svcs	7103.5 - Grdwtr Qual-Lab Svcs	1,456.00
TOTAL						
Bill Pmt -Check	01/25/2012	16768	THE LAWTON GROUP	6017	1012 - Bank of America Gen'l Ckg	659.20
Bill	01/08/2012	1VC070000018027		Week ending 1/08/12	6017 - Temporary Services	824.00
Bill	01/23/2012	1VC070000018050		Week ending 1/15/12	6017 - Temporary Services	1,483.20
TOTAL						
General Journal	01/27/2012	01/27/2012	Payroll and taxes for 01/08/12-01/21/12	Payroll and taxes for 01/08/12-01/21/12	1012 - Bank of America Gen'l Ckg	12,143.73
			Payroll taxes for 01/08/12-01/21/12	Payroll taxes for 01/08/12-01/21/12	1012 - Bank of America Gen'l Ckg	29,198.49
			Direct deposits for 01/08/12-01/21/12	Direct deposits for 01/08/12-01/21/12	1012 - Bank of America Gen'l Ckg	41,342.22
Total Disbursements:						3,002,956.70
TOTAL						



CHINO BASIN WATERMASTER

IV. INFORMATION

2. Newspaper Articles



**NEWS****Inland water agencies are prepared for a dry year**[Print Page](#)

Agencies in Riverside and San Bernardino counties took advantage of heavy runoff last winter and recharged local groundwater basins

**By Douglas Headrick
General Manager
San Bernardino Valley
Municipal Water District**

Published: Wednesday, February 1, 2012 3:38 PM PST

As recently as October, weather forecasters were predicting that California ski resorts would have another wet winter, potentially matching last winter's record snowfall.

Unfortunately, the anticipated wet winter hasn't materialized. And if the current dry weather pattern persists, we could actually wind up with one of the driest winters on record.

But while the continuing dry spell is worrisome, inland Southern California water agencies are well prepared for a dry spell because they stored a record amount of water underground last year – about 78,000 acre feet. That's enough water to sustain 300,000 people for a year.

"When it comes to water, it's feast or famine in Southern California," said Bob Tincher, manager of engineering and planning for San Bernardino Valley Municipal Water District. "So when we do get a lot of rainfall, we capitalize on it and store as much as we can underground. That way we can use it during droughts."

The heavily populated areas of western San Bernardino County depend on local mountain runoff for about 70 percent of their water supply. Some of the runoff is diverted by local water agencies into spreading basins, where it percolates into the ground, recharging local groundwater basins that supply local agencies with most of their water supply.

Inland agencies supplement the balance of their water supply with imported State Water Project water from Northern California, which is used for both direct deliveries and groundwater recharge.

"We have a very high level of coordination and cooperation with one another, which enables us to make the best use of our local and imported water resources," Tincher said of Valley District's relationship with other water agencies.

Indeed, while Valley District is the inland region's primary supplier of imported water, it works closely with its partners to save runoff from the Santa Ana River. Through these partnerships, water is recharged into basins owned by the San Bernardino Valley Conservation District.

"We received nearly 53,000 acre feet of San Bernardino Mountain water recharged into the Mill Creek and Santa Ana spreading basins last year," said Daniel Cozad, the conservation district's general manager, adding that last year was the third biggest year for groundwater recharge in a century.

Another 22,000 acre-feet of imported water was also recharged into the groundwater basin using the conservation district's facilities.

Inland water agencies coordinate their groundwater recharge operations through the Basin Technical Advisory Committee or BTAC, a collaborative group that includes representatives from 13 agencies serving a 300-square mile area of western Riverside and San Bernardino counties.

Agencies actively participating in the BTAC include San Bernardino Valley Municipal Water District, East Valley Water District, West Valley Water District, City of San Bernardino Water Department, Western Municipal Water District, City of Riverside Public Utilities, Yucaipa Valley Water District, San Bernardino Valley Water Conservation District, City of Redlands, San Bernardino County Flood Control District and City of Loma Linda but is open to all agencies who wish to participate.

BTAC meetings are held at 1:30 p.m. on the first Monday of every month at Valley District's headquarters at 380 E. Vanderbilt Way, San Bernardino. More information about the BTAC is available at www.sbvmd.com.

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PG & E agrees to \$3.6 million settlement; half goes to Hinkley school

By Jim Steinberg, Staff Writer

Posted: 02/01/2012 08:53:00 PM PST

HINKLEY - Pacific Gas & Electric Co. has agreed to pay a \$3.6 million fine for violating a regulatory agency's order to contain a plume of chromium 6 contaminated water to the boundaries known in 2008, company and regulatory officials confirmed Wednesday night.

Since the third quarter of 2011, the known plume boundary has grown northward by about two miles, although officials say the plume may have been in that space for some time previously.

At PG & E's insistence, half of the fine will go to Hinkley Elementary School to develop a whole water replacement system.

A water board official said PG & E is planning to pipe drinking water into the school from outside the Hinkley area.

Drinking

fountains at the school were shut down - for the first time - last fall, at the request of parents.

Between 1952 and 1966, PG & E used chromium 6, also known as hexavalent chromium, to reduce corrosion in cooling towers at its natural gas compressor station in Hinkley.

At that time, the cancer-causing aspects of chromium 6 were not known.

Wastewater from the cooling towers were discharged in unlined ponds at the site, allowing the chromium 6 contaminated liquids to

percolate into the groundwater.

Jeff Smith, a PG & E spokesman said, "PG & E felt it was important that as much of the settlement as possible be returned to the Hinkley community."

At community advisory committee meetings -

a group PG & E organized in the community - members have noted their concerns about the health of schoolchildren at the school, Smith said.

Lauri Kemper, assistant executive officer, of the Lahontan Regional Water Control Board, said chromium 6 levels at the wells that serve the school have varied between one and two parts per billion, below what a controversial PG & E study determined was the natural background level for the area.

The findings of that background level study are under review.

"This is excellent. This is what we have been fighting for," said Joel Valenzuela, who has two daughters attending the school. "We have been fighting for them (PG & E) to take responsibility."

"The school is the centerpiece of our



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community," he said, adding that he was concerned the Barstow school district, which runs the Hinkley school, would siphon some of the money.

Kemper said the way the settlement agreement is structured, that won't happen.

Kemper said that the water agency was motivated to work out a settlement with PG & E because the company had proposed that much of its fine be spent for the benefit of the Hinkley community.

"That sounds good. That sounds real good," said James Dodd, who serves on the community advisory board with Valenzuela, and has lived in Hinkley for 34 years.

"I'm glad to see the water board is stepping up and doing something...we are now starting to see some action."

Valenzuela said that because the water agency did not warn parents about the extent of chromium 6 contamination in the school's water, it should not be allowed to keep any of the settlement funds.

Instead of sending half of the settlement to the state, that should be used to establish a college fund for the school's graduates, he said.

"Our children have been damaged by this (drinking the water at school)," Valenzuela said.

"I have spent thousands of dollars to protect my children at home with water purification systems, and bottled water, and then I find out my kids have been drinking contaminated water at school."

Valenzuela said that Hinkley's population - and the school's students - have dwindled dramatically in recent years because of the chromium 6 plume.

Kemper said that the water board notified the school district of the well sampling results and "it was up to them to decide whether or not to tell parents."

Half of the \$1.8 million settlement goes into the state Water Resources Control Board Waste Discharge Permit Fund, Kemper said.

The settlement agreement will go to the water agency's board of directors for final approval when it meets at the Hampton Inn in Barstow on March 14 and 15, Kemper said.

Reach Jim [via email](#), or call him at 3855.

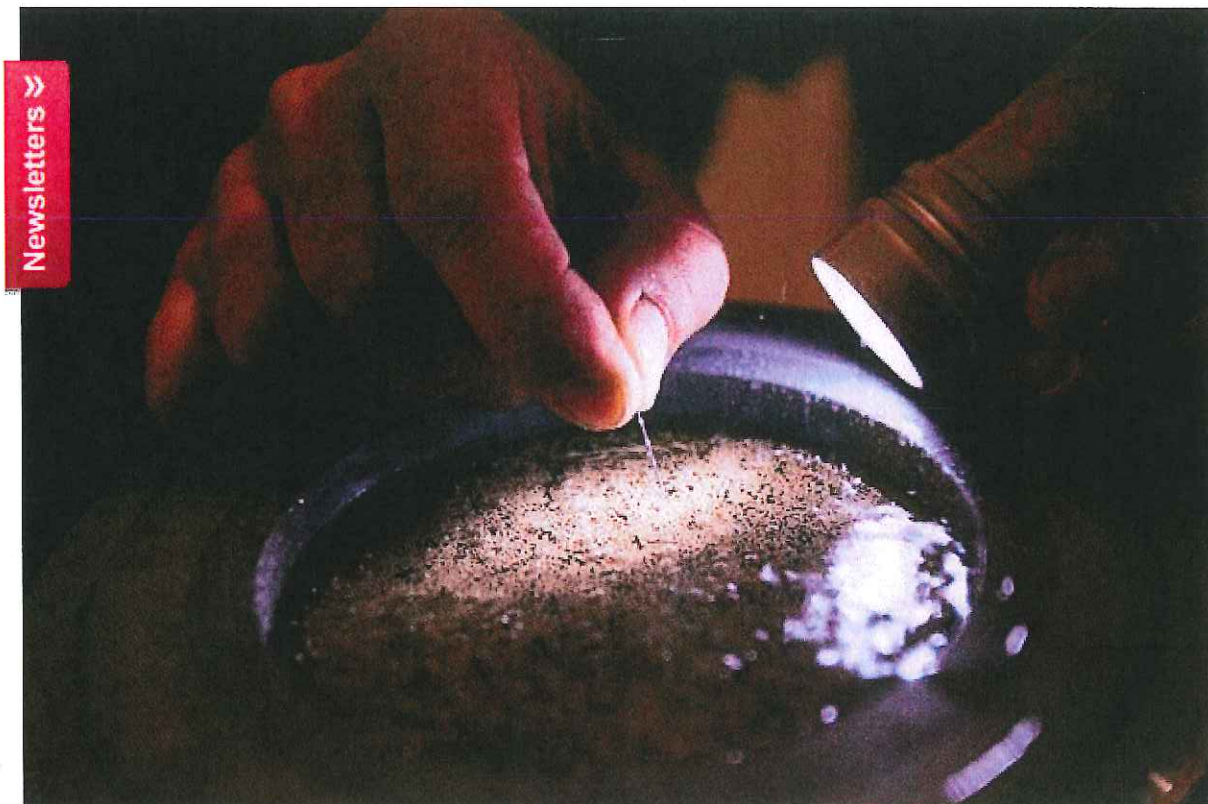


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National Geographic Daily News

Reclaimed Wastewater for Drinking: Safe But Still a Tough Sell

A new report highlights advancements in reclamation technology and predicts growth in treatment programs.



Mechanic Jimmy Pennella uses a flashlight and a needle to stop fibers in membranes from leaking at the Groundwater Replenishing System in Orange County Water District in Fountain Valley, California.

Photograph by Ann Johansson, Corbis

Ker Than

For National Geographic News

Published January 31, 2012

This story is part of a special National Geographic News series on global water issues.

Water filtration technology has advanced to the point where wastewater can be rendered safe for drinking, according to a new report, but legislative and psychological hurdles will need to be overcome before widespread adoption can happen.

"Expanding water reuse could significantly increase the nation's water resource, particularly in coastal communities," said Rhodes Trussell, president of Trussell Technologies in Pasadena, California, and chair of the committee that wrote the report.

Treated wastewater, also known as reclaimed water, is commonly used for irrigation and industry. And many towns already rely on reused water simply because they draw water downstream from other municipalities' wastewater release pipes.

"De facto reuse takes place throughout the country," Trussell said.

But getting the public to knowingly drink treated wastewater has been a tough sell.

(Related: "Raiding the Bread Basket: Use and Abuse of the Mississippi River Basin")

New Report Underscores Safety

A new report by the National Research Council (NRC) that reviewed current wastewater treatment technologies found that the possible health risks associated with exposure to chemical contaminants are minimal.

"Available technology can reduce chemical and microbial contaminants to levels comparable to or lower than those present in many current drinking water supplies," Trussell said.

Trussell and the other NRC report authors say the government could do much to help increase public confidence in wastewater treatment programs for drinking—also known as potable use—and help to provide a consistent minimum level of protection across the nation. Many of these goals could be met by toughening federal regulations, they add.

"For example," Trussell said, "under the Clean Water Act, the pretreatment regulations, which have made tremendous strides to reduce toxics in the nation's wastewater since they were first implemented, could be updated to more aggressively pursue organic contaminants that were not identified on the original 1977 list." In other words, by updating the standards in keeping with current knowledge, consumers can feel more confident that the water is truly safe.

Another challenge is that water reuse regulations can vary widely by location. "In most coastal communities, municipal wastewater belongs to the wastewater utility and retaining it for reuse is fairly easy," Trussell explained. "In many inland communities that water already [legally] belongs to a downstream user."

But perhaps the biggest hurdle that will need to be overcome before the public will accept drinking recycled wastewater is not technological or legislative, but psychological.

(See an interactive map of the world's most important river basins.)

Getting Used to the Idea

"The psychological side is often what's critical," said Paul Rozin, a psychologist at the University of Pennsylvania. Rozin appears in the upcoming documentary *Last Call at the Oasis*, which investigates several aspects of the looming global water crisis.

Most people have a deep revulsion to the idea of drinking reclaimed water, explained Rozin. "The revulsion comes from its closeness to sewage," he said. "For tap water or bottled water, people tend not to think where it comes from. But for recycled water, they do." (This despite the fact that many people already drink water drawn downstream from wastewater operations.)

One way to overcome this revulsion is to provide some mental separation between the recycled water and its source. In *Last Call at the Oasis*, for example, the filmmakers try selling treated water under the catchy product name of "Porcelain Springs" and enlist comedy actor Jack Black to vouch for its drinkability.

Another possibility, Rozin said, is to follow the example set by Singapore. "They're switching over to recycled water and they're doing it gradually and also giving people an economic advantage to switch," he said.

"First, they take recycled water and pump it into the ground so they don't go directly from recycled water to drinking. And they will also provide the water at any catered event [for free]."

One example of a successful wastewater-recycling program is the Groundwater Replenishment System in Orange County, California, Trussell said. There, wastewater is treated to a level exceeding state and federal drinking standards and is then released into local groundwater recharge basins, where it will eventually be re-drawn for municipal or private use. Previously, treated wastewater was simply discharged into the Pacific Ocean. But the new process should help extend the life of the aquifers, and it may make the idea of reclaimed water more appealing than more direct recycling, since the water receives additional filtering in the ground.

"This project just broke ground for expansion from 70 to 100 million gallons per day," Trussell said.

(Calculate your own water footprint.)

The Groundwater Replenishment System and other programs across the United States provide reasons to be optimistic about the future of wastewater treatment programs, Trussell said. "Increasingly, projects are being conducted in the open and have successfully garnered public support," he added.

In general, Penn's Rozin said, people often greatly underestimate their ability to adapt to new things, including drinking treated water.

"There's no doubt that people can get used to it," he said. "It's just a matter of getting them there."

But while wastewater recycling could contribute significantly to the nation's available freshwater, it will not in itself solve all the water problems that we will face in the coming decades.

"Our estimate is that reuse of all the wastewater we discharge to the oceans and estuaries would increase the water available to U.S. municipalities by about 6 percent," he added. "Significant, but no panacea."

(Related: "Sewer Mining: Efficient Water Recycling Coming to a Community Near You")

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Northern boundary of Hinkley plume continues to grow

Jim Steinberg, Staff Writer

Posted: 01/31/2012 12:33:41 PM PST

Document: [Map - Chromium results for third quarter 2011 groundwater](#)

Document: [Map - Chromium results for fourth quarter 2011 groundwater](#)
HINKLEY - The northern boundaries of that plume of contaminated groundwater continues to advance.

Water samples from new test wells - many installed this past summer - show chromium 6 contamination, above background level, extending north of Mountain General Road for the first time.

It is not clear, however, if the plume is growing at a rapid pace, or if the plume has been larger than originally thought for some time.

The thought behind some of the new well placements was to get ahead of the plume and then work backward to map its location.

It now appears the drilling may not have extended far enough north to get ahead of the plume.

The results of new samples from test wells were released Tuesday.

Jeff Smith, Pacific Gas & Electric Co. spokesman, said "what this really tells us is there is a lot more work to be done to define the plume."

Decades ago, before the cancer risks posed by chromium 6 were known, PG&E used this chemical to protect the metal and prevent algae

growth within cooling towers at its natural gas pumping station in Hinkley.

Periodically this water was dumped into unlined ponds, a standard practice at that time.

The result has created an underground plume of contaminated groundwater that is now more than four miles long.

Reach Jim [via email](#) or call him at 909-386-3855.



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REGION: Winter shaping up to be a dry one

BY JANET ZIMMERMAN

STAFF WRITER

zimmerman@pe.com

Published: 29 January 2012 07:11

PM

The consequences of this winter's lack of rain are plain to see on Dennis Blehm's family-owned farm in Hemet, where the wheat crop has sprouted, turned brown and withered over the crusted soil.

"I'd say in 10 days, we'll lose our seed. It's sprouted, it's grown, it's going to die," said Blehm, whose harvest is sold to mills for flour, bread, dog food and other products. "There's only about 2 inches of moisture in the ground and we need 6 to 10 inches."

Blehm is a dry-land farmer, relying strictly on rainfall instead of irrigation. This year has so far been a low spot in an up-and-down business, one of many that rely on the weather for their profit.

The snowpack in the Sierra Nevada last month was the second driest December on record, and January — usually the wettest month — is lagging behind normal, even with the recent storms.

Farmers such as Blehm are fretting, winter sports are suffering and water managers are mulling over supplies. The U.S. Drought Monitor shows abnormally dry conditions in Inland Southern California and moderate drought for much of the northern part of the state.

Blehm farms on 7,800 acres spread around Hemet, Perris, Nuevo and other areas. He stands to lose a good portion of his \$1 million crop, especially if 80-degree temperatures and drying winds persist.

Blehm has had so many loss claims on his crop insurance over the past decade that he will be reimbursed for only half his losses, he said.

This year reminds him of the spring of 2007, when rain was a tenth of normal. That marked the first of the state's three-year drought.

'DISMALLY DRY'

This week, state water officials will trek into the Sierra to take their monthly snowpack measurements. What they find won't be a surprise.

"It's just dismally dry for this time of year," said Dave Rizzardo, chief of snow surveys and water supply forecasting for the state Department of Water Resources. For snow in the northern Sierra, "we're almost 20 inches behind last year's pace."

The Sierra readings are critical because that snowmelt fills reservoirs that feed the State Water Project, which supplies two-thirds of the state.

Riverside had just under a half-inch of rain in December, about a third of normal for the month. January also brought a little less than a half-inch, more than 2 inches below average.

Sierra snowpack was just 10 percent of normal until the first of three storms hit Jan. 19, raising levels to 33 percent of normal when last measured.

John Gless, who farms 300 acres in Riverside, Hemet, Coachella and Kern County, already is buying irrigation water for his citrus trees — two months earlier than normal. The dry weather also is causing other problems.

“Without the rain to clean the trees and leach the salts, the growth of the fruit is smaller this year,” he said.

In the Central Valley, numerous irrigation districts delivered water almost two months earlier than usual for stressed winter feed crops and fruit and nut trees.

HARD TO RECOVER

Similar pain is being felt by ski shops in the San Bernardino Mountains.

At Goldsmith’s Board House in Big Bear Lake, January sales and rentals are way down, owner Linda Goldsmith said.

“Somebody said, ‘It’s a beautiful day,’ and I said, ‘Yeah, unfortunately, it is,’” she said.

Business is driven by perceptions, Goldsmith said. When people down the hill are wearing shorts and flip-flops, it’s hard for them to imagine good snow conditions in the mountains. But December snow laid down a decent base and snowmaking made up the rest, she said.

At Snow Summit, all of the 26 runs are open except one, which is closed for snowmaking, according to the resort’s website.

The resort received about 4 inches of snow this month. The average January snowfall at Big Bear Lake is 14.8 inches, according to the Western Regional Climate Center.

“We need a winter kick,” Goldsmith said.

In the water industry, December, January and February are known as “the big three” because they are responsible for the bulk of winter weather.

Missing one of those months is hard to make up for by the end of the season, but two dry months is almost impossible to recover from, said Rizzardo of the Department of Water Resources.

A drought has not been declared by state officials, largely because last year’s record rain and snowfall left reservoirs with ample supplies. Lake Shasta, the system’s largest reservoir, is at 68 percent of capacity, average for this time of year, according to a state website.

The force in play both years has been La Niña, although this year’s dry weather is more typical of the weather system, which cools the ocean in the Pacific and pushes the jet stream and cold arctic air to the north.

Another factor is a positive Arctic oscillation, an atmospheric pressure pattern that has kept the jet stream north and pushed storms into Alaska. Last year, a negative Arctic oscillation overruled La Niña’s influence and

pushed strong, cold storms into California, said William Patzert, a climatologist at NASA's Jet Propulsion Laboratory in Pasadena.

"The question is, 'Can we salvage anything in February and March?' At this point, I'm counseling caution," he said.

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University of La Verne eyed as regional center for water research, industry

Neil Nisperos, Staff Writer

Created: 01/26/2012 02:46:01 PM PST

LA VERNE - Local officials, in seeking solutions to make the region's water supply more reliable, are eyeing the University of La Verne as a linchpin for research and growth for new, locally based water industries.

The university held its annual Water Technology Conference on Thursday, and dozens of speakers from water agencies, politics and academia gathered there to discuss new ways of dealing with the problem.

The conference, officials said, is a first step as ULV positions itself as a potential national research center for water technology innovation and a model for economic development.

Stakeholders are looking at the potential for this to spur economic growth within the surrounding area.

ULV, in a partnership with Cal Poly Pomona, aims to build a "water institute" for students expected to work for potential water-related industries nearby when they graduate.

"If the university has land available to develop a 'water campus,' we should be doing everything in our power to make that vision a reality," said Phil Hawkey, ULV's executive vice president.

The university's main campus is near Metropolitan Water District's F.E. Weymouth Water Treatment Plant, which contains one of the world's top water research laboratories.

Randall Lewis of the Upland-based Lewis Group of Companies said the region could be home to an industry cluster for water.

"The bigger part of it is we need to work on water, but we're interested as regional partners in what can we do to help bring jobs to this area," Lewis said.

Reps. Grace Napolitano, D-Santa Fe Springs, and Joe Baca, D-San Bernardino, attended the event and encouraged the partnership and development plans. Napolitano is the ranking minority member and a former chairwoman of the House Subcommittee on Water and Power.

"Our water supply faces increasing strains from climate change and a growing population," Napolitano said. "As we begin to

explore new ways to provide clean water, like water recycling and desalination, the research done by our scientists and researchers will be more important than ever."



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Greg Dewey, provost at the University of La Verne, and Rep. Joe Baca, D-San Bernardino, speak at the annual Water Technology Conference held at the university on Thursday. School officials are looking to open a water industry research institute at the school. (Neil Nisperos/Staff)

Baca said partnerships and collaboration become important "as we look at our water needs today and for the future."

"It's important we look and develop the best technologies and think tanks for this effort, and to make sure we understand how much water we have today and in the future, and how safe is that water going to be as well," Baca said.

Wildlife protection measures, drought and climate change have increased uncertainty over supply reliability for Southern California.

The Metropolitan Water District, the region's largest water supplier, is working on projects to reroute water around protected waterways in Northern California, which have reduced imported water supplies to Southern California. Other plans include seawater desalination.

"Southern California has entered an era of limits when it comes to imported supplies, and that's reflected not only in the Delta, but also in the Colorado River," said MWD spokesman Bob Muir. "What we're trying to do as a region is to identify and maintain reliability."

Reach Neil [via email](#), call him at 909-483-9356, or find him on Twitter [@InlandGov](#).

A promotional advertisement for BIG 5 SPORTING GOODS. The background is a vibrant red and yellow gradient. At the top, the logo "BIG 5 SPORTING GOODS" is displayed in white and blue. Below the logo, the text "THE NEW YOU IS HERE" is written in large, bold, red letters, with a red heart symbol replacing the letter 'O' in "YOU". To the left of the text is a photograph of a woman in a pink athletic top and dark pants, appearing to be in motion. At the bottom of the ad, a red banner reads "CARDIO STRENGTH TONING" in white, and a green banner below that reads "WIN A \$50 GIFT CARD" in white.

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The Mercury News

MercuryNews.com

Report highlights California's huge 'wave power' potential

By Dana Hull
dhull@mercurynews.com

Posted: 01/19/2012 02:42:30 PM PST

Updated: 01/20/2012 10:10:08 AM PST

A new report by the Department of Energy says that waves off California's 1,100-mile coastline could generate more than 140 terawatt hours of electricity a year -- enough to power 14 million homes -- if tidal and wave energy was developed to its maximum potential.

The United States uses about 4,000 terawatt hours of electricity a year; 1 terawatt hour powers about 100,000 American homes.

"California's wave and tidal current resources offer real opportunities to generate renewable energy using water-power technologies in the future," Energy Secretary Steven Chu said in a statement.

Wave energy uses a variety of devices placed in the ocean to generate electricity, but the technology has not been widely used in the United States. The Department of Energy is sponsoring three demonstration projects off the coast of Oregon, in Washington's Puget Sound area and in Maine.

Currently, California has no wave energy project up and running, but the California Ocean Protection Council says one project off the coast of San Onofre has received a preliminary permit. The permitting process is complex and involves several federal and state agencies, including the Federal Energy Regulatory Commission and the Bureau of Ocean Energy Management.

"Wave energy projects have a very low profile -- much lower than a wind turbine," Mike Reed, team leader for water-power technologies at the Department of Energy, said in an interview. "The devices are

located two to three miles off shore -- you can't see

them from the shore."

The Energy Department's Water Power Program is trying to quantify the nation's potential water-power resources so that investors, developers and policymakers can make decisions about where to place them.

Pacific Gas & Electric last year suspended its Humboldt WaveConnect Project, a pilot project off the coast of Humboldt County, amid opposition from some environmentalists and concerns about the lengthy permitting process, escalating costs and feasibility. Many Humboldt County environmentalists opposed WaveConnect over concerns that it would damage local fisheries and marine ecology.

Contact Dana Hull at 408-920-2706.

Department of energy Wave REport:
The wave report, "Mapping and Assessment of the United States Ocean Wave Energy Resource," can be found at: <http://www1.eere.energy.gov/water/pdfs/mappingandassessment.pdf>



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Jerry Brown says he'd support delaying water bond

Marisa Lagos, Wyatt Buchanan, Chronicle Staff Writers
 Friday, January 20, 2012

Irvine --

Gov. Jerry Brown indicated Thursday that he would support delaying an \$11 billion water bond currently on the November ballot, saying a massive overhaul of the state's water system can begin without voters approving huge borrowing this year.

Postponing the bond measure - which has already been pushed back once - could give Brown's five-year, \$35 billion tax increase a better chance of passing in November. Brown made the comments on a two-day tour of Southern California, where he appeared before civic leaders in Los Angeles, Orange and San Diego counties to tout his budget proposal, tax plan and stress the state's strengths.

Speaking after a meeting with the Orange County Business Council on Thursday morning, the governor said the statewide general obligation water bond is not immediately necessary because ratepayers in several water districts would foot the bill for a conveyance project - like a pipeline or canal - to move water through or around the Sacramento-San Joaquin River Delta.

"My time frame does not require that that be done in November. ... I don't want to make that kind of decision sitting here in Orange County. But we definitely have to take a look at that project and make sure it really fits with what's absolutely needed," Brown said.

Plan ready by summer

Such a project could take the form of massive tunnels under the delta that would bring water to pumps that feed Southern California and parts of the Bay Area. Brown said an initial plan for what the project would look like would be completed by summer.

"Our obstacle is not the big water bond there. It's the environmental impact report and the state and federal permits, that's what we've got to do," he said. "Then at some point, we've got to have the money for the habitat restoration, but these are 50-year programs, and I think that bond issue is one I'm going to take a look at."

Brown mentioned delta habitat restoration and water storage as key parts of the statewide bond, though they make up just \$5.2 billion of the \$11 billion bond. The governor and leaders in the

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Legislature have said they want to revisit the size of the bond, and lawmakers also have raised the possibility of a delay.

When the bond was first approved by the Legislature in 2009 for the November 2010 ballot, leaders stressed the urgency of fixing California's aging water infrastructure and reversing the quick decline of the delta habitat.

Cynthia Koehler, California water legislative director for the Environmental Defense Fund, said she is not concerned that the massive construction project would happen without a major effort to restore the delta's ecosystem and said she doesn't doubt Brown's commitment to that.

Besides, she said, "The law requires a deal where these things are going forward hand in hand." The organization has a neutral position on the bond measure.

Brown also spent time this week defending the goals of his budget, saying proposed cuts to welfare and medical services for the poor and increased taxes do not conflict with his commitment to building a \$100 billion high-speed-rail project and pursuing those major upgrades to the state's water system.

"For some, chewing gum and jumping rope is daunting, but I think we can handle both. We have to invest, and we have to cut. We have to cut operating costs while we build the foundations of an abundant future," he said.

On the road

Brown had barely wrapped up his State of the State speech Wednesday in Sacramento when he hit the road to Southern California, a population-rich - and politically crucial- region the governor will need in order to pass his tax plan this fall.

Over two days, Brown met with Burbank educators to get their ideas on reform; received a warm welcome from city and community leaders at Los Angeles City Hall; and attempted to sell business and community leaders on his budget plan - which relies on a temporary tax increase - in the Republican strongholds of Orange and San Diego counties.

Teachers and school administrators at Bret Harte Elementary School in Burbank spent nearly two hours separately chatting with Brown about their challenges and needs, and emerged impressed with the governor's candor and openness. Brown proposed vague education reforms in his speech Wednesday, calling for reducing the number of tests students must take and concentrating more power at the local, not state, level, and said he was in Burbank not to speak to educators, but hear from them.

"We talked to him about the lack of resources, that we have too many kids in our classrooms - I think he understood our frustration," said Lisa Crystal, a kindergarten teacher at Bret Harte who

has been a teacher for 13 years. "We spend so many hours preparing to take tests. He seemed like he definitely listened to what our needs are."

In Orange County, business leaders indicated they would be open to supporting the governor's tax plan - particularly because it would earmark billions of dollars for education, and would not raise taxes above what most people were paying in 2010.

E-mail the writers at mlagos@sfchronicle.com and wbuchanan@sfchronicle.com.

<http://sfgate.com/cgi-bin/article.cgi?f=/c/a/2012/01/20/BAAA1MRMM7.DTL>

This article appeared on page **C - 1** of the San Francisco Chronicle

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Upland to bring water well back on line

sandra.emerson@inlandnewspapers.com

909-483-8555

@UplandNow

By Sandra Emerson, Staff Writer

Posted: 01/18/2012 04:52:17 PM PST

Updated: 01/18/2012 05:05:11 PM PST

UPLAND - The city will be gaining a water well.

City Council members have agreed to pull \$790,000 from the water fund to rehabilitate an out-of-work well in the northwestern portion of the city.

They also approved a cooperation agreement with the West End Consolidated Water Company to carry out the rehabilitation.

"It will allow us to more fully utilize our water supply resources and helps to support the city's goal of maintaining low water rates for our customers," said Rosemary Hoerning, the city's public works director.

The well, known as Upland Foothill No. 3, is at 1332 Charmaine Drive and is operated by the West End Consolidated Water Company.

The well was previously used as a Six Basins production facility for irrigation purposes, but was taken out of commission when the 210 Freeway was constructed.

It is now used as a monitoring facility by Six Basins.

Having the additional well will provide an alternate water source for the city when one of the other wells is out for repair.

The city also will have the opportunity to take advantage of surplus water when available from Six Basins.

"It was just in very poor shape, but it was a very fruitful well," Councilman Ken Willis said. "Because of the heavy rains last year, especially, we were able to draw water. It's in a good position to draw substantial water, but we have to do a lot of work on it if we want to be able to continue to use it."



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Suit pits sucker fish habitat against Inland Empire water rights

Opponents of the federal plan, which is intended to protect the Santa Ana sucker fish, say it puts Inland Empire water supplies and development in jeopardy.

By Louis Sahagun, Los Angeles Times

9:12 PM PST, January 14, 2012

A federal plan to preserve more than 9,000 acres of river habitat so that the threatened Santa Ana sucker fish can fulfill its complex life cycle has run into stiff resistance from critics who say it jeopardizes development and water supplies in the Inland Empire.

Two cities and 10 water districts have sued the U.S. Fish and Wildlife Service in U.S. District Court over the agency's decision to preserve the habitat. They say that it imposes restrictions on water conservation, groundwater recharge and flood control operations that affect water supplies for 1 million residents, and that it threatens plans to sell Santa Ana River water to thirsty communities elsewhere.

Environmental groups led by the Center for Biological Diversity, CalTrout, the Sierra Club and the Audubon Society responded by filing petitions to intervene in the case on behalf of the federal agency. A hearing on the case has been scheduled for February.

The suckers, which scientists know as *Catostomus santaanae*, were once abundant across Southern California. They have mottled gray backs and silver bellies, grow to about 5 inches in length and have large, thick lips and small mouths that suck up algae and other organisms. Critics of the federal plan have dubbed the sucker "Southern California's delta smelt," a reference to a protected 2-inch fish whose movements restrict the pumping operations of the state's biggest water projects in the Sacramento-San Joaquin Delta.

The plan to save the Santa Ana sucker involves designating critical habitat areas, which would then require federal agencies to consult with the Fish and Wildlife Service before they carry out, fund or authorize any action that could destroy or alter the protected zones. An independent analysis conducted on behalf of the Fish and Wildlife Service showed that costs related to preserving and managing the habitat could range from about \$14 million to \$450 million over 20 years.


The legal dispute began after the agency designated 9,331 acres of critical habitat in rivers, creeks and

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washes in Los Angeles, San Bernardino and Riverside counties. The 2010 action was an attempt to resolve a decade-long legal dispute with environmentalists over the fate of the sucker, which evolved in regional flood cycles thousands of years ago.

Of particular concern are northern reaches of the 96-mile-long Santa Ana River system that environmentalists contend must be protected so that seasonal ebbs and flows can move gravel to downstream spawning grounds.

Scott Sobiech, deputy field supervisor for the Fish and Wildlife Service, said the Santa Ana River "is no longer the free-flowing perennial it used to be, and since the fish was listed as a threatened species in 2000, its numbers have continued to decline in the fragmented habitat it persists in."

Opponents argue that some areas designated as critical habitat are dry for most of the year and therefore of no help to the sucker. They also say the designation could threaten rights to water behind the 6-year-old Seven Oaks Dam near Highland. Seven Oaks currently serves as a flood control facility, but local water districts have expressed interest in storing water there for urban uses.

"Our concern is that water used for people could be thrown down the river in a last-ditch attempt to save the fish, and we can't let that happen," said Douglas Headrick, general manager of the San Bernardino Valley Municipal Water District. "The agency's designation is based on a backroom settlement with environmental groups. The public deserves and expects more than that."

Adam Lazar, attorney for the Center for Biological Diversity, said the designation would not curtail water supplies. "I believe the opponents' real concern is to build water projects for homes, businesses and industries that don't yet exist, and to sell water to Los Angeles and San Diego and other districts that desperately want it," Lazar said.

louis.sahagun@latimes.com

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Coachella Valley Water District's Palm Desert plant receives industry awards

Plant processes 10 million gallons a day

12:15 PM, Jan. 16, 2012 | Comments

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Written by **K Kaufmann**
The Desert Sun

The Coachella Valley Water District's wastewater reclamation plant in Palm Desert racked up a pile of awards from the California Water Environment Association's Colorado River Basin Section.

FILED UNDER

Local Environment Coachella Valley Water District

-- Collection Systems of the Year award for facilities covering more than 500 square miles, for the collection and conveyance of wastewater. The district's service area covers more than 1,000 square miles in Riverside, Imperial and San Diego counties.

-- Education and Public Outreach award for educational tours and programs conducted at the plant.

-- Plant Operator of the Year award to Braulio Gudino, plant operator.
 Supervisor of the Year award to Bernie Saucedo, crew chief for the collection system construction team. Saucedo is a 28-year employee of the district.

-- Collection System Person of the Year award to Pedro "Pete" Peralta, collection

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-- Collection System Person of the Year award to Pedro "Pete" Peralta, collection

The Palm Desert plant received the Plant of the Year award in 2010 and in five other previous years. It is the largest of CVWD's six treatment plants.

It treats a daily average of 10 million gallons of wastewater collected from homes and businesses in Cathedral City, Rancho Mirage, Indian Wells and Palm Desert.



Tour of President Indio Fire Injures Ford's Rancho Mirage Three Firefighters Home

Winning the section awards means CVWD will be eligible for statewide awards from the association, a professional trade group.



GG's Island catches fire in Rancho Mirage

Jan. 10, 2012

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Government

OC Water District Breaks Ground on Expanded Water Purification Facility

Once completed, the system will help quench the thirst of 850,000 residents.

By Stephanie Weldy | Email the author | January 17, 2012

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The Orange County Water District in Fountain Valley broke ground Tuesday afternoon on a water purification system expansion that will bring clean water to an additional 350,000 county residents every year.

The groundwater replenishment system is the largest water purification facility of its kind. The expansion of the facility will include 31,000 acre-feet per year of new water supplies and will add 30 million gallons per day of replenished water to the 70 million gallons per day that is already replenished by the current system. According to GWRS Steering Committee Chairman Roger Yoh, the current system supplies enough water for 500,000 Orange County residents each year. The expanded system will supply enough for 850,000 residents.

The replenishment system uses water that has been used in everyday amenities, including sewers, toilets and washing machines, and treats the water through a three-step process. The process includes micro filtration, reverse osmosis, ultraviolet light and hydrogen peroxide, and treats the water to put it in a near-distilled state.

According to OCWD research, the expansion of the GWRS will minimize dependency on imported water supplies and minimize any risk of water shortage in the event of a natural disaster or drought. The project will employ approximately 150 people in the development, construction and operations trade.

The project will cost \$142.7 million to create and is scheduled to be finished in September 2014. It has received more than 20 awards including the Stockholm 2008 Industry Water Award for the year's most excellent water development on an international scale.

Correction: An earlier version of this story said the project would be done this fall. It is supposed to be completed in September 2014.

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Value of Water Headlines Latest Issue of 'Water For Tomorrow' Magazine

You will receive a confirmation email shortly containing further instructions on how to complete your subscription.

Submitted by Sarah Langford on Wed, 01/11/2012 - 3:46pm in Communications
Committee Water for Tomorrow Water News

The value of a clean and reliable water source is front and center in the latest issue of *Water for Tomorrow* magazine, which reaches subscribers this week.

Produced by ACWA in partnership with National Geographic Custom Publishing, the magazine features a variety of features, fun facts and interviews designed to educate and inform Californians about the state's water supply and delivery system.

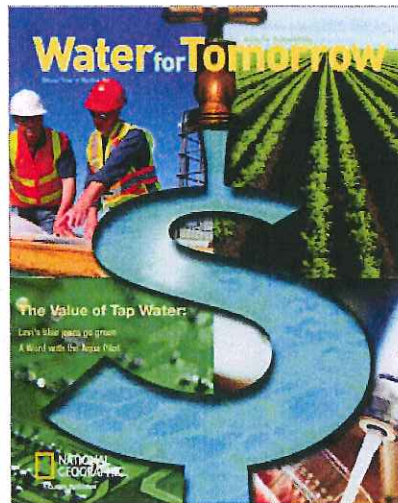
The most recent cover story, "The Value of Tap Water: Our Most Vital Resource is a True Bargain," gives an in-depth look at the factors that drive the cost of treating and delivering water, including increases in energy costs, the need to invest in water infrastructure and the need to invest in new supplies. The story includes a case study of the San Francisco Public Utilities Commission effort to modernize its aging infrastructure and charts showing how water compares to other common household products and services.

The magazine also puts California's water supply in a global perspective – showing how easy it is to take for granted our clean and reliable water service.

Water conservation casestudies showcase Levi's new Water-Less Jeans, which saved 156 million liters of water around the world in 2011, and Save Our Water's "Real People, Real Savings" campaign.

ACWA thanks *Water for Tomorrow* sponsors Cardino Entrix, CH2MHill, The Covello Group and Kennedy-Jenks Consultants and advertiser Niagara Conservation for their support in this project.

View the latest issues and all past issues at www.waterfortomorrowmag.com.



Latest Water News



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DWR Launches New Water Conditions Website



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Study: Treated wastewater can be safer than existing water supplies

By Melissa Pamer, Staff Writer

Posted: 01/10/2012 01:57:45 PM PST

Updated: 01/10/2012 02:02:36 PM PST

Reusing treated wastewater - a process rejected a decade ago as "toilet to tap" in Los Angeles - could help meet future water needs across the country, and in some cases may be safer than existing drinking supplies, according to a study released Tuesday.

The National Research Council examined challenges and benefits of reusing wastewater as water supplies dwindle and population increases.

Some 12 billion gallons of wastewater are discharged into oceans and estuaries each day, the report calculated. If that water was purified and reused, it could make up 6 percent of the nation's water supply.

"That's significant," said R. Rhodes Trussell, chairman of the committee that wrote the report, which was sponsored in part by the LADWP.

"It could have an important impact for the nation's water resources."

Population growth - especially in Southern California, where water resources are scarce - has increased demand for water. That, coupled with the threat of global climate change, makes reuse a prime alternative, the authors say.

Pollutant analysis and treatment technology

have improved in recent years, and reused water can be as safe or safer than existing drinking water supplies, the report said.

"We have a lot more confidence now than we once did," said Trussell, who is president of a water-focused environmental engineering company in Pasadena.

The report comes as DWP projects are on hold while the utility

awaits the fate of a requested water-rate increase, now in the hands of the City Council.

The utility's goal is to increase its water recycling more than tenfold by 2035, and it wants to release plans this spring to realize that goal, according to a DWP primer on the issue. The utility did not comment by deadline on the status of water recycling projects.

A decade ago, the department's plans to purify wastewater from Donald C. Tillman Reclamation Plant in Van Nuys and reintroduce it to the water supply through spreading grounds in Sun Valley were killed after a public outcry. Critics dubbed the plan "toilet to tap."

In the last few years, the utility has been cautious in reintroducing the concept of



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"advanced water treatment."

The National Research Council report said that as more data becomes available on the safety of wastewater reuse, public debate is "evolving and maturing."

Standardized federal regulations for water reuse - instead of the existing patchwork of state rules - would protect public health and could boost confidence in the safety of the practice, the report states.

The 363-page report was sponsored by the Los Angeles Department of Water and Power and several other regional water and sanitation districts. The National Research Council is part of the National Academies of Science, a scholarly society created by Congress.

melissa.pamer@dailynews.com, 818-713-3720

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News Release

FOR IMMEDIATE RELEASE

DATE: January 9, 2012
CONTACT: Justin Scott-Coe
PHONE: (909) 267-2116
EMAIL: jscottcoe@mvwd.org

Monte Vista Water District Launches "e-Waterline" Email Newsletter

MONTCLAIR, CA In response to increased customer demand for online services, Monte Vista Water District is launching a new customer email newsletter this week. The *e-Waterline* is the latest in a series of enhanced online and automated services provided by the District, including a new Online Bill Pay system and a redesigned and updated website.

The *e-Waterline* newsletter provides an opportunity for the District to communicate with its customers more effectively. The newsletter will be sent out every 1-2 months and provide subscribers with the latest District news, upcoming events, and conservation programs. The first edition includes information on the recent water rate adjustment, potential threats to northern California imported water supplies, the winner of a regional student poster contest, and a new high efficiency showerhead exchange program. The newsletter's attractive design includes colorful images and banners, as well as up-to-date listings of upcoming events, job openings, and projects for bid, all with links to more information on the District's website.

"The *e-Waterline* will help us to continue communicating effectively with our customers, especially with those who are paying their bills online," said Sandra Rose, president of the board of directors. "I can't wait for the first issue to come out!"

The District has a long history of successful communication with customers through its *Waterline* print newsletter. The *Waterline* is distributed through customer bills 2-3 times per year, and is read by nearly 60 percent of District customers, according to a recent customer satisfaction survey. However, since the District's Online Bill Pay

MORE→

system became available in 2009, over one quarter of District customers have elected to pay their bills online. Many Online Bill Pay customers continue to receive paper bills, but a growing number elect to go "paperless" and no longer receive the printed newsletter.

The District launched a newly renovated website in 2010, including enhanced online interactive content. The website is visited by over 5,500 unique users every month, demonstrating a significant interest among District customers in online content and services. For example, over half of those who signed up for the District's latest water-wise gardening class used the website's online registration form.

Anyone wishing to receive the *e-Waterline* can sign up at the District's website, www.mvwd.org.

###

e-Waterline
Monte Vista Water District
January 4, 2012

The e-Waterline is a publication of Monte Vista Water District.

Special Message

Welcome to the e-Waterline!
Welcome to Monte Vista Water District's new email newsletter, the e-Waterline! This free email newsletter, sent out every 1-2 months, provides our customers with the latest District news, upcoming events, and conservation programs.
If you do not wish to receive the e-Waterline, simply scroll to the bottom of this email and follow the instructions to unsubscribe.

District News

2012 Water Rates Update
As scheduled rate adjustment, reflecting an average 10-12 percent increase over 2011 rates, will become effective January 1, 2012. [More...](#)

Poster Contest Winner Recognized in Regional Competition
Zachary Araneta from Our Lady of Lourdes School was recognized recently for his award-winning [art poster](#) depicting a water conservation message. Customers can pick up the 2012 "Water is Life" calendar at the District Office. [More...](#)

Delta Disrupted
The science is clear. A significant portion of the state's water supply could be wiped out for a year or longer if a major earthquake strikes Northern California. Studies show such a disaster could contaminate and cut off a key drinking water supply for two out of three Californians, with impacts cascading throughout the state. [More...](#)

Water Saving Tip:
Run only full loads in your clothes and dish washers. You'll save 100,000 gallons per month.

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Calendar:

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Contact: [Debra Vireo](#)

Sat, Mar 10
Water Saving Planning and Presentation
Contact: [Debra Vireo](#)

Tue, Feb 21
Water & Earth Workshop - Commercial, Industrial and Institutional Customers
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Sat, Jan 26
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Sat, Jan 21
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Wed, Jan 11
Board of Directors Meeting
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The first edition of the Monte Vista Water District e-Waterline email newsletter

Monte Vista Water District provides retail and wholesale water services to a population of over 130,000 in the communities of Montclair, Chino Hills, and portions of Chino.



HOME > NEWS > LOCAL

La Nina Has Arctic Ally in Prolonging Warm, Dry Weather

Winter takes a January vacation as the Metropolitan Water District prepares for what could be California's driest year on record

By Patrick Healy | Wednesday, Jan 11, 2012 | Updated 6:23 AM PST

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The Metropolitan Water District is preparing for what could be the driest year on record.

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It's tempting to attribute the unseasonably warm and dry January completely to the Pacific Ocean temperature pattern dubbed "La Nina," long-associated with reduced precipitation in California.

But wait -- La Nina was also present last winter, when more rainfall than usual drenched Los Angeles and the snowfall in the Sierra Nevada was even higher than normal -- as much as 50 feet in places. Now bare spots are evident even at higher elevations.

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"This is truly a tale of two 'Ninas,'" said Bill Patzert, PhD, the world renowned climatologist

based at Pasadena's Jet Propulsion Laboratory.

Patzert has focused his research on the weather implications of La Nina and its opposite, El Nino, associated with wetter than usual winters for California.

So how can two Ninas have such different outcomes? Patzert believes the wildcard is to be found to the north in another meteorological phenomenon known as the "arctic oscillation," a variation in the strength of what can be imagined as an atmospheric barrier.

PHOTOS AND VIDEOS



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When the arctic oscillation is in a weak phase, as last winter, cold, moist air can escape the arctic region and head south. But when the oscillation is in a strong phase, as this winter, Patzert said it tends to reinforce the dry influence of La Nina at U.S. latitudes.

Patzert likened it to a "fence" that shields us from the arctic air.

The impact is dramatic. So far this season, the LA area has received only 3.76 inches of rain, compared to a normal to-date measurement of 5.24 inches, and 12.28 inches by this time last year, according to the National Weather Service.

In December 2010, we received about 10 inches of rain. Last month, LA received only one inch, and not a trace since Dec. 17.

January warm spells are not all that unusual in Southern California. But we're not alone in the warm and dry weather conditions. Apart from

the Sierra, snowfall is far below normal in the Rockies of Colorado and the Wasatch Range of Utah.

Temperatures this past week in the ski resort of Park City, Utah, above 7,000 feet in elevation, have soared well into the 40s. Farther east, parents have been taking their children to outdoor playgrounds in Kansas City, Mo. Tennis players have been bringing out their rackets for outdoor matches as far north as Minneapolis. In the southern tier, the dryness has only intensified the ongoing drought in Texas and New Mexico.

But California faces no imminent drought threat, according to Jeffrey Kightlinger, general manager of the [Metropolitan Water District](#). He credits the storage of water from last winter's bountiful runoff, noting that the MWD's largest Southern California reservoir, Diamond Valley Lake near Hemet, is well over 90 percent of capacity.

The MWD is planning for the possibility that this could be California's driest year on record. But even if that proves to be the case, Kightlinger said there is enough stored water to see us through "three tough years in a row" before cutbacks would be unavoidable.

So how much longer will the warm, dry weather continue?

La Nina might remain in place several more months. What complicates long-range forecasting is the fact that the arctic oscillation has a much shorter period, at times flipping in a matter of weeks or not, Patzert said.

Next month, February, usually is our wettest. Patzert advised it's too early to write off this winter. That said, he's sticking with his forecast that the rest of this season will be drier than usual, but

added, "I'm going to keep my fingers crossed that I'm wrong."

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