

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

TWELTFH
ANNUAL REPORT
OF THE
CHINO BASIN WATERMASTER
FISCAL YEAR 1988-89

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APRIL 1990

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

April 1990

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

Subject: Twelfth Annual Report of Chino Basin Watermaster

This Twelfth 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 March 29, 1990.

A brief summary of activities during this reporting period (July 1, 1988 through June 30, 1989) is as follows:

Total production from the Basin during 1988/89 was 143,998 acre feet, with production by Pool as follows:

	Appropriative Pool	Overlying (Agricultural) Pool	Overlying (Non-Agricultural) Pool	Totals
1988/89 Production	93,617 AF	46,762 AF	3,619 AF	143,998 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 1988/89 production year exceeded the initial shares of Operating Safe Yield. This marks the fourth year this has occurred since the effective date of the Judgment for accounting and operations, i.e., July 1, 1977.

A total of 1,876.178 acre feet of rights were leased among the members of Appropriative Pool, 22,701.459 acre feet of local storage was purchased by Cucamonga County Water District from Fontana Union Water Company.

To satisfy the 1987/88 production in excess of Operating Safe Yield (ie, 14,699.516 acre feet), 7,407.2 acre feet of State Project Water was recharged into the basin and 7,292.316 acre feet of water was purchased out of Watermaster's Cyclic Storage Account with Metropolitan Water District of Southern California during Fiscal Year 1988/89. The Cyclic Storage Account now shows an October 31, 1988 balance of 47,786.6 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 1988-89, Cucamonga County Water District and the City of Ontario entered into the second of these agreements by exchanging 5,064.0 and 1,359.6 acre feet respectively, a summary of which is shown on Appendix "I-1" of this report.

Fiscal Year 88/89 marks the sixth 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). A total of 405.635 acre feet of Unallocated Safe Yield qualified under the land use conversion priority as a permanent transfer and the balance of 24,123.730 acre feet was transferred to offset the 1988-89 production all of which is shown on Appendix "D" of this report.

Local Storage Agreements were approved for City of Upland for 1,000 acre feet and the City of Ontario for 10,000 acre feet. A second Local Storage Agreements was approved for Marygold Mutual Water Company for 2,000 acre feet. There are now a total of forty storage agreements which total 277,928.44 acre feet of potential stored water over the next five to ten years under the Judgment. At the close of Fiscal 1988-89, 126,264.272 acre feet of water remains in storage pursuant to these local storage agreements.

Assessments billed by Pool during 1988/89 for 1987/88 production are as follows:

Appropriative Pool	\$2,254,066.37
Overlying (Agricultural) Pool	0.00
Overlying (Non-Agricultural) Pool	122.13
	\$2,254,188.50

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

Sincerely,


Donald R. Peters, Chief
Watermaster Services

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TWELFTH 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 1988/89.

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:

September 28, 1988
December 7, 1988
January 4, 1989
April 5, 1989
June 7, 1989

Assessments levied by Watermaster on September 28, 1988 for overproduction during 1987/88 production period and for budgeted administrative and special project costs for 1988/89 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: \$0.094

Per Minute action of the Appropriative Pool at their meeting of

June 7, 1988, it was agreed that the Appropriative Pool would assume the administrative assessments of the Agricultural Pool members in exchange for unpumped Agricultural water transferred to the Appropriative Pool following the 1987-88 production year. Therefore, the total Administrative and Special Projects Assessment levied against the Overlying (Agricultural) Pool in the amount of \$7,370.13 was assumed by the Appropriative Pool computed at \$0.094 per acre foot of water transferred (i.e., 78,489.4 acre feet) to each Appropriative Pool member based on its share of initial share of operating safe yield.

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 \$155.33 (\$153.00 for replenishment water plus \$2.33 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 \$3.55493 and \$132.0305 per acre foot respectively. Each producer in this Pool was also assessed \$.6711 per acre foot to cover the budgeted administrative and special project costs.

The City of Norco produced 343.7 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 1988-89 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 June 7, 1989 to approve the 1989/90 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, 1989, the Watermaster program marked its twelfth 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 seventh "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 1988/89, 18.9 acre feet of contaminated wastewater was removed and exported from the site. As of June 30, 1989, 88.7 acre feet of contaminated water has been exported from the Stringfellow Acid Pits.

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 1989/90.

Regular	Alternate
Michael Merrey	Louis Aukeman
Gus Wybenga	John Vander Schaaf
Tom Carnesi	Fred Douma
Robert DeBerard	Tim Ochoa, CIW
Paul Hofer	John Walters, CIM
*Bob McVicker	Nick Richardson
*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	Robert DeBerard
Vice-Chairman	Tom Carnesi
Secretary	Kathy Beckley, CEMWD
Treasurer	John Anderson, Treas. of CEMWD

Through June 30, 1989, one meeting was 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 1988/89 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	Hooite Rugge
Vice-Chairman	Dwayne Lehman
Secretary	Don Peters, Chief, WM Services
Treasurer	John Anderson, Treas. of CEMWD

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, 1989 there were no meetings 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 Ontario Representative
Vice-Chairman	John Schatz, Jurupa CSD
Secretary	Don Peters, Chief, WM Services
Treasurer	John Anderson, Treas. of CEMWD

Through June 30, 1989, four (4) meetings were conducted to act on matters affecting members of this Pool and to review actions to be taken by Watermaster.

In March 1989, the Appropriative Pool took action to form an Appropriative Pool Ad Hoc Committee to address the socio-economic conditions of the Basin as mandated in the Judgment (Exhibit H, Paragraph 8, Page 70). Preliminary investigation and review of the

socio-economic conditions of the Basin included dissemination and review of the original socio-economic study done in 1977. Results of this preliminary review will be discussed at the August 1989 meeting of the Appropriative Pool with certain recommendations for additional and definitive studies.

D. Watermaster Advisory Committee

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

Chairman	Lloyd Michael
1st Vice Chairman	Ira Pace
2nd Vice Chairman	Herb Hall
Secretary	Don Peters, Chief, WM Services
Treasurer	John Anderson, Treas. of CEMWD

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 16, 1989 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 1988/89 totaled 1,876.178 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: Marygold Mutal Water Company	
To: Monte Vista Water District	800.000
	1,876.178

(2) Sale of Water in Local Storage was initiated on forms approved by Watermaster. Fontana Union Water Company sold 22,701.459 acre feet of water in storage for use by Cucamonga County Water District in Fiscal 1988/89.

(3) Unqualified Audit Opinion and Audit Report to the Chino Basin Watermaster from Reardon & McCallum, Certified Public Accountants, for the period ending June 30, 1989, is attached as Appendix "L".

(4) 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.

(5) Quarterly Accounting of Water Production has been received for the Appropriative and Overlying (Non-Agricultural) Pools for Fiscal Year 1988/89. The Overlying (Agricultural) Pool's quarterly production was compiled on those wells having water measuring devices installed.

(6) 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.

(7) 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.

(8) 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, 1989 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. A draft environmental assessment was prepared and hearings were held resulting in the need for additional mitigation measures be defined regarding possible groundwater degradation from rising water table.

(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.

(c-1) (Compliance to Repair Water Meters) As previously reported, the Appropriative Pool entered into an agreement with the Overlying (Agricultural) Pool that set forth the Appropriative Pool's willingness to satisfy all administrative and special project assessments levied against the Overlying (Agricultural) Pool in exchange for the transfer of all unpumped safe yield water of the Overlying (Agricultural) Pool. In a move to assure accurate production reporting and accounting of unpumped water for transfer, the Appropriative Pool set in motion a compliance procedure for required meter testing and repair for those Agricultural producers not in compliance pursuant to Watermaster Rules and Regulations.

Resolution No. 89-1 was adopted in May 1989 that set forth said procedures and acceptance of an offer of assistance from the State Attorney General's Office, State of California, and is attached hereto as Appendix "M".

The names and addresses of 142 non-complying parties of the Overlying (Agricultural) Pool were transmitted to the California Attorney General's Office for informal enforcement proceedings by that office prior to instigation of legal proceedings by Watermaster Attorney.

(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.

(9) Local Storage Agreements were entered into by City of Ontario for 10,000 acre feet and City of Upland for 1,000 acre feet. A second Local Storage Agreement was entered into by Marygold Mutual Water Company for 2,000 acre feet.

(10) (City of Fontana's Protest for Watermaster to Appropriate Water). On December 21, 1987, Chino Basin Watermaster and San Bernardino County Flood Control District filed an application to appropriate waters from the San Sevaine Creek to which the City of Fontana filed a protest contending that certain quantities of flood flows from the San Sevaine Flood Control Channel pass through the Basin; that Fontana's improvement to these flood channels and retention basins will capture waters otherwise lost to the Basin; that consequently Fontana has a right to capture and use such water.

In attempts to settle the disputed rights of the claimants to water collected by the San Sevaine Creek Flood Control Project, the parties met on several occasions and have diligently sought an amicable resolution outside of State Board or Court review. As of June 30, 1989, the parties appear to be unable to solve the dispute.

(11) (Optimum Basin Management Plan.) At the recommendation of the Appropriative Pool, the Advisory Committee formed an Ad-Hoc

Committee to address such issues as the need for an Optimum Basin Management Plan, water quality study, water reclamation, the need for a facilities equity assessment and socio-economic review. The first meeting of this Committee was held on July 14, 1988. The Committee's initial work resulted in satisfying one issue of concern by Watermaster awarding a \$44,500 contract to James M. Montgomery Engineers for the design and execution of a groundwater monitoring program.

The issue of a socio-economic review and study was referred to the Appropriative Pool for implementation because the results of such a study would effect only the Appropriative Pool as it only deals with the replenishment assessment formula.

The issue of an Optimum Basin Management Plan is currently being discussed. However, a recommendation from the Appropriative Pool from their May 1989 meeting suggests the formation of a Chino Basin Management Study Task Force, which is proposed to include not only the Watermaster Advisory Committee, but Chino Basin Municipal Water District, The Metropolitan Water District of Southern California, Western Municipal Water District of Riverside County, and the Santa Ana Watershed Project Authority. Formation meetings are scheduled for the fall of Fiscal 1989/90.

(12) On November 9, 1988, the Office of Watermaster received a "Notice of Motion and Motion for Review of Watermaster Actions and Decisions". This action was filed in behalf of the City of Norco, City

of Chino, and San Bernardino County Waterworks District No. 8, hereinafter "The Moving Parties", alleging that "Watermaster has failed and continued to fail to abide by its responsibilities and duties under the Judgment by failing to undertake and implement an Optimum Basin Management Program for Chino Basin, by failing to conduct the Socio-Economic Study and Survey mandated by the Judgment, by failing to provide proper, responsible, equitable and fair water management policy, and by failing to comment on the proposal by the Metropolitan Water District ("MWD") for Groundwater Storage at Chino Basin." A hearing was held March 1, 1989 in Department Two of the Superior Court of San Bernardino, State of California, before the Honorable Don A. Turner, Judge, who took the matter under advisement at that time. As of June 30, 1989, (end of this report period), Watermaster had not received any Statement of Decisions from the Court.

Interested parties may review all documents in connection with these matters by contacting Don Peters, Chief of Watermaster Services, (714) 987-1712.

APPENDIX "A - 1"

OVERLYING (AGRICULTURAL) POOL COMMITTEE

Regular members and alternates for Fiscal 1987-88. *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, CIM 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 Ruge
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 Environmentals, 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

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

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

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

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

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

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

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

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

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

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

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

S.B.Co.Waterworks Dist.No.8
ATTN: Tom Rose
14575 Pipeline Avenue
Chino, CA 91710
(714) 597-1785

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 9016
San Dimas, CA 91773
(714) 394-3600

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 (1)	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 (2)	57,865	2,958	152,402
88/89	93,617 (3)	46,762	3,619	143,998

- (1) Includes 3,945 Acre Feet of mined water pumped by Edison Company as agent for the Chino Basin Municipal Water District
- (2) Does not include 7,674.3 acre feet exchanged with MWD.
- (3) Does not include 6,423.6 acre feet exchanged with MWD.

C:REDDING

CEMO BASIN WATERMASTER
ADOPTED

BUDGET 1989/1990
SUMMARY OF ADMINISTRATIVE BUDGETS

TOTALS	APPROPRIATIVE POOL		OVERLAYING AGRICULTURAL POOL		OVERLAYING NON-AGRICULTURAL POOL		50272 FORDS	
	AMOUNT	PER ACRE FOOT	AMOUNT	PER ACRE FOOT	AMOUNT	PER ACRE FOOT		
Estimated 88/89 Production	136,737.0	79,037.0	57,402.8	54,546.0	39,454.8	3,306.0	2,340.8	Not Applicable
GENERAL ADMINISTRATION:	569,990	540,404	577,461			51,636		
Joint Watermaster-Advisory Committee*	19,375	12,275	5,459			1,650		
Pool Administration								
Total Administrative Budgets	89,275	52,679	50,665	33,311	80,412	3,286	51,026	
SPECIAL PROJECTS: (Pages 18-20)								
Conjunctive Use/Cyclic Storage	4,250	2,437	1,694			99		
Meter Installation	4,900	2,832	1,953			315		
Groundwater Monitoring Program	28,850	0	0			0		\$28,850
Meter Testing Program	34,900	2,366	30,759			1,775		
Sarc Field Study	2,150	0	0			0		2,150
Basin Optimum Plan*	8,450	5,115	3,527			207		
Total Special Project	83,900	12,770	37,933	0,590	0,590	2,396	0,583	31,000
TOTAL ADMIN. AND SPECIAL PROJECTS	173,175	65,449	62,281	71,244	1,3072	5,402	1,7130	31,000
25% Operating Reserve	35,544	16,362	0,2070	17,411	0,3260	1,370	0,4281	
ADMINISTRATIVE COSTS TO BE ASSESSED	\$208,719	\$81,811	1,0351	\$89,055	1,6340	6,452	2,1411	31,000
Projected Carry Forward from 88/89	(33,583)	(0,4250)	0	0	0,0000	(12,482)	(3,0069)	(50,736)
89/90 Interest Revenue	0	0,0000	0	0	0,0000	(900)	(0,2813)	0
(Revenue) or Expense from Water Transfers	49,055	1,1267	(49,055)	(1,6340)		0	0,0000	0
ESTIMATED 89/90 ADMINISTRATIVE ASSESSMENTS or (CARRY-OVER)	\$137,272	1,7360	\$0	0,0000		(56,220)	(1,9470)	(527,736)
ESTIMATED 89/90 WATER REPLACEMENT ASSESSMENTS	\$1,960,748	\$155,000				134,32	\$155,4000	\$1,150

*Total Costs have been allocated to Pools by 88/89 production percentages.
NOTE: All allocations have been rounded. This may have an insignificant impact on the extensions of the per acre foot costs.

AUL: 06/07/89

PROPOSED 89/90 WATERMASTER BUDGET

HW-1

APPENDIX "D"

SUMMARY OF
UNALLOCATED SAFE YIELD TRANSFERS
FOR FISCAL YEAR 1988-1989

	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	196.235	27.149	1,614.613	1,837.997
Cucamonga County Water District		26.775	1,592.347	1,619.122
Fontana Union Water Company		47.320	2,814.187	2,861.507
Jurupa Community Services Dist.		11.785	700.890	712.675
Marygold Mutual Water Company		4.848	288.301	293.149
Monte Vista Water District		30.687	1,825.027	1,855.714
Monte Vista Irrigation Co.		5.006	297.734	302.740
Mut. Water Co. of Glen Avon Hts.		3.462	205.881	209.343
Norco, City of		1.491	88.668	90.159
Ontario, City of	209.400	84.138	5,003.809	5,297.347
Pomona, City of		82.969	4,934.314	5,017.283
San Antonio Water Co.		11.147	662.942	674.089
San Bdn. Co. Prado Tiro		0.000	0.000	0.000
San Bdn. Co. Waterworks No. 8		23.308	1,386.176	1,409.484
Santa Ana River Water Co.		9.627	572.528	582.155
Southern California Water Co.		3.044	181.025	184.069
Upland, City of		21.101	1,254.888	1,275.989
West End Consol. Water Co.		7.011	416.938	423.949
West San Bdn. Co. Water Dist.		4.766	283.462	288.228
	405.635	405.635	24,123.730	24,934.999

APPENDIX "D"

APPENDIX "E"

SUMMARY OF MW "INTERRUPTIBLE" (INCLUDING "IN LIEU") AND
NON INTERRUPTIBLE DELIVERIES
(ACRE FEET)
YEAR ENDED JUNE 30, 1989

MONTH	City of Pomona		City of Chino		City of Ontario		Monte Vista Water Dist.		City of Ontario		Waterworks Dist. No. 8		So. Calif. Edison Co.		City of Upland		Cucamonga Co. Water Dist.		TOTAL
	Non Int.	Int.	Non Int.	Int.	Non Int.	Int.	Non Int.	Int.	Non Int.	Int.	Non Int.	Int.	Non Int.	Int.	Non Int.	Int.	Non Int.	Int.	
July 1988	682	104	261	74	0	36	0	774	1,203	0	403	0	518	0	4,055				
August	625	104	229	84	0	24	0	720	1,108	0	305	0	434	0	3,633				
September	650	94	285	0	0	0	0	606	1,089	0	224	0	468	0	3,416				
October	482	52	241	0	0	0	0	510	778	0	203	0	176	0	2,442				
November	107	47	95	0	0	0	333	384	481	0	221	0	401	0	2,069				
December	114	31	108	0	0	0	578	324	424	0	290	0	0	0	1,869				
January 1989	95	10	38	100	0	213	589	330	355	0	218	0	365	0	2,313				
February	88	10	0	243	0	265	288	369	307	0	173	0	366	0	2,109				
March	29	42	0	243	0	329	207	417	502	0	202	0	395	0	2,458				
April	318	52	0	261	0	44	144	964	799	0	267	0	665	0	4,006				
May	696	60	0	359	0	176	24	1,506	1,130	0	105	0	654	0	5,150				
June	954	104	0	349	0	378	9	1,526	1,167	0	290	0	783	0	6,068				
	4,840	710	1,257	1,713	0	1,465	2,172	8,430	9,343	0	2,921	0	3,248	0	39,588				

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

APPENDIX "E"

APPENDIX "E-1"

GROUNDWATER REPLENISHMENT DELIVERIES
(ACRE FEET)
YEAR ENDED JUNE 30, 1989

<u>MONTH</u>	<u>SAN SEVAINE</u>	<u>MONTCCLAIR</u>		<u>DAY</u>	<u>ETIWANDA</u>	<u>TOTAL</u>
		<u>OC-59</u>	<u>CB-3</u>			
July 1988	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	586.5	0	140.6	228.4	955.5
January 1989	0	1,438.5	0	119.1	399.5	1,957.1
February	0	1,106.9	0	173.5	360.8	1,641.2
March	0	1,192.8	0	179.2	538.9	1,910.9
April	0	0	0	0	719.4	719.4
May	0	0	0	0	223.1	223.1
June	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	0	4,324.7	0	612.4	2,470.1	7,407.2

APPENDIX "F"
 CHINO BASIN WATERMASTER
 SUMMARY OF CYCLIC STORAGE DELIVERIES
 YEAR ENDED JUNE 30, 1989*
 (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 1989	-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, 1989.....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 1989

	OTHER BASINS	SURFACE DIVERSIONS	OTHER IMPORTED SURFACE DIVERSIONS	RECLAIMED WATER
Cucamonga County ⁽¹⁾ Water District	24,238	7,303		
Fontana Union Water Company	16,757	9,506		
Marygold Mutual Water Company			1,159	
MWD of Southern California			39,495	
Ontario, City of ⁽²⁾				593
Pomona, City of	0	3,959		7,240
San Antonio Water Company	12,549	6,156		
San Bernardino ⁽²⁾ County				1,241.4
West End Consolidated Water Company	1,603			
West San Bernardino Co. Water District	5,439			
Sub-Total	60,586	26,927	40,654	9,074.4
TOTAL		135,626		

(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

APPENDIX "H"

TOTAL WATER USED WITHIN CHINO BASIN*
(Acre 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
88/89	143,998	135,626	279,624

*Includes water used over Cucamonga Basin

APPENDIX "I"
LOCAL STORAGE STATUS
JUNE 30, 1989

<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	17,633.692 AF
CUCAMONGA CO. W.D. #10.3	6/07/89	50,000.00 AF	
FONTANA UNION W.C. #2	7/30/80	31,500.00 AF	22,701.459 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	500.000 AF
MARYGOLD MUT.W.D. #16.2	6/07/89	2,000.00 AF	364.700 AF
MONTE VISTA IRRIG. CO.#17	5/07/86	500.00 AF	239.834 AF
ONTARIO, CITY OF #11.1	6/07/89	10,000.00 AF	10,000.000 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
SO. CALIF. WATER #23	12/7/88	500.00 AF	35.123 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
UPLAND, CITY OF #24	4/05/89	1,000.00 AF	885.129 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>287,928.44 AF</u>	<u>136,264.272 AF</u>

APPENDIX "I"

APPENDIX "I - 1"

SUMMARY OF
TRUST STORAGE AGREEMENTS
IN TRUST FOR
THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA
WITH
WATERMASTER AS TRUSTEE
FOR FISCAL YEAR 1988-1989
(ACRE FEET)

<u>ASSIGNOR</u>	<u>YEAR OF ASSIGNMENT</u>	<u>AMOUNT OF ASSIGNMENT</u>	<u>TOTAL AMOUNT IN TRUST STORAGE</u>
Cucamonga County Water District	1987/88	3,600	3,033.9
City of Ontario	1987/88	6,000	4,640.4
Cucamonga County Water District	1988/89	5,191.1 (1)	5,064.1
City of Ontario	1988/89	1,359.6 (2)	1,359.6
TOTALS AS OF JUNE 30, 1989:			
Cucamonga County Water District			8,098.0 Acre Feet
City of Ontario			6,000.0 Acre Feet

- (1) Total assignment includes 566.1 acre feet carryover from Fiscal Year 1987/88 plus 1988/89 assignment of 4,625 acre feet.
- (2) Amount shown is carried over from Fiscal Year 1987/88 (i.e., 6,000 - 4,640.4 = 1,359.6 acre feet.)

APPENDIX "J"

LIST OF INTERVENTIONS AND ASSIGNMENTS

OVERLYING (AGRICULTURAL) POOL

INTERVENOR

INACTIVE PARTY

There were no interventions during
Fiscal Year 1988-89

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, 1989, 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 *Lloyd Michael*
Lloyd Michael, 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, 1989

APPENDIX "L"

APPENDIX "L - 1"
CHINO BASIN WATERMASTER
ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 1989
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SCHEDULE

Combining Statement of Revenue, Expenses, and Retained Earnings of the Various Funds of the Watermaster	1
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WALTER F. REARDON, CPA
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REARDON McCALLUM & COMPANY

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

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Chino Basin Watermaster
8555 Archibald Avenue
Rancho Cucamonga, California 91730

We have audited the accompanying general purpose financial statements of Chino Basin Watermaster as of June 30, 1989, and for the year then ended. These general purpose financial statements are the responsibility of Chino Basin Watermaster management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Chino Basin Watermaster as of June 30, 1989, and the results of its operations and changes in financial position of its proprietary and similar trust fund types for the year then ended in conformity with generally accepted accounting principles.

Reardon McCallum & Co.

Upland, California
September 8, 1989

APPENDIX "L - 3"

CHINO BASIN WATERMASTER
COMPARATIVE BALANCE SHEET

Exhibit 1

June 30, 1989 and 1988

	1989	1988
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash in bank - checking	\$ 2,592	\$ 10,840
Cash in bank - savings	336,677	31,626
	339,269	42,466
Time certificates of deposit	886,000	2,316,000
Assessments receivable	463,576	3
Interest receivable	4,827	6,539
Prepaid office supplies	93	49
TOTAL CURRENT ASSETS	\$ 1,693,763	\$ 2,363,059
<u>LIABILITIES AND RETAINED EARNINGS</u>		
CURRENT LIABILITIES:		
Accounts payable	\$ 32,492	\$ 2,028,833
RETAINED EARNINGS		
Reserved for Watermaster activities	1,641,273	336,206
TOTAL LIABILITIES AND RETAINED EARNINGS	\$ 1,693,763	\$ 2,363,059

See accompanying notes to financial statements

APPENDIX "L - 4"
CRINO BASIN WATERMASTER

Exhibit 2

STATEMENT OF REVENUE, EXPENSES AND RETAINED EARNINGS

For the Fiscal Year Ended June 30, 1968

	FISCAL 1968/1969			FISCAL 1967/1968
	BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)	(Memorandum Only)
REVENUES:				
Assessment Revenue				
Replenishment water assessments	\$ 2,283,276	\$ 2,182,200	\$ (100,990)	\$ 2,308,337
Administrative assessments	95,354	71,903	(23,451)	46,885
Agricultural pool revenue				
from sale of water in storage	0	0	0	240000
Miscellaneous Revenues	0	77	77	0
Interest revenue	34,550	123,672	89,122	115,622
Total Revenues	2,413,180	2,377,930	(35,242)	2,797,852
EXPENSES:				
CRWD Services Contract				
Salaries, payroll burden & overheads	59,500	54,000	5,500	44,440
Materials and supplies	250	76	180	137
Printing and mailing	550	8,245	(5,695)	416
Other expenses	1,125	879	246	369
General and administrative	3,050	2,411	630	2,145
Total CRWD Services Contract	64,475	63,605	870	47,507
Replenishment water deliveries	2,283,276	1,133,302	1,149,974	2,302,293
Printing and mailing	2,400	2,387	13	2,904
Contract labor and materials	24,110	20,828	4,082	10,437
Audit fees	2,000	1,279	721	1,561
Legal fees	22,850	32,340	(10,990)	18,630
Engineering fees	2,250	16,874	(14,624)	0
Boating compensation	2,850	1,875	875	1,450
Insurance Expense	0	0	0	10000
Other direct expenses	500	481	19	0
Total Expenses	2,404,711	1,272,871	1,131,840	2,461,262
EXCESS (DEFICIT) REVENUE OVER EXPENSES	8,469	1,105,067	1,006,508	316,579
RETAINED EARNINGS AT BEGINNING OF YEAR	536,200	536,200	0	218,636
RETAINED EARNINGS AT END OF YEAR	\$ 544,675	\$ 1,041,273	\$ 1,006,508	\$ 536,200

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See accompanying notes to financial statements

APPENDIX "L - 5"
 CHINO BASIN WATERMASTER

Exhibit 3

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the Fiscal Year Ended June 30, 1989

SOURCES OF WORKING CAPITAL			
Operations			
Revenues over (under) expenses			\$ 1,105,067
NET INCREASE (DECREASE) IN WORKING CAPITAL			\$ 1,105,067
=====			
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL ITEMS			
	6/30/88	6/30/89	

Current Assets			
Cash	\$42,466	\$339,269	\$ 296,803
Short term investments	2,516,000	868,000	(1,630,000)
Receivables	6,544	468,403	461,859
Prepaid expenses	49	93	44
	-----	-----	
	2,565,059	1,683,765	
Current Liabilities			
Accounts payable	2,029,853	52,482	1,976,361
	-----	-----	
	2,029,853	52,482	
	-----	-----	
Working Capital	\$536,206	\$1,641,273	
	=====	=====	
NET INCREASE (DECREASE) IN WORKING CAPITAL			\$ 1,105,067
			=====

See accompanying notes to financial statements

CHINO BASIN WATERMASTER
NOTES TO FINANCIAL
STATEMENTS

June 30, 1989

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 87/88 interest revenue was allocated to the Appropriative Pool members based on the funds received in payment of the 87/88 assessments, resulting in a lower 88/89 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 88/89 have been made based upon 87/88 productions of:

Appropriative Pool	99,252.9 AF or	62.004%
Overlying Agricultural Pool	57,864.6 AF or	36.148%
Overlying Non-agricultural Pool	2,958.1 AF or	1.848%
	<hr/>	<hr/>
Total Production	160,075.6 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 transferred 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, 1989 proceeds from the sale and interest earned thereon totaled \$268,888.30.

NOTE 5 - REPLENISHMENT WATER DELIVERIES

The Watermaster assessed water producers to replenish 14,699.12 acre feet during fiscal 1988-89, based on fiscal 1987-88 production. Only 7,406.82 acre feet were replenished during the year, with the balance of 7,293.3 acre feet deferred at June 30, 1989, to be replenished in the 1989-90 fiscal year. The deferral was a result of a seasonal in-lieu storage program announced by Metropolitan Water District which would allow replenishment at a significantly reduced rate of \$115 per acre foot beginning in October, 1989. The favorable variance between the amount assessed and the actual purchase price will be applied to reduce fiscal 1989-90 assessments.

CHUD BASIN WATERBURY
COMBINED STATEMENT OF REVENUE, EXPENSES AND RELATED EARNINGS
For the Fiscal Year Ended June 30, 1958

Schedule J

	WATERMASTER ADMINISTRATION		CONSUMER OPERATIONS		POOL ADMINISTRATION AND SPECIAL PROJECTS		COMMUNITY APPROPRIATIVE AGRICULTURAL NON-AGRICULTURAL EDUCATIONAL		GRAND TOTAL		
	ADMINISTRATIVE	SPECIAL PROJECTS	POOL	REPLACEMENT	POOL	POOL	POOL	POOL	POOL	POOL	
REVENUES:											
Assessment income	44,186	1,770	45,970	0	1,133,262	4,242	1,462	159	1,133,262	0	
Replenishment water assessments	2,461	70	2,531	86	0	178	70	7	2,617	0	
Transfer of prior year interest to replacement assessments (Note 2)	1,134	0	1,134	5,272	0	(333)	2,338	81	8,762	0	
Administrative assessments	1,279	0	1,279	0	10,707	0	0	0	36,731	0	
Sale of water in storage (Note 4)	20,334	0	20,334	0	0	2,466	125	0	1,279	0	
Practical business revenue	2,466	0	2,466	0	0	0	0	0	32,940	0	
Interest revenue	65	0	65	0	0	67	0	0	2,615	0	
Total Revenues	0	0	0	70	2,886,221	71,561	10,572	1,510	110	2,377,536	0
EXPENSES:											
Replenishment water deliveries	44,186	1,770	45,970	0	1,133,262	4,242	1,462	159	1,133,262	0	
CHUD Electric, special burden & overheads	2,461	70	2,531	86	0	178	70	7	2,617	0	
Materials and supplies	1,134	0	1,134	5,272	0	(333)	2,338	81	8,762	0	
Contract labor and materials	1,279	0	1,279	0	10,707	0	0	0	36,731	0	
Profit fees	20,334	0	20,334	0	0	2,466	125	0	1,279	0	
Legal fees	2,466	0	2,466	0	0	0	0	0	32,940	0	
Printing expenses	65	0	65	0	0	67	0	0	2,615	0	
Other expenses	0	0	0	0	0	0	0	0	722	0	
Total Intermediate Administrative Expenses	92,623	1,240	93,860	0	0	4,425	(4,425)	1,559	0	0	
Allocation of Admin. Expenses to Funds (Note 2)	(92,623)	(1,240)	(93,860)	0	0	(4,425)	4,425	(1,559)	0	0	
Total Expenses	0	0	0	70	2,886,221	92,475	0	0	1,867	0	
NETS (NETS) SYSTEMS AND EXPENSES	0	0	0	0	0	(21,914)	10,572	(683)	110	1,195,047	
Retained Earnings at Beginning of Year	0	0	0	0	68,732	14,573	197,493	316,107	23,223	1,566	
Transfer of Pool Income	0	0	0	0	0	10,622	(30,853)	0	0	130,706	
Retained Earnings at End of Year	0	0	0	0	0	66,319	1,117,622	165,261	13,744	1,790	

See accompanying notes to financial statements

APPENDIX "M - 1"

APPROPRIATIVE POOL COMMITTEE
RESOLUTION 89-1

RESOLUTION OF THE APPROPRIATIVE POOL COMMITTEE
SETTING FORTH A PROCEDURE AND ACCEPTING THE
OFFER OF ASSISTANCE FROM THE ATTORNEY GENERAL
OF THE STATE OF CALIFORNIA TO USE ITS GOOD
OFFICES TO ENSURE COMPLIANCE WITH THOSE TERMS
OF THE CHINO BASIN ADJUDICATION JUDGMENT AND
WATERMASTER RULES AND REGULATIONS REQUIRING
INSTALLATION, MAINTENANCE, AND REPAIR OR
REPLACEMENT OF WATER MEASURING DEVICES

WHEREAS, the Judgment entered in Chino Basin M.W.D. v. City of Chino, et al., San Bernardino Superior Court No. 164327, and the Chino Basin Watermaster Rules and Regulations promulgated thereunder require the installation of water measuring devices and maintenance of such devices in good working order by all parties to the Judgment except those exempted therefrom as "minimal producers"; and

WHEREAS, members of the Appropriative Pool will be the beneficiaries of all waters not produced by the members of the Overlying (Agricultural) Pool pursuant to the terms of the aforesaid Judgment and Rules and Regulations; and

WHEREAS, the members of said Pools, by and through their respective pool committees, have undertaken to work together to ensure compliance with the said terms of the said Judgment and Rules and Regulations; and

WHEREAS, it has been brought to the attention of the members of the Appropriative Pool that certain water measuring devices are not now in proper operation condition; and

WHEREAS, the State of California, by and through the Attorney General of the State of California, is a member of the Overlying (Agricultural) Pool and its Committee; and

WHEREAS, the matter of enforcement of compliance with the provisions of the said Judgment and Rules and Regulations relative to water measuring devices has been discussed in the said Pool Committees; and

WHEREAS, it is the desire of the Appropriative Pool to install a program which will provide for a systematic means of enforcement of rules and regulations regarding installation, maintenance and repair or replacement of water measuring devices; and

APPENDIX "M - 2"

WHEREAS, the Attorney General of the State of California has offered the use of its good offices in an enforcement program regarding installation, maintenance, and repair or replacement of water measuring devices by members of the Overlying (Agricultural) Pool; and

WHEREAS, it is the desire of the Appropriative Pool Committee to accept the offer of services made by the Attorney General of the State of California, and incorporate the same into its program for enforcement of the requirements of the Judgment and Rules and Regulations relative to the installation, maintenance, and repair of replacement of water measuring devices,

NOW, THEREFORE, the Appropriative Pool Committee determines as follows:

1. It is the obligation of every member of the Appropriative Pool to report to the Chino Basin Watermaster Staff, any inoperative or malfunctioning water measuring device(s) of any party to the Judgment as soon as such information becomes known to such member.
2. Watermaster Staff is directed to undertake an investigation into such report and, upon determining that a party is not in compliance with the requirements of the Judgment and Rules and Regulations relative to installation, maintenance, and repair or replacement of water measuring devices, request that such non-complying party take such steps as may be necessary to bring the water measuring device(s) into compliance with said requirements. Such request shall be sent by Watermaster Staff to any non-complying party via certified mail, return receipt requested.
3. In the event a non-complying party in the Overlying (Agricultural) Pool fails to take such steps as may be necessary to bring such party into compliance with the requirements of the Judgment and Rules and Regulations relative to water measuring devices within thirty (30) days of request for remedial action by Watermaster Staff, Watermaster Staff shall forward to the Office of the Attorney General of the State of California a copy of Watermaster Staff's letter to such non-complying party requesting that remedial action be taken, along with a report of Watermaster Staff showing failure of the non-complying party to take the proper remedial measures, and requesting the aid of the Attorney General of the State of California to seek voluntary compliance by such non-complying party with the applicable requirements of the Judgment and Watermaster Rules and Regulations.
4. Sixty (60) days after transmittal of the Watermaster Staff letter and report referenced in Paragraph 3 hereof to the Attorney


APPENDIX "M - 3"

General of the State of California, Watermaster Staff shall investigate whether or not such non-complying party has made repairs pursuant to efforts made by the Attorney General of the State of California requesting voluntary compliance by such non-complying party. If Watermaster Staff determines that the non-complying party still has not taken the necessary steps to bring such party's water measuring device(s) into compliance with the requirements of the Judgment and Watermaster Rules and Regulations, Watermaster Staff is directed to report the same to the Advisory Committee at the Advisory Committee meeting next following such determination, along with a request of the Appropriative Pool that the Advisory Committee recommend to Watermaster that Watermaster Attorney be authorized to take such steps as may be necessary to compel compliance by such non-complying party.

ADOPTED this 11th day of May, 1989.


Chairman of the Appropriative
Pool Committee

ATTEST:


Secretary of the Appropriative
Pool Committee