

CHINO BASIN WATERMASTER
FOR
CHINO BASIN MUNICIPAL WATER DISTRICT
VS
CITY OF CHINO, ET. AL.
CASE NO. 164327

ELEVENTH
ANNUAL REPORT
OF THE
CHINO BASIN WATERMASTER
FISCAL YEAR 1987-88

TD
224
.C3
C45
11th

MAY 1989

WATERMASTER

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



DONALD R. PETERS

Chief, Watermaster Services

Telephone (714) 987-1712

May 1989

TO: ALL ACTIVE AND CONCERNED PARTIES IN CHINO BASIN CASE NO. 164327

Subject: Eleventh Annual Report of Chino Basin Watermaster

This Eleventh Annual Report of Watermaster activities is for your information. The Honorable Judge Don A. Turner of San Bernardino Superior Court ordered acceptance of this report on May 11, 1989.

A brief summary of activities during this reporting period (July 1, 1987 through June 30, 1988) is as follows:

Total production from the Basin during 1987/88 was 152,401 acre feet, with production by Pool as follows:

	Appropriative Pool	Overlying (Agricultural) Pool	Overlying (Non-Agricultural) Pool	Totals
1987/88 Production	91,579 AF	57,865 AF	2,958 AF	152,401 AF
Initial Operating Safe Yield	54,834 AF	*82,800 AF	7,355 AF	145,000 AF

*Allocated safe yield rights for the Overlying (Agricultural) Pool is 414,000 acre feet during any consecutive five year period. The amount shown above (82,800 acre feet) is the annual average.

As noted above, the 1987/88 production year exceeded the initial shares of Operating Safe Yield. This marks the third year this has occurred since the effective date of the Judgment for accounting and operations, i.e., July 1, 1977.

A total of 5,276.173 acre feet of rights were leased among the members of the Appropriative Pool, 14,000 acre feet of local storage was purchased by Cucamonga County Water District from Fontana Union Water Company and 2,000 acre feet of local storage was purchased by Cucamonga County Water District from the Overlying (Agricultural) Pool.

To satisfy the 1986/87 production in excess of Operating Safe Yield (ie, 15,636 acre feet), 2,494 acre feet of State Project Water was recharged into the basin and 13,142 acre feet of water was purchased out of Watermaster's Cyclic Storage Account with Metropolitan Water District of Southern California during Fiscal Year 1987/88. The Cyclic Storage Account now shows a June 30, 1988 balance of 55,078.9 acre feet.

On December 19, 1986, the Court approved forms which set in motion a water exchange agreement program with The Metropolitan Water District of Southern California with Watermaster as trustee. During Fiscal Year 1987-88, Cucamonga County Water District and the City of Ontario entered into the first of these agreements by exchanging 3,033.9 and 4,640.4 acre feet respectively.

Fiscal Year 87/88 marks the fifth year that the Overlying (Agricultural) Pool has not produced its total five year allocation of safe yield which allows such water be available for reallocation or transfer to members of the Appropriative Pool. (Exhibit "H", Paragraph 10, Page 73 of the Watermaster Judgment). Pursuant to a recommendation of the Overlying (Agricultural) Pool, the procedures and interpretation regarding the calculation and transfer of Unallocated Safe Yield from the Overlying (Agricultural) Pool were reevaluated. The procedural change was mutually agreed to by all Pools and is set forth in Watermaster Resolution 88-3 and on file in the office of Watermaster. This change in the procedures for calculating the annual amount of Agricultural Pool transfers qualified 78,489.4 acre feet as unpumped water from the Overlying (Agricultural) Pool and allocated to members of the Appropriative Pool. A total of 811.27 acre feet of Unallocated Safe Yield qualified under the land use conversion priority as a permanent transfer and the balance was allocated as a one time transfer to offset the 1987-88 production all of which is shown on Appendix "D" of this report.

Local Storage Agreement were approved for Marygold Mutual Water Company for 500 acre feet and Southern Service Company for 100 acre feet. Second Local Storage Agreements were approved Ameron for 500 acre feet; Southern California Edison for 5,000 acre feet; Union Carbide-Linde for 3,000 acre feet; Fontana Union Water Company for 31,500 acre feet; City of Pomona for 13,000 acre feet; San Antonio Water Company for 2,500 acre feet; San Bernardino County Waterworks District No. 8 for 15,000 acre feet; and West End Consolidated Water Company for 6,000 acre feet. Third Local Storage Agreements were approved for Cucamonga County Water District for 20,000 acre feet

and San Antonio Water Company for 10,000 acre feet. There are now a total of thirty-six storage agreements which total 224,428 acre feet of potential stored water over the next five to ten years under the Judgment. At the close of Fiscal 1987/88, 126,465.542 acre feet of water remains in storage pursuant to these local storage agreements.

Assessments billed by Pool during 1987/88 for 1986/87 production are as follows:

Appropriative Pool	\$2,434,084.76
Overlying (Agricultural) Pool	6,660.43
Overlying (Non-Agricultural) Pool	137.71
	\$2,440,882.90

Your cooperation and input to our management plan this past year has been appreciated.

Sincerely,

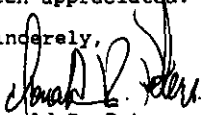

Donald R. Peters, Chief
Watermaster Services

TABLE OF CONTENTS

	<u>Page</u>
BACKGROUND OF JUDGMENT AND WATERMASTER	1
ACTIVITIES OF WATERMATER AND COMMITTEES.	5
Watermater Activities.	5
Overlying (Agricultural) Pool	5
Overlying (Non-Agricultural) Pool	6
Appropriative Pool	6
Watermaster Insurance.	7
Noticed Public Hearing	7
Agreement With SBCFCD	7
Redetermination of Safe Yield.	7
Stringfellow Acid Pits	8
Watermaster Reappointment.	8
Committee Activities	10
Overlying (Agricultural) Pool.	10
Overlying (Non-Agricultural) Pool.	11
Appropriative Pool	11
Watermaster Advisory Committee	11
ADMINISTRATION OF JUDGMENT	13
Water Rights Lease Agreements.	13
Sale of Water in Local Storage	13
Unqualified Audit Opinion and Audit Report	13
Mailing Lists.	13
Quarterly Accounting of Water Production	14
Computer Programming and File Maintenance.	14
New Party Interventions	14

Special Project Task Orders.	14
78-1 Conjunctive Use/Cyclic Storage Study	15
78-3 Meter Installation Study	15
78-4 Meter Testing Program.	16
84-1A Water Well Data.	16
84-1B Safe Yield Study	17
Local Storage Agreements	18

APPENDICES

APPENDIX A - Pool Committee Mailing Lists	
Overlying (Agricultural) Pool	A-1
Overlying (Non-Agricultural) Pool	A-2
Appropriative Pool.	A-3
APPENDIX B - Production By Pool.	B
APPENDIX C - Summary of Administrative Budget 1987/88.	C
APPENDIX D - Summary of Unallocated Safe Yield Transfers FY 86/87 .	D
APPENDIX E - Summary of MWD "Interruptible" (Including "In Lieu") and "Non-Interruptible Deliveries	E
Groundwater Replenishment Deliveries.	E
APPENDIX F - Summary of Cyclic Storage Deliveries.	F
APPENDIX G - Other Imported Supplies	G
APPENDIX H - Total Water Used Within Chino Basin	H
APPENDIX I - Local Storage Agreements.	I
APPENDIX J - List of Interventions and Assignments	J
APPENDIX K - Watermaster's "Notice of Intent" To Change The Operating Safe Yield Of The Chino Groundwater Basin . .	K
APPENDIX L - Chino Basin Watermaster Audit Report June 30, 1987 . . .	L
APPENDIX M - Order Appointing Chino Basin Municipal Water District as Chino Basin Watermaster for Fiscal Years 1988/89 Through 1992/93	M .

ELEVENTH ANNUAL REPORT OF CHINO BASIN WATERMASTER

The Chino Basin Watermaster was established under the Judgment entered in Superior Court of the State of California for the County of San Bernardino as a result of Case No. 164327 entitled, "Chino Basin Municipal Water District v. City of Chino et al," signed by the Honorable Judge Howard B. Wiener on January 27, 1978. The effective date of this Judgment for accounting and operations was July 1, 1977. This Tenth Annual Report presents a view of Watermaster, Watermaster Advisory Committee and Pool Committee Activities and an accounting of water production for Fiscal Year 1987/88.

BACKGROUND OF JUDGMENT AND WATERMASTER

After many years of study and discussions among concerned water producers a "Memorandum of Agreement on the Chino Basin Plan" was signed; and, in January 1975, a bill was introduced in the California Legislature by Senator Ruben S. Ayala. This final effort to draw up a management plan for the Chino Basin was designated Senate Bill 222. It authorized the levy of a three year, \$2.00 per acre foot per year production assessment to raise funds to conduct the necessary studies and negotiations to implement the needed water management program for the Chino Groundwater Basin.

S.B. 222, now renumbered as a part of the Municipal Water District Law in the Water Code, Section 74120, was approved by Governor Ronald Reagan and filed with the Secretary of State on June 28, 1975, affecting fiscal year 1974/75 production.

During the early studies and negotiations under S.B. 222, very active participation was taken by three major types of producers from the Chino Basin representing the majority of the producers' interests. Three major negotiation committees resulted and were utilized to protect the interests of the various producers during the three year study. These three committees acquired the following names: (1) Overlying (Agricultural) Pool including the State of California and minimal producers; (2) Overlying (Non-Agricultural) Pool representing industry; and (3) Appropriative Pool, representing cities and water companies. Other working sub-committees were formed to analyze and define specific problem areas. The three pools acting together were called the "Advisory Committee," which met regularly and have over 100 individuals on the mailing list. This Advisory Committee was very effective in making recommendations for formal action to the Chino Basin Municipal Water District (CBMWD) Board of Directors who had the responsibility of administering S.B. 222.

Socio-economic, safe yield and other studies were conducted to provide information necessary to reach agreement about the allocations of rights between and within pools. Cost savings were achieved by terminating many of the studies as soon as the necessary information was compiled without formal completion or publication.

The Judgment entered named the CBMWD five (5) person Board of Directors as "Watermaster" responsible to the Court for implementing its terms. The three pool committees and the Watermaster Advisory Committee were formally structured to assist the Watermaster in making decisions. Each of the three pools has met regularly to transact the

business concerns of their respective producers. Items that affected more than one pool were decided upon at the Watermaster Advisory Committee level, with voting power determined by prior year water assessments paid as provided in the Judgment.

Approximately five percent (5%) of the Basin is in Los Angeles County, fifteen percent (15%) in Riverside County and the remaining portion is in the West End of San Bernardino County. A location map of the Chino Groundwater Basin was provided in the Judgment as Exhibit "A".

Mailing list of the members of the three pool committees are attached as Appendices "A". Production information for each pool is provided in Appendix "B".

The Judgment provides for separate and distinct replenishment assessment formulas for each of the three pools. The administrative assessment formula for each pool is determined on a per acre foot basis for each acre foot of water produced by a particular pool. Cost per acre foot varies between pools in accordance with their respective total budgeted amounts for pool administration and total production during the previous production period.

Costs of replacing water extracted in excess of the respective pool's share of safe yield and operating safe yield amounts are recovered by the application of replenishment assessment formulas as follows:

- a) Overlying (Agricultural) Pool pays on a gross basis whereby the total cost of replenishment water plus estimated spreading costs are spread equally on each acre foot of

water produced during the previous production year. To further stabilize assessments from year to year these assessments are based on a five (5) year moving average with a maximum right of 414,000 acre feet in any one five (5) year period.

b) Overlying (Non-Agricultural) Pool pays on a net basis whereby each producer pays the current cost of replenishment water plus the estimated cost of spreading for each acre foot of water produced in excess of its respective share of safe yield.

c) The Appropriative Pool has five producers, Chino Basin Municipal Water District, City of Pomona, Marygold Mutual Water Company, San Bernardino County Prado Tiro, and West San Bernardino County Water District, who pay replenishment assessments on a net basis whereby each pays the current cost of replenishment water plus the estimated cost of spreading.

The remaining pool members are subject to the 15/85 formula which spreads the total cost of replenishment water two (2) ways; fifteen percent (15%) on a gross basis (uniformly on each acre foot produced) and eighty-five percent (85%) on a net basis, that is on each acre foot of production over a producer's share of operating safe yield.

ACTIVITIES OF WATERMASTER AND COMMITTEES

I. WATERMASTER ACTIVITIES

Watermaster members and officers are as follows:

Dwight French	Chairman
George Borba	Vice-Chairman
John L. Anderson	Secretary/Treasurer
Edward A. Girard	Asst. Secretary/Treasurer
Anne W. Dunihue	Member

Regular Watermaster meetings are scheduled for the first Wednesday following each month that contains five (5) Wednesdays, meeting in the Chino Basin Municipal Water District Board Room at 8555 Archibald Avenue, Cucamonga, at 8:30 a.m. Special meetings are noticed as required.

During this reporting period, regular meetings were held on:

October 7, 1987
January 6, 1988
April 6, 1988
July 6, 1988

Although the July 6, 1988 meeting fell in Fiscal Year 1988-89, actions taken were commensurate with actions taken by the Advisory Committee during Fiscal Year 1987-88.

Assessments levied by Watermaster on October 7, 1987 for overproduction during 1986/87 production period and for budgeted administrative and special project costs for 1987/88 were as follows:

A) Overlying (Agricultural) Pool members were assessed the following amounts on each acre foot of water produced with minimal producers paying a Five Dollar (\$5.00) administrative filing fee:

Administration and Special Projects: \$0.10

Replenishment assessments for this pool are established by a five

(5) year moving average to stabilize assessments from year to year. With reported production declining from 96,567 acre feet in 1974/75 to 83,934 acre feet in 1977/78, the pool committee decided during Fiscal Year 1978/79 to purchase 2,000 acre feet of replenishment water to provide for a potential increase in production during the balance of the five (5) year period and has remained in a local storage account over these past ten years as safe yield has not been exceeded. Because production of this pool continues to decline due to urbanization of farm land, it was decided this year to sell the water in storage. Revenue from the sale has been placed in an interest earning account for future use by the Overlying (Agricultural) Pool as may become necessary.

B) Overlying (Non-Agricultural) Pool members were assessed \$5.00 for budgeted administrative and special project costs and \$155.42 (\$153.00 for replenishment water plus \$2.42 for spreading) for each acre foot of production in excess of each producer's share of operating safe yield.

C) Appropriative Pool members subject to the 15/85 formula, nineteen members total, were assessed \$4.578 and \$132.107 per acre foot respectively. Each producer in this Pool was also assessed \$.2547 per acre foot to cover the budgeted administrative and special project costs.

The City of Norco produced 480.367 acre feet in excess of their export rights of 1,567 acre feet. This excess was subject to the current net cost of replenishment plus spreading costs.

D) Appendices "G" and "H" give an overview of the total amounts of water produced and tributary to the Chino Groundwater Basin.

Agreements and policy matters negotiated and approved by Watermaster and Watermaster Advisory Committee covering Fiscal Year 1987-88 were as follows:

A) Watermaster Insurance coverage was secured in August 1978 and has been continued with Watermaster being covered as an additional insured under CBMWD's policy for one million dollars. Substantial savings have been realized in comparison to securing independent insurance coverage.

B) A Noticed Public Hearing was conducted by Watermaster on April 6, 1988 to approve the 1988/89 Administrative Budget and a summary of this budget is attached as Appendix "C".

C) Renewal Agreement With San Bernardino County Flood Control District was approved for the period commencing July 1, 1988 through June 30, 1991 for the spreading and monitoring of replenishment and Cyclic Storage Water. Appendix "E" and "F" summarize these activities.

D) Redetermination of Safe Yield - On June 30, 1988, the Watermaster program marked its eleventh year of operation under the jurisdiction of the Judgment. June 30, 1982 marked the date in which work could commence on redetermination of the Chino Groundwater Basin's safe yield. However, Watermaster has recommended no changes during this past fiscal year and therefore, pursuant to Exhibit I, Paragraph 2b, Page 80 of the

Judgment, "changes in the safe yield shall not be made upon less than five (5) year notice of intent by Watermaster," Watermaster hereby posts its sixth "Notice of Intent" and is shown as Appendix "K".

E) During Fiscal Year 85-86, various mitigation measures were addressed by the various Pool committees regarding the Stringfellow Acid Pits. One mitigation measure focused upon was the large quantity of water envisioned to be pumped from the site by the State Environmental Health Services and Santa Ana Watershed Project Authority, the State agencies charged with the cleanup operation. The plan requires the export of the water pumped because there are no locally approved toxic dumping facilities available. State of California agencies are granted pumping rights in the Agricultural Pool, however they are not granted export rights. The Committee determined the need for a cooperative effort throughout the water industry in dealing with contamination problems and pursuant to Watermaster Advisory Committee recommendation, Watermaster moved to petition the Court to allow the export of a maximum of 300 acre feet of water annually by the State and said petition was approved by the Court in November 1985. During Fiscal Year 1987/88, 25.9 acre feet of contaminated wastewater was removed and exported from the site. As of June 30, 1988, 69.8 acre feet of contaminated water has been exported from the Stringfellow Acid Pits.

F) Watermaster Reappointment Chino Basin Municipal Water District, acting by and through a majority of its Board of

Directors, was appointed Watermaster. The term of appointment was for five (5) years commencing on January 27, 1978. Pursuant to Paragraph 16 of the Judgment and upon order of the Court, Chino Basin Municipal Water District was re-appointed to serve another five-year term as Chino Basin Watermaster on July 8, 1983. During Fiscal Year 1987-88, the Watermaster Advisory Committee recommended the Chino Basin Municipal Water District be re-appointed to serve an additional five-year term as Chino Basin Watermaster. A court order setting forth the re-appointment is being processed.

Minutes of all Pool meetings and special Ad Hoc meetings regarding this subject are available at the Watermaster office, 8555 Archibald Avenue, Rancho Cucamonga, California, and may be viewed by any interested party by contacting the Chief of Watermaster Services.

II. COMMITTEE ACTIVITIES

A. Overlying (Agricultural) Pool

At the annual meeting of this pool the following individuals were selected to administer the pool activities and to serve as representatives on the Watermaster Advisory Committee during Fiscal Year 1988/89.

Regular	Alternate
*Michael Merrey	Louis Aukeman
*Gus Wybenga	John Vander Schaaf
*Tom Carnesi	Fred Douma
*Robert DeBerard	Ken Eakins, CIW
*Paul Hofer	John Walters, CIM
Bob McVicker	Garrison Daily
Gene Koopman	Joe Souza, YTA
Herbert C. Hall	Paul A. Enders
Pam Cvitan	State Attorney General

*Newly elected members for two year terms.

The following officers were duly nominated and elected:

Chairman	Tom Carnesi
Vice-Chairman	Herbert Hall
Secretary	Don Peters, Chief, WM Services
Treasurer	John Anderson, Treas. of CBWWD

Through June 30, 1988, a total of four (4) meetings were conducted to act on matters affecting the members of this pool and to review actions to be taken by Watermaster.

Interventions and assignments to the Overlying (Agricultural) Pool during 1987/88 are indicated in Appendix "J".

B. Overlying (Non-Agricultural) Pool

At the annual meeting of this pool, the following individuals were selected to serve as officers of this Pool:

Chairman	Hocite Rugge
Vice-Chairman	Dwayne Lehman
Secretary	Don Peters, Chief, WM Services
Treasurer	John Anderson, Treas. of CBMWD

Watermaster Advisory Committee representatives for this Pool are as follows:

Dwayne Lehman, Sunkist
Southern California Edison Representative
Michael Thies, Space Center Mira Loma

Through June 30, 1988, two (2) meetings were conducted to act on matters affecting members of this pool and to review actions to be taken by Watermaster.

C. Appropriative Pool

At the annual meeting of this Pool, the following individuals were selected to serve as officers of this Pool:

Chairman	City of Chino Representative
Vice-Chairman	City of Ontario Representative
Secretary	Don Peters, Chief, WM Services
Treasurer	John Anderson, Treas. of CBMWD

Through June 30, 1988, four (4) meetings were conducted to act on matters affecting members of this Pool and to review actions to be taken by Watermaster.

D. Watermaster Advisory Committee

At the annual meeting of this Committee, the following officers were selected:

Chairman	Robert DeBerard
1st Vice Chairman	Lloyd Michael

2nd Vice Chairman
Secretary
Treasurer

Michael Thies
Don Peters, Chief, WM Services
John Anderson, Treas. of CBMWD

Regular meetings were scheduled for the third Thursday of each month having five (5) Wednesdays at 12:00 noon. The annual meeting was held March 17, 1988 at 12:00 noon. The Advisory Committee conducted four (4) regular meetings whereby all actions recommended to Watermaster were reviewed and discussed.

Minutes of all meetings are available at the Watermaster office at 8555 Archibald Avenue, Rancho Cucamonga, California, and may be viewed by any interested party by contacting the Chief of Watermaster Services.

ADMINISTRATION OF JUDGMENT

The Judgment provides for various administrative and accounting tasks to be performed on a regular basis, some of which are as follows:

(1) Water Right Lease Agreements between Appropriative Pool Members for Fiscal Year 1987/88 totaled 5,276.178 acre feet. Individual lease agreements on forms approved by the Watermaster were as follows:

(a) From: West San Bernardino County Water District	
To: Cucamonga County Water District	1,076.178
(b) From: Monte Vista Irrigation Company	
To: Cucamonga County Water District	1,000.000
(c) From: Marygold Mutal Water Company	
To: Monte Vista Water District	600.000
(d) From: Santa Ana River Water Company	
To: Jurupa Community Services District	2,600.000
	5,276.178

(2) Sale of Water in Local Storage was initiated on forms approved by Watermaster. Fontana Union Water Company sold 14,000 acre feet and the Overlying (Agricultural) Pool sold 2,000 acre feet of water in storage for use by Cucamonga County Water District in Fiscal 1987/88.

(4) Unqualified Audit Opinion and Audit Report to the Chino Basin Watermaster from Reardon & McCallum, Certified Public Accountants, for the period ending June 30, 1988, is attached as Appendix "L".

(5) Mailing lists of active parties are updated on a routine

basis through the use of the United States Post Office "Address Correction Requested Service" whereby any address change reported to the Post Office is forwarded to the Watermaster after each mailing. File changes are made upon receipt from this and other sources of address change. A current listing of active parties is available for review upon request to Watermaster.

(6) Quarterly Accounting of Water Production has been received for the Appropriative and Overlying (Non-Agricultural) Pools for Fiscal Year 1987/88. The Overlying (Agricultural) Pool's quarterly production was compiled on those wells having water measuring devices installed.

(7) Computer Programming and File Maintenance is a considerable effort with more than 1300 parties involved. Computer programs have been streamlined to more efficiently handle the various mailings necessary as well as making accommodations for the storage and handling of water production and other data.

(8) New Party Interventions are accumulated on a regular basis whereby land ownership changes and new producers are accounted for as they occur. Change of ownership is more frequently learned during production reporting periods. With all production reported on a quarterly basis, this has become a routine task. Parties having surrendered all property with water producing facilities are considered inactive parties and are accounted for as such.

(9) Special Project Task Orders have been initiated by separate work orders approved by the Watermaster Advisory Committee and

Watermaster for projects other than general administration duties. Special projects designed by number for the budget period ending June 30, 1988 were as follows:

(a) (Task Order 78-1) Conjunctive Use/Cyclic Storage Study was set up to assure that all aspects of the Chino Groundwater Basin are explored relating to the desirability and feasibility of conjunctively using this basin for storing approximately one million acre feet of State Project Water. Having additional water in storage in the Basin should increase groundwater levels and decrease the amount of energy required to pump water to the surface. This could monetarily benefit all producers in the basin. The California Department of Water Resources (DWR) and The Metropolitan Water District of Southern California (MWD) completed three (3) of the original (4) phases of this study and have met with Watermaster and the Watermaster Advisory Committee to present their results and recommendations. Because of monetary constraints, DWR phased itself out of the program leaving MWD to develop the balance of the plan. Watermaster and the pool committees continue to express institutional and environmental concerns to MWD which has resulted in Watermaster Advisory Ad Hoc Committee meetings with MWD and their consultants to identify these environmental concerns and to assure that the requirements mandated by the Judgment are addressed. An environmental assessment and subsequent E.I.R. report is expected to be completed in the Spring of 1987.

(b) (Task Order 78-3) Meter Installation Study was initiated to be a service to those parties required to purchase and install meters. Under the contract, a recommendation regarding the type, size, and

placement of a meter is made on an individual basis for each producer. This service is provided to orderly complete the installation of meters in the least amount of time, expense and inconvenience to each producer. Certain information considered necessary for the Watermaster's files will also be accumulated through this effort. Although the contract has been terminated, necessary follow-up work will continue to assure that all qualified wells as drilled are fitted with a meter measuring device as mandated by the Judgment.

(c) (Task Order 78-4) Meter Testing Program is designed to test every meter in the basin at least once every two years as an ongoing program of the Watermaster. During this reporting period, a total of seventy-four meters in the Overlying (Agricultural) Pool were tested under this program. Five agricultural producers who are grape growers maintain certain wells in outlying areas and are subject to constant vandalism and therefore the Edison Company's well test procedure will provide an acceptable record as to production based on their Edison billings submitted bi-monthly. However, these non-metered wells must undergo an Edison well test every two years pursuant to the Judgment. Two producers in the Appropriative Pool have established monthly meter testing programs and report results of those tests to Watermaster for review and approval, eliminating a duplication of effort. A two year contract with Flow Tech was approved for meter testing services during Fiscal Years 1988-89 and 1989-90.

(d) (Task Order 84-1A) Water Well Data was initiated during Fiscal 1984 to collect and analyze existing and new data to assist in the determination of key wells to provide Watermaster with information

to make future groundwater management decisions. It has been coordinated with other existing monitoring agencies' programs and Department of Water Resources well monitoring program proposed as part of the Conjunctive Use Study. This work will also prevent any duplication of work utilizing other existing sources of information to the maximum extent possible. It will establish the ground rules and criteria for a long term groundwater monitoring program and start developing a program that will eventually eliminate the data gaps which currently exist. Pursuant to the Judgment (page 80, Paragraph 2b) Watermaster has posted its 5 year "Notice of Intent" to reevaluate the level of safe yield of the basin. Upon the order of Watermaster, this Task Order will include a well measurement program which is a necessary step in the development of data for this reevaluation. This program will also determine the effects of the replenishment program currently underway, providing benefits to all producers within the basin.

(e) (Task Order 84-1B) Safe Yield Study has been initiated to collect and analyze existing and new data to redetermine the safe yield of the Chino Hydrologic Basin. Pursuant to the Judgment, Page 80, Section 20, the Watermaster has posted its Notice of Intent to reevaluate the safe yield of the Basin. This project will utilize original data gathered under Task Order 79-1 and the new Task Order 84-1A (Water Well Data) as well as compiling rainfall data to prepare a water level contour map and a computer model utilizing consulting engineers to develop and complete the safe yield determination.

Subject to approval and recommendation of the Watermaster

Advisory Committee of any affected Pool Committee, additional special project task orders may be designated and budgeted for as required to carry out the management plan.

(10) Local Storage Agreements were entered into by Marygold Mutual Water Company for 500 acre feet; and Southern Service Company for 100 acre feet. Second Local Storage Agreements were entered into by Ameron for 500 acre feet; Southern California Edison for 5,000 acre feet; Union Carbide - Linda for 3,000 acre feet; Fontana Union Water Company for 31,500 acre feet; City of Pomona for 13,000 acre feet; San Antonio Water Company for 2,500 acre feet; San Bernardino County Waterworks District No. 8 for 15,000 acre feet; and West End Consolidated Water Company for 6,000 acre feet. Third Local Storage Agreements were entered into by Cucamonga County Water District for 20,000 acre feet and San Antonio Water Company for 10,000 acre feet.

APPENDIX "A - 1"

OVERLYING (AGRICULTURAL) POOL COMMITTEE

Regular members and alternates for Fiscal 1986-87. *Newly elected members for two year term.

<u>Regular</u>	<u>Alternate</u>
Barry Fischer 7000 Merrill Ave., Box 1 Chino, CA 91710 (714) 597-3910	Louis Aukeman 12391 Schleisman Mira Loma, CA 91752 (714) 986-6580
Gus Wybenga 13950 Haven Avenue Ontario, CA 91761 (714) 947-5540	John Vander Schaaf 7849 Schaefer Avenue Ontario, CA 91761 (714) 628-0381
Tom Carnesi 1604 N. Palm Avenue Upland, CA 91786 (714) 982-5008	Fred Douma 14350 Cleveland Ontario, CA 91761 (714) 947-5192
Robert DeBerard Post Office Box 1223 Upland, CA 91785 (714) 946-3653	Ken Eakins, CIW 16756 Chino-Corona Road Frontera, CA 91720 (714) 597-1771
Ray Albers 8649 Merrell Avenue Chino, CA 91710 (714) 947-3931	John Walters, CIM 14901 Central Avenue Chino, CA 91710 (714) 597-1821
*Garrison Daily Orange Co. Water District Post Office Box 8300 Fountain Valley, CA 92728 (714) 963-5661	Jim Fairchild Orange Co. Water District Post Office Box 8300 Fountain Valley, CA 92728 (714) 963-5661
*Gene Koopman 13898 S. Archibald Avenue Ontario, CA 91761 (714) 947-4350	Joseph Souza, YTA Post Office Box 800 Ontario, CA 91761 (714) 597-1861
*Herbert C. Hall 9430 Lomita Drive Alta Loma, CA 91710 (714) 987-9365	Joe D. Lopez Post Office Box 246 Etiwanda, CA 91739 (714) 987-2164
*Pam Cvitan Deputy Attorney General 3580 Wilshire Blvd. Los Angeles, CA 90010 (213) 736-2116	State Attorney General 3580 Wilshire Blvd. Los Angeles, CA 90010 (213) 736-2116

APPENDIX "A - 2"

OVERLYING (NON-AGRICULTURAL) POOL COMMITTEE

Ameron Steel & Wire Division
ATTN: Frank E. Sanske
12459 Arrow Highway
Post Office Drawer 8
Etiwanda, CA 91739
(714) 899-1723

West Venture Development
ATTN: Robert Miller
5900 Sepulveda Boulevard
Van Nuys, CA 91411
(818) 908-9505

Swan Lake
ATTN: Barbara Ross
5800 Hamner Avenue
Mira Loma, CA 91752
(714) 685-7044

Conrock Company
ATTN: Gene Block
3200 San Fernando Road
Los Angeles, CA 90065
(213) 258-2777

Kaiser Steel Corporation
ATTN: Hooite Ruggie
8300 Utica Ave., Ste. 301
Rancho Cucamonga, CA 91730
(714) 944-4163

Space Center Mira Loma, Inc.
ATTN: Michael Thies
3401 Etiwanda Ave., Bldg. 503
Mira Loma, CA 91752
(714) 685-5221

Quaker Chemical
ATTN: Bill Wendel
10735 Kadota
Pomona, CA 91769
(714) 629-9776

San Bdn. Co. Aviation Div.
ATTN: Barry Fischer
7000 Merrill Ave., Box 1
Chino, CA 91710
(714) 597-3910

So. California Edison Co.
Etiwanda Generating Station
ATTN: Jerry Socia
8996 Etiwanda Avenue
Etiwanda, CA 91739
(714) 987-2561

Southern Service Co.
c/o Environmental, Inc.
600 N. Euclid St., 3rd Floor
Anaheim, CA 92801
(714) 535-2242

Sunkist Growers
ATTN: Dwayne Lehman
616 East Sunkist Street
Ontario, CA 91764
(714) 983-9811

Union Carbide Corporation
Linde Division
ATTN: Guy Nolan
10829 Etiwanda Avenue
Fontana, CA 92335
(714) 829-4000

APPENDIX "A - 3"

APPROPRIATIVE POOL COMMITTEE

Chino, City of
ATTN: Ray Wellington
Post Office Box 667
Chino, CA 91710
(714) 627-7577

Mutual Water Company of
Glen Avon Heights
ATTN: Ryder Ray
9643 Mission
Riverside, CA 92409
(714) 685-6441

Cucamonga County Water District
ATTN: Lloyd Michael
Post Office Box 638
Cucamonga, CA 91730
(714) 987-2591

Norco, City of
ATTN: Jim Ashcraft
Post Office Box 428
Norco, CA 91760
(714) 735-3900

Fontana Union Water Company
ATTN: Robert Beck
Post Office Box 309
Fontana, CA 92335
(714) 822-2209

Ontario, City of
ATTN: Mike Teal
303 East "B" Street
Ontario, CA 91764
(714) 986-1151

Jurupa Community Services Dist.
ATTN: John Schatz
8621 Jurupa Road
Riverside, CA 92509
(714) 685-7437

Pomona, City of
ATTN: Anthony Skavarek
Post Office Box 660
Pomona, CA 91786
(714) 620-2231

Marygold Mutual Water Company
ATTN: M. D. Funk
9715 Alder
Bloomington, CA 92316
(714) 877-0516

San Antonio Water Company
ATTN: Larry Dilley
139 North Euclid Avenue
Upland, CA 91786
(714) 982-4107

Monte Vista Water District
ATTN: Robert Thompson
10575 Central Avenue
Montclair, CA 91763
(714) 624-0035

San Bernardino County
Waterworks District No. 8
Attn: Tom Rose
14575 Pipeline Avenue
Chino, CA 91710

Monte Vista Irrigation Co.
ATTN: H. K. Andersen
2529 West Temple
Los Angeles, CA 90026
(213) 388-7425

Santa Ana River Water Co.
ATTN: Arnold Rodriguez
10530 54th Street
Mira Loma, CA 91752
(714) 685-6503

APPENDIX "A - 3"

APPROPRIATIVE POOL COMMITTEE (Continued)

Southern California Water Co.
ATTN: Mr. William Downey
Post Office Box 188
San Dimas, CA 91773
(714) 599-1289

Upland, City of
ATTN: Lee Travers
Post Office Box 460
Upland, CA 91785
(714) 982-1352

West End Consolidated Water Co.
ATTN: Larry Dilley
139 North Euclid Avenue
Upland, CA 91786
(714) 982-4107

West San Bernardino County
Water District
ATTN: Ira Pace
Post Office Box 920
Rialto, CA 92376
(714) 875-1804

APPENDIX "B"
 PRODUCTION BY POOL
 (ACRE FEET)

FISCAL YEAR	APPROPRIATIVE POOL	OVERLYING (AGRICULTURAL) POOL	OVERLYING (NON-AGRICULTURAL) POOL	TOTAL
74/75	70,312	96,567	8,878	175,757
75/76	79,312	95,349	6,356	181,017
76/77	72,707	91,450	9,198	173,355
77/78	60,659	83,934	*10,082	154,675
78/79	60,597	73,688	7,127	141,412
79/80	63,834	69,369	7,363	140,566
80/81	70,726	68,040	5,650	144,416
81/82	66,731	65,117	5,684	137,532
82/83	63,481	56,759	2,395	122,635
83/84	70,558	59,033	3,208	132,799
84/85	76,912	55,236	2,415	134,563
85/86	80,859	52,061	3,193	136,113
86/87	84,662	59,847	2,559	147,068
87/88	**91,579	57,865	2,958	152,402

* Includes 3,945 Acre Feet of mined water pumped by Edison Company as agent for the Chino Basin Municipal Water District

** Does not include 7,674.3 acre feet exchanged with MWD.

APPENDIX "B"

CRIC BASIN WATERMASTER
PROPOSED
BUDGET 1987/1988
SUMMARY OF ADMINISTRATIVE BUDGETS

	APPROPRIATE POOL		OVERLYING AGRICULTURAL POOL		OVERLYING NON-AGRICULTURAL POOL		5822 FUNDS
	AMOUNT	PER ACRE FOOT	AMOUNT	PER ACRE FOOT	AMOUNT	PER ACRE FOOT	
TOTALS	141,967	58.19454	56,500	39.79804	2,850	2.00754	Net Applicable

Seized 87/88 Production							
GENERAL ADMINISTRATION:							
Joint Watermaster-Advisory Committee*	\$87,925	\$51,168	\$34,992		\$1,765		
Pool Administration	11,500	4,800	5,225		1,475		
Total Administrative Budgets	99,425	55,968	40,217	\$0.7118	3,240	\$1.1389	

SPECIAL PROJECTS:							
Conjunctive Bas/Cyclic Storage*	4,075	2,371	1,622		82		
Water Installation*	1,025	596	408		21		
Well Water Data	8,425	0	0		0		\$1,425
Water Gating Program	18,085	605	17,025		455		
Total Special Project	32,610	3,573	19,055	0.3373	557	0.1936	1,425

TOTAL ADMIN. AND SPECIAL PROJECTS	132,035	59,540	59,272	1.0491	3,797	1.3324	0,025
25% Operating Reserve	30,855	10,885	14,818	0.2623	949	0.3331	0

ADMINISTRATIVE COSTS TO BE ASSESSED	\$162,048	74,425	74,090	1.3113	4,747	1.6656	0,025

Projected Carry Forward from 87/88 (Revenue) or Expense from Water Transfers		(15,433)	(9,421)	(0.1866)	(11,250)	(4,6599)	(70,502)
		39,744	(39,244)	(0.6946)	0	0.0032	0

PROJECTED 88/89 ADMINISTRATIVE ASSESSMENTS or (CARRY-OVER)	\$96,252	1,1092	(519,935)	(0.3453)	(59,507)	(2,9559)	(561,677)

WATER REPLACEMENT/CYCLIC PROPOSED 88/89 BUDGET--							
SUBJECT TO ADJUSTMENT FOR ACTUAL PRODUCTION FIGURES							
							To be determined

*Total Costs have been allocated to Pools by estimated 87/88 production percentages.
NOTE: All allocations have been rounded. This may have an insignificant impact on the extensions of the per acre foot costs.

APPENDIX "D"

SUMMARY OF
UNALLOCATED SAFE YIELD TRANSFERS
FOR FISCAL YEAR 1987-1988

	Land Use Conversions		Balance	Total
	First 50%	Remain. 50%	Available	Transfer
	(Ac.Ft.)	(Ac.Ft.)	(Ac.Ft.)	(Ac.Ft.)
Chino Basin Municipal Water Dist.		0.000	0.000	0.000
Chino, City of	981.175	135.747	4,981.841	6,098.763
Cucamonga County Water District		133.875	4,913.138	5,047.013
Fontana Union Water Company		236.600	8,683.090	8,919.690
Jurupa Community Services Dist.		58.926	2,162.574	2,221.500
Marygold Mutual Water Co.		24.239	889.544	913.783
Monte Vista Water District		153.437	5,631.066	5,784.503
Monte Vista Irrigation Co.		25.032	918.650	943.682
Mut. Water Co. of Glen Avon Hts.		17.309	635.240	652.549
Norco, City of		7.455	273.582	281.037
Ontario, City of	1,047.000	420.690	15,439.103	16,906.793
Pomona, City of		414.847	15,224.679	15,639.526
San Antonio Water Co.		55.736	2,045.488	2,101.224
San Bdn. Co. Prado Tiro		0.000	0.000	0.000
San Bdn. Co. Waterworks No. 8		116.541	4,277.005	4,393.546
Santa Ana River Water Co.		48.135	1,766.518	1,814.653
Southern California Water Co.		15.219	558.548	573.767
Upland, City of		105.503	3,871.921	3,977.424
West End Consol. Water Co.		35.054	1,286.451	1,321.505
West San Bdn. Co. Water Dist.		23.832	874.612	898.444
	<u>2,028.175</u>	<u>2,028.177</u>	<u>74,433.050</u>	<u>78,489.402</u>

APPENDIX "D"

APPENDIX "E"
SUMMARY OF PWD "INTERRUPTIBLE" (INCLUDING "IN LIEU") AND
NON INTERRUPTIBLE DELIVERIES
(ACRE FEET)
YEAR ENDED JUNE 30, 1988

Month	City of Pomona		City of Chino		Monte Vista Water Dist.		City of Ontario		Water Works District #8		So. Calif. Edison Co.		Cucamonga County Water District		TOTAL
	Non	Int. ¹	Non	Int.	Non	Int.	Non	Int.	Non	Int.	Non	Int.	Non	Int.	
July 1987	100	100	281	0	0	19	24	775	1,068	0	310	0	0	2,677	
August	100	100	217	0	0	45	78	720	844	0	342	0	0	2,446	
September	90	90	353	0	0	24	75	605	928	0	304	0	0	2,469	
October	50	50	219	90	0	13	0	488	570	0	402	0	0	1,882	
November	45	45	79	60	0	0	0	465	208	0	81	0	0	983	
December	30	30	144	40	0	5	118	326	182	0	189	0	0	1,064	
January	10	10	92	70	0	0	0	330	242	0	228	0	0	982	
February	10	10	35	40	0	5	0	312	362	0	183	0	0	937	
March	40	40	0	26	0	21	0	360	568	0	246	129	0	1,430	
April	50	50	72	114	0	0	0	437	598	0	225	267	0	1,813	
May	100	100	68	110	0	12	0	588	858	0	281	0	0	2,097	
June	<u>104</u>	<u>104</u>	<u>178</u>	<u>0</u>	<u>0</u>	<u>12</u>	<u>0</u>	<u>654</u>	<u>1,070</u>	<u>0</u>	<u>235</u>	<u>0</u>	<u>0</u>	<u>2,357</u>	
	729	729	1,738	550	0	156	295	6,060	7,498	0	2,986	396	0	21,137	

GROUNDWATER REPLENISHMENT DELIVERIES
(ACRE FEET)
YEAR ENDED JUNE 30, 1988

Month	San Serrano	Montclair		Day	Etiwanda	Total
		OC-59	CS-3			
July 1987	0	0	0	0	0	0
August	0	0	0	0	0	0
September	0	0	0	0	0	0
October	0	0	0	0	0	0
November	0	0	0	0	0	0
December	0	0	0	0	0	0
January	144	458	0	0	137.4	739.4
February	0	0	0	0	0	0
March	463.4	820.3	0	0	470.6	1,754.3
April	0	0	0	0	0	0
May	0	0	0	0	0	0
June	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	607.4	1,278.3	0	0	608.0	2,493.7

¹ Approximately 37.8% of amounts shown are used over the Chino Basin

APPENDIX "F"

CHINO BASIN WATERMASTER

SUMMARY OF CYCLIC STORAGE DELIVERIES
 YEAR ENDED JUNE 30, 1988*
 (Acre Feet)

<u>Month</u>	<u>Montclair OC-59</u>	<u>San Sevaine</u>	<u>Day Creek Basin</u>	<u>Etiwanda</u>	<u>Total</u>
July 1987	-0-	-0-	-0-	-0-	-0-
August	-0-	-0-	-0-	-0-	-0-
September	-0-	-0-	-0-	-0-	-0-
October	-0-	-0-	-0-	-0-	-0-
November	-0-	-0-	-0-	-0-	-0-
December	-0-	-0-	-0-	-0-	-0-
January	-0-	-0-	-0-	-0-	-0-
February	-0-	-0-	-0-	-0-	-0-
March	-0-	-0-	-0-	-0-	-0-
April	-0-	-0-	-0-	-0-	-0-
May	-0-	-0-	-0-	-0-	-0-
June	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
	-0-	-0-	-0-	-0-	-0-

BALANCE OF CYCLIC STORAGE ACCOUNT AS OF JUNE 30, 1988.....55,078.9 ACRE FEET

*Previous summaries of Cyclic Storage Deliveries are available at the Watermaster office at 8555 Archibald Avenue, Rancho Cucamonga, California

APPENDIX "G"
SUMMARY OF
OTHER IMPORTED SUPPLIES
(ACRE FEET)

YEAR ENDED JUNE 1988

	<u>OTHER BASINS</u>	<u>SURFACE DIVERSIONS</u>	<u>OTHER IMPORTED SURFACE DIVERSIONS</u>	<u>RECLAIMED WATER</u>
Cucamonga County (1) Water District	19,000	7,160		
Fontana Union Water Company	11,926	9,271		
Marygold Mutual Water Company			1,116	
MWD of Southern California			41,421	
Ontario, City of (2)				552
Pomona, City of	4,609	3,563		7,603
San Antonio Water Company	6,647	5,564		
San Bernardino (2) County				1,558
West End Consolidated Water Company	1,825			
West San Bernardino Co. Water District	<u>4,073</u>	_____	_____	_____
Sub-Total	48,080	25,558	42,537	9,713
TOTAL		116,175		

(1) Includes water used over Cucamonga Basin.

(2) Reclaimed Water - For the record only, not a part of Other Imported Supplies.
Amounts shown are from sales records of Chino Basin Municipal Water District

(3) Includes water used over Spadra and Pomona Basins.

APPENDIX "G"

APPENDIX "H"

TOTAL WATER USED WITHIN CHINO BASIN*

(Acres Feet)

Fiscal Year	Chino Basin Extractions	Other Imported Supplies	Total
74/75	175,757	49,383	225,140
75/76	181,017	57,686	238,703
76/77	173,355	55,765	229,120
77/78	154,675	61,567	216,242
78/79	141,314	75,864	217,176
79/80	140,566	70,727	211,293
80/81	144,416	77,765	222,181
81/82	137,532	67,491	205,023
82/83	122,635	76,000	198,635
83/84	132,799	99,257	232,056
84/85	134,563	92,952	227,515
85/86	136,113	114,624	250,737
86/87	147,068	126,493	273,561
87/88	152,402	116,175	268,577

*Includes water used over Cucamonga Basin

APPENDIX "H"

APPENDIX "I"
LOCAL STORAGE STATUS
JUNE 30, 1988

<u>AGENCY</u>	<u>DATE OF AGREEMENT</u>	<u>AMOUNT OF AGREEMENT</u>	<u>AMOUNT IN STORAGE</u>
AMERON #6	3/30/83	100.00 AF	100.000 AF
AMERON #6.1	4/06/88	500.00 AF	119.648 AF
CHINO, CITY OF #12	1/23/85	15,000.00 AF	75.327 AF
CONROCK #1	6/30/79	1,589.22 AF	1,589.220 AF
CONROCK #1.1	5/30/84	1,589.22 AF	1,589.220 AF
CUCAMONGA CO. W.D. #10	5/30/84	5,000.00 AF	5,000.000 AF
CUCAMONGA CO. W.D. #10.1	5/06/87	5,000.00 AF	5,000.000 AF
CUCAMONGA CO. W.D. #10.2	4/06/88	20,000.00 AF	19,539.892 AF
FONTANA UNION W.C. #2	7/30/80	31,500.00 AF	22,700.832 AF
FONTANA UNION W.C. #2.1	4/06/88	31,500.00 AF	
KAISER STEEL #9	5/30/84	15,000.00 AF	14,548.466 AF
KAISER STEEL #9.1	10/7/87	15,000.00 AF	
MARYGOLD MUT.W.C. #16.1	4/06/88	500.00 AF	989.649 AF
MONTE VISTA IRRIG. CO.#17	5/07/86	500.00 AF	239.834 AF
POMONA, CITY OF #15	1/29/86	7,000.00 AF	7,000.000 AF
POMONA, CITY OF #15.1	4/06/88	13,000.00 AF	16,708.321 AF
SAN ANTONIO W.C. #3	8/15/80	2,500.00 AF	2,500.000 AF
SAN ANTONIO W.C. #3.1	11/5/86	2,500.00 AF	2,500.000 AF
SAN ANTONIO W.C. #3.2	4/06/88	10,000.00 AF	2,153.406 AF
S.B.CO. AVIATION DIV. #5	3/31/82	400.00 AF	118.120 AF
S.B.CO.WW.D.No.8 #18	5/07/86	2,400.00 AF	2,400.000 AF
S.B.CO.WW.D.No.8 #18.1	4/06/88	15,000.00 AF	8,493.853 AF
SANTA ANA RIVER W.C. #20	5/06/87	1,500.00 AF	271.977 AF
SO. CALIF. EDISON #14	6/05/85	500.00 AF	500.000 AF
SO. CALIF. EDISON #14.1	4/06/88	5,000.00 AF	808.093 AF
SOUTHERN SVC. CO. #22	4/06/88	100.00 AF	9.190 AF
SPACE CNTR MIRA LOMA #4	3/31/82	100.00 AF	100.000 AF
SPACE CNTR MIRA LOMA #4.1	11/5/86	200.00 AF	95.210 AF
SUNKIST GROWERS INC. #7	3/30/83	2,500.00 AF	2,500.000 AF
SUNKIST GROWERS INC. #7.1	11/5/86	5,000.00 AF	1,619.718 AF

SWAN LAKE #21		5/06/87	300.00 AF	225.640 AF
UNION CARBIDE-LINDE	#8	3/30/83	150.00 AF	150.000 AF
UNION CARBIDE-LINDE	#8.1	11/5/86	2,000.00 AF	2,000.000 AF
UNION CARBIDE-LINDE	#8.2	4/06/88	3,000.00 AF	55.768 AF
WEST END CONSOL.W.C.	#13	6/05/85	2,500.00 AF	2,500.000 AF
WEST END CONSOL.W.C.	#13.1	4/06/88	6,000.00 AF	2,264.158 AF
			<u>224,428.44 AF</u>	<u>126,465.542 AF</u>

APPENDIX "I"

APPENDIX "J"

LIST OF INTERVENTIONS AND ASSIGNMENTS

OVERLYING (AGRICULTURAL) POOL

INTERVENOR

INACTIVE PARTY

Que Fuller

Charles W. Hobbs

APPENDIX "J"

APPENDIX "K"

WATERMASTER'S "NOTICE OF INTENT"
TO CHANGE THE OPERATING SAFE YIELD
OF THE CHINO GROUNDWATER BASIN

PLEASE TAKE NOTICE that on this 30th day of June, 1988, Chino Basin Watermaster hereby files this "NOTICE OF INTENT" to change the operating safe yield of the Chino Groundwater Basin pursuant to the Judgment entered in Chino Basin Municipal Water District v. City of Chino, et al., San Bernardino Superior Court, Case No. 164327 (Exhibit I, Paragraph 2b, Page 80).

Approved by the
Watermaster Advisory Committee

By *Robert DeBerard*
Robert DeBerard, Chairman

CHINO BASIN WATERMASTER

By *Dwight French*
Dwight French, Chairman

ATTEST:

By *John L. Anderson*
John L. Anderson, Secretary

APPENDIX "K"

APPENDIX "L"

CHINO BASIN WATERMASTER
Annual Financial Report
JUNE 30, 1988

APPENDIX "L"

APPENDIX "L - 1"

CHINO BASIN WATERMASTER
ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 1988

TABLE OF CONTENTS

EXHIBIT

Auditor's Opinion	
Comparative Balance Sheet	1
Statement of Revenue, Expenses, and Retained Earnings	2
Statement of Changes in Financial Position.	3
Notes to Financial Statements	

SCHEDULE

Combining Statement of Revenue, Expenses, and Retained Earnings of the Various Funds of the Watermaster	1
---	---

APPENDIX "L - 2"

WALTER F. REARDON, CPA
JOHN L. McCALLUM, CPA
HELENE W. BLUMNER, CPA
SACHIKO M. STARKS, CPA

**REARDON
McCALLUM
& COMPANY**

MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
CALIFORNIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

Certified Public Accountants

September 12, 1988

Board of Directors
Chino Basin Watermaster
8555 Archibald Avenue
Cucamonga, CA 91730

Gentlemen:

We have examined the financial statements of the Chino Basin Watermaster for the year ended June 30, 1988. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying financial statements present fairly the financial position of the Chino Basin Watermaster of June 30, 1988 and the results of its operations and changes in its financial position for the year then ended in accordance with generally accepted accounting principles for governmental agencies applied on a basis consistent with that of the preceding year.

Reardon McCallum & Co
September 7, 1988
Upland, California

846 WEST FOOTHILL BOULEVARD, SUITE C ■ UPLAND, CALIFORNIA 91786 ■ 714/985-7286
9333 BASELINE AVENUE, SUITE 210 ■ RANCHO CUCAMONGA, CALIFORNIA 91730 ■ 714/980-5666

APPENDIX "L - 2"

APPENDIX "L - 3"

CHINO BASIN WATERMASTER
COMPARATIVE BALANCE SHEET

Exhibit 1

June 30, 1988 and 1987

	<u>1988</u>	<u>1987</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash in bank - checking	\$ 10,840	\$ 1,328
Cash in bank - savings	31,626	46,575
	<u>42,466</u>	<u>47,903</u>
Time certificates of deposit	2,516,000	200,000
Assessments receivable	5	
Interest receivable	6,539	66
Prepaid office supplies	49	169
TOTAL CURRENT ASSETS	<u>\$ 2,565,059</u>	<u>\$ 248,138</u>
<u>LIABILITIES AND RETAINED EARNINGS</u>		
CURRENT LIABILITIES:		
Accounts payable	\$ 2,028,853	\$ 28,502
RETAINED EARNINGS		
Reserved for Watermaster activities	536,206	219,636
TOTAL LIABILITIES AND RETAINED EARNINGS	<u>\$ 2,565,059</u>	<u>\$ 248,138</u>

See accompanying notes to financial statements

APPENDIX "L - 3"

APPENDIX "L - 4"

CHINO BASIN WATERMASTER

Exhibit 2

STATEMENT OF REVENUE, EXPENSES AND RETAINED EARNINGS

For the Fiscal Year Ended June 30, 1988

	FISCAL 1987/1988			FISCAL 1986/1987 (Memorandum Only)
	BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)	
REVENUES:				
Assessment Revenue				
Replenishment water assessments	\$ 1,953,093	\$ 2,389,337	\$ 436,244	\$ 2,076,531
Administrative assessments	56,593	46,885	(9,708)	49,629
Agricultural pool revenue				
from sale of water in storage	0	246,000	246,000	0
Miscellaneous Revenues	0	8	8	591
Interest revenue	38,150	115,622	77,472	52,156
Total Revenues	2,047,836	2,797,852	750,016	2,178,907
EXPENSES:				
CBWD Services Contract				
Salaries, payroll burden & overheads	53,000	44,440	8,560	41,718
Materials and supplies	250	137	113	31
Printing and mailing	500	416	84	1,074
Other expenses	675	369	306	299
General and administrative	2,700	2,145	555	2,217
Total CBWD Services Contract	57,125	47,507	9,618	45,339
Replenishment water deliveries	1,927,892	2,392,293	(464,401)	2,082,162
Printing and mailing	2,850	2,004	846	2,280
Contract labor and materials	57,405	10,437	46,968	54,954
Audit fees	2,425	1,561	864	1,584
Legal fees	15,850	16,030	(180)	8,949
Engineering fees	2,500	0	2,500	0
Meeting compensation	2,850	1,450	1,400	900
Insurance Expense	10,000	10,000	0	
Other direct expenses	500	0	500	1
Total Expenses	2,079,397	2,481,282	(401,885)	2,196,169
EXCESS (DEFICIT) REVENUE OVER EXPENSES	(31,561)	316,570	348,131	(17,262)
RETAINED EARNINGS AT BEGINNING OF YEAR	219,636	219,636	0	236,898
RETAINED EARNINGS AT END OF YEAR	\$ 188,075	\$ 536,206	\$ 348,131	\$ 219,636

See accompanying notes to financial statements

APPENDIX "L - 5"

CHINO BASIN WATERMASTER
 STATEMENT OF CHANGES IN FINANCIAL POSITION
 For the Fiscal Year Ended June 30, 1988

Exhibit 3

SOURCES OF WORKING CAPITAL			
Operations			
Revenues over (under) expenses			\$ 316,570
			<u>316,570</u>
NET INCREASE (DECREASE) IN WORKING CAPITAL			
			<u>\$ 316,570</u>
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL ITEMS			
	7/1/87	6/30/88	
Current Assets			
Cash	\$ 47,903	\$ 42,466	\$ (5,437)
Short term investments	200,000	2,516,000	2,316,000
Receivables	66	6,544	6,478
Prepaid expenses	169	49	(120)
	<u>248,138</u>	<u>2,565,059</u>	
Current Liabilities			
Accounts payable	28,502	2,028,853	(2,000,351)
	<u>28,502</u>	<u>2,028,853</u>	
Working Capital	\$ 219,636	\$ 536,206	
	<u>219,636</u>	<u>536,206</u>	
NET INCREASE (DECREASE) IN WORKING CAPITAL			
			<u>\$ 316,570</u>

See accompanying notes to financial statements

APPENDIX "L - 6"

CHINO BASIN WATERMASTER
NOTES TO FINANCIAL
STATEMENTS

June 30, 1988

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

- A. Books and records are kept on the accrual basis.
- B. Separate cost centers have been established to segregate the Watermaster activities as required under the judgement and rules and regulations of Watermaster and each pool (See Schedule 1).
- C. Short-term investments are recorded at cost.

NOTE 2 - APPROPRIATIVE POOL INTEREST REVENUE

On August 30, 1979, the Appropriative Pool unanimously approved assessment procedures whereby any interest earned by Watermaster on replenishment assessments paid by Appropriative Pool members would be subtracted from the total current assessment due from those members. Fiscal 86/87 interest revenue was allocated to the Appropriative Pool members based on the funds received in payment of the 86/87 assessments, resulting in a lower 87/88 assessment and a subsequent transfer of funds from the Appropriative Pool to Groundwater Replenishment.

NOTE 3 - ALLOCATION OF WATERMASTER ADMINISTRATION EXPENSES TO POOLS

Except for the costs of the special study related to the reevaluation of the basin safe yield and legal fees related to a suit with Riverside County regarding their obligations under the judgement charged to SB 222, Watermaster Administration Expenses are allocated to the pools based upon the prior year's production figures (or the same percentages used to set the annual assessments).

Allocations for fiscal 87/88 have been made based upon 86/87 productions of:

Appropriative Pool	84,662.4 AF or	57.567%
Overlying Agricultural Pool	59,847.2 AF or	40.693%
Overlying Non-agricultural Pool	2,558.9 AF or	1.740%
	<hr/>	<hr/>
Total production	147,068.5 AF or	100.000%

APPENDIX "L - 7"

NOTE 4 - AGRICULTURAL POOL ASSESSMENTS

At the Agricultural Pool meeting of June 16, 1988, the pool members ratified an agreement with the Appropriative Pool to assume all future Agricultural Pool administrative expenses, including special project allocations, in return for which the Agricultural Pool will transfer all pool administrative reserves at June 30, 1988 (or \$59,851.88) to the Appropriative Pool effective July 1, 1988.

During June, 1988, the Agricultural Pool sold 2,000 acre feet of water in storage to Cucamonga County Water District. Funds from this sale are to be held and invested by the Watermaster Treasurer for future use as determined by the Agricultural Pool Members. At June 30, 1988 proceeds from the sale and interest earned thereon totaled \$250,315.82.

SCHEDULE 1
CHINO BASIN WATERMASTER
COMBINING STATEMENT OF REVENUE, EXPENSES AND RETAINED EARNINGS
 For the Fiscal Year Ended June 30, 1968

ADMINIS- TRATION PROJECTS	WATERMASTER ADMINISTRATION			CROWDWEATER OPERATIONS			POOL ADMINISTRATION AND SPECIAL PROJECTS			CWA		
	SPECIAL	TOTAL	58222 FUNDS REPLACEMENT	APPROPRIATIVE FUNDS	AGRICULTURAL NON-AGRICULTURAL	POOL	POOL	EDUCATIONAL	GRAND TOTAL			

Assessment Revenue			\$ 2,349,337						\$2,349,337		
Replenishment water assessments			40,801	\$ (60,801)					0		
Transfer of prior year interest to replenishment assessments (Note 2)				21,586	\$ 25,240	\$ 60			66,886		
Administrative assessments					246,000				246,000		
Sale of water in storage (Note 4)											
Miscellaneous revenue			858	103,145	10,595	1,125	\$ 181		115,621		
Interest revenue											
Total Revenues	0	0	0	2,430,793	63,910	281,443	1,185	101	2,797,452		

EXPENSES:		REVENUES		EXPENSES		REVENUES	
Replenishment water deliveries	34,560	1,136	35,696	(29,349)	2,421,642	4,168	3,143
CROWD Salaries, payroll burden & overheads	1,651	54	1,705	442		217	153
CROWD General and administrative	315	315		21		255	1,469
Materials and supplies							2,125
Contract labor and materials				1,971	6,341		
Audit fees	1,561		1,561				
Legal fees	6,683		6,683	7,766		1,581	
Meeting compensation	1,125		1,125				325
Other expenses	10,172		10,172			217	
Total Watermaster Administration Expenses	56,067	1,190	57,257				
Allocation of Admin. Expenses to Pools (Note 3)	(56,067)	(1,190)	(57,257)			32,561	23,300
Total Expenses	0	0	0	(19,149)	2,427,913	39,399	30,915

NET REVENUES		NET REVENUES		NET REVENUES		NET REVENUES	
Replenishment water deliveries	34,560	1,136	35,696	(29,349)	2,421,642	4,168	3,143
CROWD Salaries, payroll burden & overheads	1,651	54	1,705	442		217	153
CROWD General and administrative	315	315		21		255	1,469
Materials and supplies							2,125
Contract labor and materials				1,971	6,341		
Audit fees	1,561		1,561				
Legal fees	6,683		6,683	7,766		1,581	
Meeting compensation	1,125		1,125				325
Other expenses	10,172		10,172			217	
Total Watermaster Administration Expenses	56,067	1,190	57,257				
Allocation of Admin. Expenses to Pools (Note 3)	(56,067)	(1,190)	(57,257)			32,561	23,300
Total Expenses	0	0	0	(19,149)	2,427,913	39,399	30,915

NET REVENUES		NET REVENUES		NET REVENUES		NET REVENUES	
Replenishment water deliveries	34,560	1,136	35,696	(29,349)	2,421,642	4,168	3,143
CROWD Salaries, payroll burden & overheads	1,651	54	1,705	442		217	153
CROWD General and administrative	315	315		21		255	1,469
Materials and supplies							2,125
Contract labor and materials				1,971	6,341		
Audit fees	1,561		1,561				
Legal fees	6,683		6,683	7,766		1,581	
Meeting compensation	1,125		1,125				325
Other expenses	10,172		10,172			217	
Total Watermaster Administration Expenses	56,067	1,190	57,257				
Allocation of Admin. Expenses to Pools (Note 3)	(56,067)	(1,190)	(57,257)			32,561	23,300
Total Expenses	0	0	0	(19,149)	2,427,913	39,399	30,915

NET REVENUES		NET REVENUES		NET REVENUES		NET REVENUES	
Replenishment water deliveries	34,560	1,136	35,696	(29,349)	2,421,642	4,168	3,143
CROWD Salaries, payroll burden & overheads	1,651	54	1,705	442		217	153
CROWD General and administrative	315	315		21		255	1,469
Materials and supplies							2,125
Contract labor and materials				1,971	6,341		
Audit fees	1,561		1,561				
Legal fees	6,683		6,683	7,766		1,581	
Meeting compensation	1,125		1,125				325
Other expenses	10,172		10,172			217	
Total Watermaster Administration Expenses	56,067	1,190	57,257				
Allocation of Admin. Expenses to Pools (Note 3)	(56,067)	(1,190)	(57,257)			32,561	23,300
Total Expenses	0	0	0	(19,149)	2,427,913	39,399	30,915

NET REVENUES		NET REVENUES		NET REVENUES		NET REVENUES	
Replenishment water deliveries	34,560	1,136	35,696	(29,349)	2,421,642	4,168	3,143
CROWD Salaries, payroll burden & overheads	1,651	54	1,705	442		217	153
CROWD General and administrative	315	315		21		255	1,469
Materials and supplies							2,125
Contract labor and materials				1,971	6,341		
Audit fees	1,561		1,561				
Legal fees	6,683		6,683	7,766		1,581	
Meeting compensation	1,125		1,125				325
Other expenses	10,172		10,172			217	
Total Watermaster Administration Expenses	56,067	1,190	57,257				
Allocation of Admin. Expenses to Pools (Note 3)	(56,067)	(1,190)	(57,257)			32,561	23,300
Total Expenses	0	0	0	(19,149)	2,427,913	39,399	30,915

See accompanying notes to financial statements

APPENDIX "M"

1 GUIDO R. SMITH, ESQ.
2 505 City Parkway West
3 Suite 1000
4 Orange, CA 92668-2958
5 Tel: (714) 978-6781
6 State Bar No. 75055

7
8 Attorney for Chino Basin M.W.D.
9 as CHINO BASIN WATERMASTER

10
11 SUPERIOR COURT OF THE STATE OF CALIFORNIA
12 IN AND FOR THE COUNTY OF SAN BERNARDINO

11	CHINO BASIN MUNICIPAL WATER)	Case No. 164327
12	DISTRICT,)	
13	Plaintiff,)	ORDER APPOINTING CHINO BASIN
14	vs.)	MUNICIPAL WATER DISTRICT AS
15	CITY OF CHINO, et al.,)	CHINO BASIN WATERMASTER FOR
16	Defendants.)	FISCAL YEARS 1988/89 THROUGH
		1992/93

17 The motion being supported by a majority of the
18 Watermaster Advisory Committee and good cause appearing
19 therefor, IT IS HEREBY ORDERED that CHINO BASIN MUNICIPAL WATER
20 DISTRICT, acting by and through the majority of its Board of
21 Directors, be and hereby is appointed to act as CHINO BASIN
22 WATERMASTER for the fiscal years 1988/89 through 1992/92,
23 subject to the right of this Court to appoint another person
24 prior to the expiration of such term pursuant to Paragraph 16 of
25 the Judgment entered herein.

26 Dated: January 20, 1989.

27 /s/ Don A. Turner
28 JUDGE OF THE SUPERIOR COURT