

CHINO BASIN WATERMASTER
FOR
CHINO BASIN MUNICIPAL WATER DISTRICT
VS
CITY OF CHINO, ET. AL.
CASE NO. WCV 51010
(FORMERLY CASE NO. SCV 164327)

FOURTEENTH
ANNUAL REPORT
OF THE
CHINO BASIN WATERMASTER
FISCAL YEAR 1990-91

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MAY 1992

WATERMASTER

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



EDWIN D. JAMES

Watermaster Services

Telephone (714) 967-1712

July 1992

**TO: ALL ACTIVE AND CONCERNED PARTIES IN CHINO BASIN CASE NO. WCV 51010
(FORMERLY CASE NO. SCV 164327)**

Subject: Fourteenth Annual Report of Chino Basin Watermaster

This Fourteenth Annual Report of Watermaster activities is for your information. The Honorable Judge Charles S. Havens of San Bernardino West District Superior Court ordered acceptance of this report on July 7, 1992.

A brief summary of activities during this reporting period (July 1, 1990 through June 30, 1991) is as follows:

Total production from the Basin during 1990/91 was 140,151 acre feet, with production by Pool as follows:

	Appropriative Pool	Overlying (Agricultural) Pool	Overlying (Non-Agricultural) Pool	Totals
1990/91 Production	86,658.3 AF	48,085.3 AF	5,407.4 AF	140,151 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.

A total of 13,392.832 acre feet of rights were leased among the members of the Appropriative Pool.

A total of 3,290.7 acre feet of State Project Water was purchased from the Metropolitan Water District of Southern California during Fiscal Year 1990/91 to reduce the 30,344.485 acre feet of 1989/90 production in excess of Operating Safe Yield.

Watermaster's Cyclic Storage Account with Metropolitan Water District of Southern California increased by 504.7 acre feet during Fiscal Year 1990/91. The Cyclic Storage Account reflects a June 30, 1991 balance of 28,965.6 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 1990-91, Cucamonga County Water District and the City of Ontario exchanged 11,350.0 and 3,579.1 acre feet, respectively. A summary of Trust Storage Agreements is shown on Appendix "I-1" of this report.

Fiscal Year 90/91 marks the eighth 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 811.270 acre feet of Unallocated Safe Yield qualified under the land use conversion priority as a permanent transfer and the balance of 33,568.850 acre feet was transferred to offset the 1990-91 production all of which is shown on Appendix "D" of this report.

Local Storage Agreements were approved for West San Bernardino County water District and Mutual Water Company of Glen Avon Heights for 3,000 acre feet and 500 acre feet, respectively. A second Local Storage Agreement was approved for Swan Lake Mobile Home Park for 500 acre feet. There are now a total of 48 storage agreements which total 314,017.66 acre feet of potential storage water over the next five to ten years under the Judgment. At the close of Fiscal Year 1990/91, 159,188.131 acre feet of water remains in storage pursuant to the local storage agreements.

Assessments billed by Pool during 1990/91 for 1989/90 production are as follows:

Appropriative Pool	\$3,631,995.26
Overlying (Agricultural) Pool	0.00
Overlying (Non-Agricultural) Pool	130.53
	\$3,632,125.79

Due to the retirement of Don Peters during Fiscal Year 1991-92, a recap of most of the activities that occurred during Fiscal Year 1990/1991 were compiled by reviewing Minutes of the Pool Committees and Watermaster meetings. In order to have this annual report available for the April Pool Committee meetings, it was decided that it would follow the same format as the 13th Annual Report, reflecting events that occurred during Fiscal Year 1990/91.

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

Sincerely,

Edwin D. James

Edwin D. James, Chief
Watermaster Services

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FOURTEENTH ANNUAL REPORT OF THE 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. WCV 51010 (formerly Case No. SCV 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 Fourteenth Annual Report presents a view of Watermaster, Watermaster Advisory Committee and Pool Committee Activities and an accounting of water production for Fiscal Year 1990/91.

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." The Advisory Committee met regularly and had 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 Senate Bill 222.

Socio-economic, safe yield and other studies were conducted to provide information necessary to reach agreement about the allocation 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 have 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 the prior year's 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 is provided in the Judgment as Exhibit "A".

Mailing lists 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. One member of this pool, Los Serranos Country Club, pays a net replenishment assessment on that portion of its production (65%) that serves an area outside the groundwater basin boundaries.

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 six producers, Chino Basin Municipal Water District, Fontana Water Company, Marygold Mutual

Water Company, City of Pomona, 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 Appropriative 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
Bill Hill	Member
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:

November 7, 1990
February 6, 1991
June 5, 1991

A special meeting of Watermaster was held April 17, 1991 to address financial participation by Watermaster in the Chino Basin Groundwater Management Study.

Assessments levied by Watermaster on November 7, 1990 for overproduction during the 1989/90 production period, and for budgeted administrative and special project costs for 1990/91, 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: \$2.30823

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 \$83,183 was assumed by the Appropriative Pool computed at \$2.30823 per acre foot of water transferred (i.e., 36,037.600 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 Overlying (Agricultural) Pool Committee decided during Fiscal Year 1978/79 to purchase, and place in a local storage account, 2,000 acre feet of replenishment water to provide for a potential increase in production during the balance of the five (5) year period. Because production of the Agricultural pool continues to decline due to urbanization of farm land, it was decided during Fiscal Year 1987-88 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 \$115.00 (\$115.00 for replenishment water plus \$2.55 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 \$4.82897 and \$99.91750 per acre foot respectively. Each producer in this Pool was also assessed \$0.43210 per acre foot to cover the budgeted administrative and special project costs.

The City of Norco produced 2,835.1 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 "B", "C" 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 1990-91 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 5, 1991 to approve the 1991/92 Administrative Budget and a summary of this budget is attached as Appendix "C".

C) Spreading and monitoring of replenishment and Cyclic Storage Water under the agreement with the San Bernardino County Flood Control District continued during the period July 1, 1990 through June 30, 1991. Appendices "E" and "F" summarize these activities.

D) Redetermination of Safe Yield - On June 30, 1991, the Watermaster program marked its fourteenth 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. Watermaster has recommended no changes during this past fiscal year. 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) years notice of intent by Watermaster." Therefore, Watermaster hereby posts its ninth "Notice of Intent" which 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 1990/91, 26.0 acre feet of contaminated wastewater was removed and exported from the site. As of June 30, 1991, 133.7 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 1991-92.

Regular	Alternate
Glen E. Porter	Keith Gomez
Ralph Te Velde	Dick Dykstra
Hank Vander Poel	Fred Douma
Robert DeBerard	Tim Ochoa, Fred Hector CIW
Paul Hofer	Eugene Jackson / Richard Matamoros, YTS
*Gene Koopsan	Arian Van Lesuwan
*Nareus Richardson	Rep. Orange co. Water Dist.
*Roger Larkin	Gene Fitzgibbons CIW
*Marilyn Levin	State Attorney General
*George Kasbergen	Jeffrey L. Pierson

*Newly elected members for two year terms.

The following officers were duly nominated and elected:

Chairman	Robert DeBerard
Vice-Chairman	Gene Koopsan
Secretary	Don Peters, CBMWD
Treasurer	John Anderson, Treas. of CBMWD

Through June 30, 1991, four 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 1990/91 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	Rob Hartman, Kaiser Steel
Vice-Chairman	John Heiny, Sunkist Growers, Inc.
Secretary	Don Peters, Chief, WM Services
Treasurer	John Anderson, Treas. of CBMWD

Watermaster Advisory Committee representatives for this Pool are as follows:

Sunkist
Southern California Edison
Kaiser Steel

Through June 30, 1991, there was one meeting 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	Anthony Skvarek, City of Pomona
Vice-Chairman	Ira Pace, West San Bdn. Co. Wtr. District
Secretary	Don Peters, Chief, WM Services
Treasurer	John Anderson, Treas. of CBMWD

Through June 30, 1991, 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	Ralph Te Velde
1st Vice Chairman	So. California Edison Representative
2nd Vice Chairman	Tom Shollenberger, Cucamonga Co. Wtr. Dist.
Secretary	Don Peters, Chief, WM Services
Treasurer	John Anderson, Treas. of CBMWD

Regular meetings were scheduled for 12:00 noon on the third Thursday of each month having five (5) Wednesdays. The annual meeting was held January 17, 1991. The Advisory Committee conducted four (4) regular meetings and three (3) special 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 1990/91 totaled 13,392.832 acre feet. Individual lease agreements on forms approved by the Watermaster were as follows:

- (a) From: S.B. Co. Waterworks District No. 8
To: City of Chino 363.790 AF
- (b) From: S.B. Co. Waterworks District No. 8
To: Monte Vista Water District 675.610 AF
- (c) From: Fontana Union Water Company
To: Cucamonga County Water District 6,908.217 AF
- (d) From: Fontana Union Water Company
To: Fontana Water Company 3,645.215 AF
- (e) From: Santa Ana River Water Company
To: Jurupa Community Services District 1,800.000 AF

(2) Recapture of Water in Local Storage was initiated on forms approved by Watermaster. Cucamonga County Water District recaptured 11,350.000 acre feet of water in storage to offset its 1990/91 water exchange with The Metropolitan Water District of Southern California.

(3) Unqualified Audit Opinion and Audit Report to the Chino Basin Watermaster from Reardon & McCallum, Certified Public Accountants, for the period ending June 30, 1990, 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 1990/91. 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, 1991 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 State Project Water.

(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 efficiently 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, 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.

(d) (Task Order 84-1A) Groundwater Monitoring Program was initiated during Fiscal Year 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. This work has established the ground rules and criteria for a long term groundwater monitoring program. 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 includes 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 the West San Bernardino County Water District for 3,000 acre feet, and Mutual Water Company of Glen Avon Heights for 500 acre feet. A second Local Storage Agreement was entered into by Swan Lake Mobile Home Park for 500 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 diligently sought an amicable resolution outside of State Board or Court review.

It has been determined that if such "new water" is measurable, Fontana's claim is valid. Conversely, however, results of such flow measurements could show a loss of water for basin recharge as a result of urban development of acreage use for basin recharge. The City of Fontana could therefore be held responsible to purchase supplemental State Project Water to replace such lost water. Based on the facts, the City of Fontana withdrew their application to appropriate water from the San Sevaine Creek.

(11) 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.

A hearing was held on March 1, 1989 in Dept. 11, Superior Court of San Bernardino, before the Honorable Don A. Turner, Judge, and on July 31, 1989, Judge Turner issued the Final Statement of Decision and Order regarding the matter.

Although the court found no fault with the Watermaster Program or as its being administered, the Court did recommend that an effort be made to develop an Optimum Basin Management Plan. To this end, Watermaster has assisted with the formation of a five agency basin management task force. Participating members of the task force are Chino Basin Municipal Water District, Western Municipal Water District of Riverside County, Santa Ana Watershed Planning Authority (SAWPA), Metropolitan Water District of Southern California (MWD), and the twenty-one members of the Watermaster Advisory Committee. On January 23, 1990, the inaugural meeting of the Chino Basin Management Task Force was held and the following officers were elected.

Chairman: Tom Homan, General Manager, CBWWD
Vice-Chairman: Don Harriger, General Manager, WWWD
Secretary/Treasurer: Neil Cline, General Manager, SAWPA

James M. Montgomery Consulting Engineers (JMM) was selected to develop a scope of work and work plan. In July of 1990, JMM presented the results of the work plan, and recommended that the study be performed in three phases. Phase 1 would identify water resources management objectives and constraints. Phase 2 would develop a five grid groundwater model and various management plan alternatives. Phase 3 would take the recommended management plan and develop a detailed cost analysis.

(12) 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 the preliminary review dictated that a more definitive study was required. Input from each member of the Appropriative Pool was solicited from which a detailed Request for Proposal was generated. The Appropriative Pool received several proposals and selected James M. Montgomery Consulting Engineers to conduct the study.

APPENDIX "A - 1"

OVERLYING (AGRICULTURAL) POOL COMMITTEE

Regular members and alternates for Fiscal Year 1990-91. *Newly elected members for two year term.

REGULAR

*Mr. Glen Porter
S.B. Co. Dept. of Airports
7000 Merrill Ave., Box 1
Chino, CA 91710

*Mr. Ralph Te Velde
14744 Archibald Avenue
Chino, CA 91710

*Mr. Roger Larkin, CIM
4395 Roosevelt Street
Chino, CA 91710

*Mr. Robert DeBerard
P.O. Box 1223
Upland, CA 91785

*Mr. Paul Hofer
11248 S. Turner Avenue
Ontario, CA 91761

Mr. Gene Koopman
13898 S. Archibald Avenue
Ontario, CA 91761

Mr. Nereus Richardson
Orange Co. Water District
P.O. Box 8300
Fountain Valley, CA 92728-8300

Mr. Hank Vander Poel
8787 Pine Avenue
Chino, CA 91710

Mrs. Marilyn Levin
Deputy Attorney General
300 S. Spring, 11 North Tower
Los Angeles, CA 90013

ALTERNATE

Mr. Keith Gomes
Milke Producers Council
13545 Euclid Avenue
Ontario, CA 91761

Mr. Dick Dykstra
10129 Schaefer Avenue
Ontario, CA 91761

Mr. Fred Douma
14350 Cleveland
Ontario, CA 91761

Mr. Tim Ochoa/Fred Hector, CIW
Post Office Box 6000
Corona, CA 91718-6000

Mr. Eugene Jackson, YTS
P.O. Box 800
Ontario, CA 91761

Gene Fitzgibbons
14901 Central Avenue
Chino, CA 91710

Representative
Orange Co. Water District
P.O. Box 8300
Fountain Valley, CA 92728-8300

Mr. Arlan Van Leeuwen
6829 Pine Avenue
Chino, CA 91710

Representative
State Attorney General's Office
300 S. Spring, 11 North Tower
Los Angeles, CA 90013

APPENDIX "A - 2"
1990-1991 OVERLYING (NON-AGRICULTURAL) POOL COMMITTEE

Ameron / Tamco
ATTN: Mel Lager
12459 Arrow Highway
Post Office Box 325
Rancho Cucamonga, CA 91739
(714) 899-1723

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

Swan Lake
ATTN: David W. Starnes
5800 Hamner Avenue
Mira Loma, CA 91752
(714) 685-7044

Kaiser Steel Company
ATTN: Rob Hartman
8300 Utica Avenue, Suite 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: Tom Campbell
10735 Kadota
Pomona, CA 91769
(714) 629-9776

San Bdn. Co. Aviation Div.
ATTN: Glen Porter
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) 899-7291

Southern Service Co.
ATTN: Howard Dickson
300 Ranger
Brea, CA 92621
(714) 579-0909

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

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

APPENDIX "A - 3"

1990-1991 APPROPRIATIVE POOL COMMITTEE

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

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

Fontana Union Water Company
ATTN: Hooite Ruggie
Post Office Box 309
Fontana, CA 92335
(714) 822-7970

Fontana Water Company
ATTN: Mike McGraw
Post Office Box 987
Fontana, CA 92334
(714) 822-2201

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

Marygold Mutual Water Company
ATTN: Bill Stafford
9715 Alder
Bloomington, CA 92316
(714) 877-0516

Monte Vista Water District
ATTN: Robert Thompson
Post Office Box 71
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: Harold Cantrell
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 Skvarek
Post Office Box 660
Pomona, CA 91786
(714) 620-2231

San Antonio Water Company
ATTN: Emily Bolechowski
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

Southern Calif. Water Co.
ATTN: Tom Bunosky
Post Office Box 9016
San Dimas, CA 91773
(714) 394-3661

APPENDIX "A - 3"

APPROPRIATIVE POOL COMMITTEE (Continued)

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

West End Consolidated Water Co.
ATTN: Emily Bolachowski
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
89/90	101,344 (4)	48,420	4,856	154,620
90/91	86,658 (5)	48,085	5,407	140,150

(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.

(4) Does not include 16,377.1 acre feet exchanged with MWD.

(5) Does not include 14,929.1 acre feet exchanged with MWD.

CLAMBUCKEN

CHINA BASIN WATERMASTER

BUDGET 1991-92
SUMMARY OF ADMINISTRATIVE BUDGETS

	APPROPRIATIVE POOL		AGRICULTURAL POOL		OPERATIVE AGRICULTURAL POOL		NON-AGRICULTURAL POOL	SE222 FUNDS
	AMOUNT	PER ACRE FOOT	AMOUNT	PER ACRE FOOT	AMOUNT	PER ACRE FOOT		
TOTALS	152,412.4	100,128.7	65,494.1	44,975.0	30,421.8	5,308.9	3,483.8	Not Applicable
Estimated 90/91 Production								
GENERAL ADMINISTRATION:								
Joint Watermaster-Advisory Committee*	874,000	949,141	823,954			82,405		
Peak Administration	23,970	11,925	9,600			3,345		
Total Administrative Budgets	90,770	40,166	90,409	32,654	90,495	5,950	81,120.8	
SPECIAL PROJECTS: (Notes - Pages 18-20)								
Water Installation*	2,500	1,642	771			87		819,275
Groundwater Monitoring Program	19,275	0	0			0		
Meter Testing Program	20,440	1,495	25,600			1,365		
Safe Yield Study	1,500	0	0			0		1,500
Socio-Economic Study	61,600	40,449	10,904			2,144		
China Basin Groundwater Task Force	12,275	8,044	19,579			420		
Total Special Project	125,610	51,470	64,926	1,382.6	1,382.6	4,826	9,783.5	20,775
TOTAL ADMIN. AND SPECIAL PROJECTS	224,380	111,836	1,1469	97,590	2,0775	9,976	1,8792	20,775
ZSA Operating Revenue	54,882	27,959	0,2792	24,390	0,5194	2,494	0,4498	
ADMINISTRATIVE COSTS TO BE ASSESSED*	5279,232	139,795	1,3961	121,900	2,5969	12,170	2,3409	20,775
Projected Carry Forward from 90/91		(204,025)	(2,0376)	0	0,0000	(10,550)	(1,9072)	(114,024)
90/91 Interest Revenue		0	0,0000	0	0,0000	0	0,0000	0
(Revenue) or Expense from Meter Transfers		121,900	1,2183	(121,900)	(2,5969)	0	0,0000	0
ESTIMATED 90/91 ADMINISTRATIVE ASSESSMENTS or (CARRY-OVER)		\$57,750	0,5745	90	0,0000	91,920	0,5417	(892,251)

* Total Costs will be allocated to Pools by 90/91 actual production percentages.
NOTE: All allocations have been rounded, this may have an insignificant impact on the extensions of the per acre foot costs.

appendix

APPENDIX "D"

SUMMARY OF UNALLOCATED SAFE YIELD TRANSFERS FOR FISCAL YEAR 1990-1991

	Land Use First 50% (Ac.Ft.)	Conversions Remain, 50% (Ac.Ft.)	Balance Available (Ac.Ft.)	Total Transfer (Ac.Ft.)
Chino Basin Municipal Water Dist.		0.000	0.000	0.000
Chino, City of	198,235	27,149	2,246,792	2,470,176
Cucamonga County Water District		26,775	2,215,807	2,242,582
Fontana Union Water Company		47,320	3,916,042	3,963,362
Fontana Water Company		0.000	0.000	0.000
Jurupa Community Services Dist.		11,785	975,313	987,098
Los Serranos Country Club	0.000	0.000	0.000	0.000
Maygold Mutual Water Company		4,848	401,181	406,029
Monte Vista Water District		30,687	2,539,590	2,570,277
Monte Vista Irrigation Co.		5,008	414,308	419,314
Mut. Water Co. of Glen Avon Hts.		3,462	286,491	289,953
Norco, City of		1,491	123,385	124,876
Ontario, City of	209,400	84,138	6,982,797	7,256,517
Pomona, City of		82,969	6,866,274	6,949,243
San Antonio Water Co.		11,147	922,507	933,654
San Bdn. Co. Prado Tiro		0.000	0.000	0.000
San Bdn. Co. Waterworks No. 8		23,306	1,928,913	1,952,221
Santa Ana River Water Co.		9,627	796,693	806,320
Southern California Water Co.		3,044	251,903	254,947
Upland, City of		21,101	1,746,222	1,767,323
West End Consol. Water Co.		7,011	580,185	587,196
West San Bdn. Co. Water Dist.		4,766	394,447	399,213
	406,635	406,634	33,568,850	34,380,301

APPENDIX "D"

appendix

APPENDIX "E"

SUMMARY OF MWD DELIVERIES (CASH FLOW) YEAR ENDED JUNE 30, 1991

MONTH	City of Pomona (1)		City of Chino(2)		Monte Vista Water Dist.(2)		City of Ontario(2)		Waterworks Dist. No. 812		So. Cal. Edison Co.		City of Upland(2)		Cucamonga Co. Water Dist.		Other	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.		
July 1990	622	99	0	370	0	920	0	1362	920	0	0	184	1212	2021	2816	21	11,407	
August	636	59	0	361	0	730	0	1783	850	0	0	181	1160	0	2818	24	8,702	
September	695	54	0	355	0	601	0	1633	622	0	0	194	1128	0	2654	24	8,660	
October	533	30	0	370	0	764	0	1784	750	0	0	121	854	0	2494	24	7,724	
November	505	27	0	381	0	707	0	1450	593	0	0	83	573	0	266	10	4,977	
December	414	18	0	371	0	594	0	1358	433	6	0	59	169	2037	0	7	5,466	
January '91	241	5	0	366	0	533	0	1310	318	3	0	40	13	1796	0	3	4,628	
February	29	4	0	134	0	230	0	354	148	2	0	0	68	1464	0	10	2,463	
March	34	2	0	140	0	0	250	385	235	8	10	0	114	529	0	0	1,747	
April	207	3	0	173	0	70	256	350	369	3	123	0	170	1130	0	2	2,818	
May	301	3	0	175	0	239	0	423	441	5	0	0	273	1485	0	0	3,345	
June	178	5	0	221	0	312	0	700	635	12	0	0	415	1537	0	4	4,019	
	4,395	269	0	3,397	0	5,860	538	13,092	8,634	36	133	862	6,169	12,899	11,360	129	65,846	

1 Figures shown reflect amount used over the Ohio Bank; i.e., 83.82%.

2 Amounts taken through CB-12 connection reflect corrected meter readings provided by MWD for the period July 1990 through March 1991.

APPENDIX "E-1"

GROUNDWATER REPLENISHMENT DELIVERIES
(ACRE FEET)
YEAR ENDED JUNE 30, 1991

<u>MONTH</u>	<u>SAN SEVAINE</u>	<u>QC-52</u>	<u>CB-1</u>	<u>DAY</u>	<u>ETIWANDA</u>	<u>TOTAL</u>
July 1990	0	0	0	0	0	0
August	0	0	0	0	0	0
September	0	0	0	0	0	0
October	0	1,987.6	0	296.7	641.7	0
November	0	0	0	178.4	0	0
December	0	0	0	0	0	0
January 1991	0	0	0	0	0	0
February	0	0	0	0	0	0
March	0	0	0	0	0	0
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>
TOTAL	0	1,987.6	0	475.1	828.0	0

Total replenishment for 90-91: 3,290.7 Acre Feet

APPENDIX "F"

CHINO BASIN WATERMASTER

SUMMARY OF CYCLIC STORAGE DELIVERIES
YEAR ENDED JUNE 30, 1991*
(Acre Feet)

<u>Month</u>	<u>OC-59</u>	<u>San Sevaine</u>	<u>Day Creek Basin</u>	<u>Ktiwanda</u>	<u>Total</u>
July 1990	-0-	-0-	-0-	-0-	-0-
August	-0-	-0-	-0-	-0-	-0-
September	-0-	-0-	129.2	373.5	-0-
October	-0-	-0-	-0-	-0-	-0-
November	-0-	-0-	-0-	-0-	-0-
December	-0-	-0-	-0-	-0-	-0-
January 1991	-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-	129.2	373.5	-0-

BALANCE OF CYCLIC STORAGE ACCOUNT AS OF JUNE 30, 1991....28,965.6 ACRE FEET

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

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

YEAR ENDED JUNE 1991

	OTHER BASINS	SURFACE DIVERIONS	OTHER IMPORTED SURFACE DIVERIONS	RECLAIMED WATER
Cucamonga County ⁽¹⁾ Water District	7,200	4,268		
Fontana Union Water Company	9,007	4,170		
Marygold Mutual Water Company			907	
MWD of Southern California			69,639 ⁽⁴⁾	
Ontario, City of ⁽²⁾				587
Pomona, City of ⁽³⁾		769		188
San Antonio Water Company	7,029	5,883		
San Bernardino ⁽²⁾ County				1,204
Upland, City of				224
West End Consolidated Water Company	2,032			
West San Bernardino Co. Water District	5,589			
Sub-Total	30,857	15,090	70,546	2,203
TOTAL		116,493		

- (1) Includes water used over Cucamonga Basin
- (2) Reclaimed Water - For the record only, not a part of Other Imported Supplies.
- (3) Figures shown for City of Pomona reflect that amount used within the Chino Basin; i.e., 53.824
- (4) Includes total MWD water delivered to CBMWD service area as shown on Appendix E, and groundwater replenishment deliveries of 3,290 acre-feet, and cyclic storage deliveries of 502 acre-feet.

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	128,167	272,165
89/90	154,620	139,004	293,624
90/91	140,151	116,493	256,644

*Includes water used over Cucamonga Basin

APPENDIX "I"
 LOCAL STORAGE STATUS
 JULY 1, 1991

AGENCY	DATE OF AGREEMENT	AMOUNT OF AGREEMENT	AMOUNT IN STORAGE
AMERON #6	3/30/83	100.00 AF	100.000 AF
AMERON #6.1	4/06/88	500.00 AF	509.922 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
CONROCK #1.2	2/07/90	1,589.22 AF	953.532 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	20,000.000 AF
CUCAMONGA CO. W.D. #10.3	6/07/89	50,000.00 AF	1,042.782 AF
FONTANA UNION W.C. #2	7/30/80	31,500.00 AF	0.000 AF
FONTANA UNION W.C. #2.1	4/06/88	31,500.00 AF	0.000 AF
KAISER STEEL #9	5/30/84	15,000.00 AF	15,000.000 AF
KAISER STEEL #9.1	10/07/87	15,000.00 AF	3,337.154 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	1,449.413 AF
MONTE VISTA IRRIG. CO. #17	5/07/89	500.00 AF	500.000 AF
MONTE VISTA IRRIG. CO. #17.1	6/06/90	2,500.00 AF	1,605.033 AF
MUT WC OF GLEN AVON HTS. #26	6/05/91	500.00 AF	108.204 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	13,000.000 AF
POMONA, CITY OF #15.2	6/06/90	10,000.00 AF	15,823.403 AF
SAN ANTONIO W.C. #3	8/15/80	2,500.00 AF	2,500.000 AF
SAN ANTONIO W.C. #3.1	11/05/86	2,500.00 AF	2,500.000 AF
SAN ANTONIO W.C. #3.2	4/06/88	10,000.00 AF	7,031.711 AF
S.B.CO. AVIATION DIV #5	3/31/82	400.00 AF	118.120 AF
S.B.CO.W.W. DIST. NO. 8 #18	5/07/86	2,400.00 AF	2,400.000 AF
S.B.CO.W.W. DIST. NO. 8 #18.1	4/06/88	15,000.00 AF	12,773.376 AF
SANTA ANA RIVER W.C. #20	5/06/87	1,500.00 AF	271.977 AF
SO. CAL. EDISON #14	6/05/85	500.00 AF	500.000 AF
SO. CAL. EDISON #14.1	4/06/88	5,000.00 AF	1,363.792 AF
SO. CAL. WATER #23	12/07/88	500.00 AF	250.050 AF
SOUTHERN SVC. CO. #22	4/06/88	100.00 AF	9.190 AF

APPENDIX "I" (continued)

SPACE CENTER MIRA LOMA #4	3/31/82	100.00 AF	100.000 AF
SPACE CENTER MIRA LOMA #4.1	11/05/86	200.00 AF	106.873 AF
SUNKIST GROWERS INC. #7	3/30/83	2,500.00 AF	2,500.000 AF
SUNKIST GROWERS INC. #7.1	11/05/86	5,000.00 AF	3,041.824 AF
SWAN LAKE #21	5/06/87	300.00 AF	300.000 AF
SWAN LAKE #21.1	6/05/91	500.00 AF	102.160 AF
UNION CARBIDE-LINDE #8	3/30/83	150.00 AF	150.000 AF
UNION CARBIDE-LINDE #8.1	11/05/86	2,000.00 AF	2,000.000 AF
UNION CARBIDE-LINDE #8.2	4/06/89	3,000.00 AF	1,338.106 AF
UPLAND, CITY OF #24	4/05/89	1,000.00 AF	1,000.000 AF
UPLAND, CITY OF #24.1	6/06/90	8,000.00 AF	4,960.678 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	6,734.284 AF
WEST SAN SBNO CO WTR DIST #25	2/06/91	<u>3,000.00 AF</u>	<u>452.780 AF</u>
		314,017.66 AF	159,188.131 AF

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 1990-1991
(ACRE FEET)

<u>ASSIGNOR</u>	<u>YEAR OF EXCHANGE</u>	<u>AMOUNT OF EXCHANGE</u>	<u>TOTAL AMOUNT YEAR TO DATE</u>
Cucamonga County Water District	1987/88	3,033.9	3,033.9
City of Ontario	1987/88	4,640.4	4,640.4
Cucamonga County Water District	1988/89	5,064.9	8,098.8
City of Ontario	1988/89	1,359.6	6,000.0
Cucamonga County Water District	1989/90	11,501.2	19,600.0
City of Ontario	1989/90	4,875.9	10,875.9
CCWD	1990/91	11,350.0	30,950.0
City of Ontario	1990/91	3,579.1	14,454.2
TOTAL AMOUNT HELD IN TRUST BY WATERMASTER FOR METROPOLITAN WATER DISTRICT			45,404.2 ACRE FEET

APPENDIX "J"

LIST OF INTERVENTIONS AND ASSIGNMENTS

INTERVENOR

INACTIVE PARTY

There were no interventions during
Fiscal Year 1990/91

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, 1991, 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 (now known as Case No. 51010) (Exhibit I, Paragraph 2b, Page 80).

Approved by the
Watermaster Advisory Committee

By

 6.2.92
Ralph Tevelde, Chairman

CHINO BASIN WATERMASTER

By


Dwight French, Chairman

ATTEST:

By


John L. Anderson, Secretary

APPENDIX "L"

**CHINO BASIN WATERMASTER
Annual Financial Report
JUNE 30, 1991**

APPENDIX "L-1"

CHINO BASIN WATERMASTER
BOARD OF DIRECTORS, EXECUTIVE STAFF, AND CONSULTANTS
JUNE 30, 1991 AND 1990

WATERMASTER MEMBERS

MEMBER	OFFICE
Dwight F. French	Chairman
George A. Borba	Vice-Chairman
John L. Anderson	Secretary/Treasurer
Anne W. Dunihue	Member
Bill M. Hill	Member

STAFF

Don Peters	Chief of Watermaster Services
Richard A. Teichert	Controller

CONSULTANTS

Reardon & Associates, Certified Public Accountants	Auditors
Guido R. Smith, Attorney At Law	Legal Counsel

APPENDIX "L-2"

CHINO BASIN WATERMASTER
ANNUAL FINANCIAL REPORT
YEARS ENDED JUNE 30, 1991 AND 1990

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Notes to Financial Statements	5
SCHEDULE	
Independent Auditors' Report on Additional Information . .	8
Combining Schedule of Revenue, Expenses, and Retained Earnings	9

Reardon & Associates

Certified Public Accountants

American Institute of Certified Public Accountants — Private Companies Practice Section
California Society of Certified Public Accountants

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A. Kay Brown, C.P.A.
Kelly K. McMenamy, C.P.A.
Michael J. Richmond, C.P.A.
Shama Menon, C.P.A.

INDEPENDENT AUDITORS' 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, 1991 and 1990 and for the years 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, 1991 and 1990 and the results of its operations and cash flows for the years then ended in conformity with generally accepted accounting principles.

Reardon & Associates

Upland, California
August 27, 1991

APPENDIX "L-4"

CHINO BASIN WATERMASTER
COMPARATIVE BALANCE SHEET
June 30, 1991 and 1990

Exhibit 1

	1991	1990
ASSETS		

CURRENT ASSETS:		
Cash in bank	\$51,597	\$118,861
Time certificates of deposit	4,046,000	821,000
Accounts receivable - trade	450,041	0
Assessments receivable	693,880	0
Interest receivable	34,823	0
Prepaid office supplies	479	358
Deferred charges	16,454	0
TOTAL CURRENT ASSETS	\$5,293,274	\$940,219
	-----	-----
LIABILITIES AND RETAINED EARNINGS		

CURRENT LIABILITIES:		
Accounts payable	\$31,699	\$18,546
MWD water conservation program	16,454	0
TOTAL CURRENT LIABILITIES	48,153	18,546
RETAINED EARNINGS		
Reserved for Watermaster activities	5,245,121	921,673
TOTAL LIABILITIES AND RETAINED EARNINGS	\$5,293,274	\$940,219
	-----	-----

See accompanying notes to financial statements

APPENDIX "L-5"

CHINO BASIN WATERMASTER
 STATEMENT OF REVENUE, EXPENSES AND RETAINED EARNINGS
 For the Fiscal Years Ended June 30, 1991 and 1990

Exhibit 2

	-----FISCAL 1990/1991-----		VARIANCE-	FISCAL
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	1989/1990
REVENUE:				
Assessment revenue				
Replenishment water assessments	\$2,269,653	\$3,498,001	\$1,248,348	\$2,119,654
Administrative assessments	220,776	134,130	(86,646)	130,046
Miscellaneous revenue	0	975,041	975,041	0
Interest revenue	75,235	192,793	117,558	210,430
Total Revenue	2,545,664	4,799,965	2,254,301	2,459,930
EXPENSES:				
CBM&D Services Contract				
Salaries, payroll burden & overheads	82,675	55,730	26,945	55,769
Materials and supplies	250	218	32	27
Printing and mailing	725	2,526	(1,801)	236
Other expenses	7,025	2,272	4,753	2,333
General and administrative	3,866	3,386	480	2,001
Total CBM&D Services Contract	94,541	64,132	30,409	60,366
Replenishment water deliveries	2,247,100	361,977	1,885,123	3,060,898
Printing and mailing	2,545	641	1,904	2,083
Contract labor and materials	53,440	23,975	29,465	6,800
Audit fees	2,300	3,011	(511)	2,273
Legal fees	38,000	0	38,000	14,506
Engineering fees	26,500	20,031	6,469	30,261
Meeting compensation	2,300	2,750	(450)	2,025
Other direct expenses	600	0	600	316
Total Expenses	2,447,526	476,517	1,991,009	3,179,530
EXCESS (DEFICIT) REVENUE OVER EXPENSES	78,138	4,323,448	4,245,310	(719,600)
RETAINED EARNINGS AT BEGINNING OF YEAR	921,673	921,673	0	1,641,273
RETAINED EARNINGS AT END OF YEAR	\$999,811	\$5,245,121	\$4,245,310	\$921,673

See accompanying notes to financial statements

APPENDIX "L-6"

CHINO BASIN WATERMASTER
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 1991 AND 1990

EXHIBIT 3

	1991	1990
	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$2,938,251	\$2,713,076
Cash received from suppliers	525,000	0
Cash paid for goods and services	(463,485)	(3,213,741)
	-----	-----
Net Cash Provided (Used) by Operating Activities	2,999,766	(500,665)
	-----	-----
CASH FLOW FROM INVESTING ACTIVITIES		
Net (increase) decrease in TCDs	(3,225,000)	65,000
Interest on investments	157,970	215,257
	-----	-----
Net Cash Provided (Used) by Investing Activities	(3,067,030)	280,257
	-----	-----
NET INCREASE (DECREASE) IN CASH	(67,264)	(220,408)
CASH, BEGINNING	118,861	339,269
	-----	-----
CASH, ENDING	\$51,597	\$118,861
	-----	-----

See accompanying notes to financial statements

APPENDIX "L-7"

CHINO BASIN WATERMASTER
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1991

1. Organization and Significant Accounting Policies

Organization:

The Chino Basin Watermaster was established under the Judgement 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 Judgement for accounting and operations was July 1, 1977.

Pursuant to the Judgement, the Chino Basin Municipal Water District (CBMWD) five (5) member Board of Directors is appointed "Watermaster", responsible for implementing the terms of the Judgement. Three (3) committees were formed: (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. The three pools acting together form the "Advisory Committee", which serves to make recommendations for formal action to the Chino Basin Watermaster.

Basis of Accounting:

The accounts of the Chino Basin Watermaster are maintained on the accrual basis and are reported as a single enterprise. Separate accounting records are maintained to segregate the Watermaster activities, as required under the Judgement and the rules and regulations of the Watermaster and each Pool (see Schedule 1). Investments are stated at cost, which approximates market.

Cash, Deposits, Short-Term and Pooled Investments:

State statutes and the Watermaster's investment policy authorize the Watermaster to invest in obligations of the U.S. Treasury and other U.S. agencies, banker's acceptances, commercial paper rated A-1 by Standard and Poor's Corporation or P-1 by Moody's Commercial Paper Records, Certificates of Deposit with Financial Institutions having an operating branch within the Watermaster, Repurchase Agreements, and the state treasurer's investment pool.

The Watermaster's investments are categorized to give an indication of the level of risk assumed at year end by the following three categories:

APPENDIX "L-8"

CHINO BASIN WATERMASTER
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1991

Category 1:

- o Includes deposits insured or collateralized with securities held by the Watermaster or its agent in the Watermaster's name.
- o Includes investments that are insured or registered or for which the securities are held by the Watermaster or its agent in Watermaster's name.

Category 2:

- o Includes deposits with collateralized securities held by the pledging financial institution's trust department or agent in Watermaster's name.
- o Includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the Watermaster's name.

CATEGORY 3:

- o Includes uncollateralized deposits or deposits with collateralized securities held by the financial institution or its agent, but not in the Watermaster's name.
- o Includes uninsured and unregistered investments for which securities are held by the broker or dealer or by its trust department or agent but not in the Watermaster's name.

	<u>Category</u>			<u>Carrying amount</u>	<u>Market value</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
Cash	\$ 51,597	-	\$ -	\$ 51,597	\$ 51,597
Certificates of deposit	-	-	4,046,000	4,046,000	4,046,000
	-----	-----	-----	-----	-----
	\$ 51,597	-	\$ 4,046,000	4,097,597	4,097,597
	-----	-----	-----	-----	-----
Total				\$ 4,097,597	\$ 4,097,597
				-----	-----

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 reduce the total current assessment due from those members. Fiscal 1990/91 interest revenue was allocated to the Appropriative Pool members based on the funds received in payment of the 1990/91 assessments, resulting in a reduction of the 1991/92 assessment and a subsequent transfer of funds from the Appropriative Pool to Groundwater Replenishment.

APPENDIX "L-9"

CHINO BASIN WATERMASTER
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1991

3. Allocation of Watermaster Administration Expenses to Pools

Except for the cost of administering conjunctive/cyclic use agreements, Watermaster administration expenses are allocated to the pools based on the prior year production volume (or the same percentage used to set the annual assessments). Allocations for Fiscal 1990/91 expenses are based on the 1989/90 production volume:

Appropriative Pool	117,721.0	68.844t
Overlying Agricultural Pool	48,419.7	28.316t
Overlying Non-Agricultural Pool	<u>4,856.2</u>	<u>2.840t</u>
TOTAL PRODUCTION	170,996.9	100.000t

4. AGRICULTURAL POOL ASSESSMENTS

The Agricultural Pool members ratified an agreement with the Appropriative Pool at the meeting of June 16, 1988. The agreement required the Appropriative Pool to assume all future Agricultural Pool administrative expenses, including special project allocations. In return, the Agricultural Pool transferred all pool administrative reserves at June 30, 1988 (\$59,851) 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 held and invested by the Watermaster Treasurer for future use as determined by the Agricultural Pool members. At June 30, 1991, the proceeds from the sale and interest earned totaled \$318,553.

5. REPLENISHMENT WATER DELIVERIES

The Watermaster assessed water producers to replenish 30,344.5 acre feet during fiscal 1990-91, based on fiscal 1989-90 production. Only 502.7 acre feet were replenished during the year, with the balance of 30,847.2 acre feet deferred at June 30, 1991 to be replenished in the 1991-92 fiscal year. The deferral was a result of a water conservation program adopted by Metropolitan Water District (MWD) in response to the fifth year of drought experienced during 1990-91 fiscal year. As a part of the water conservation program, MWD would not provide imported water supplies for groundwater replenishment.

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INDEPENDENT AUDITORS' REPORT ON ADDITIONAL INFORMATION

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

Our report on our audit of the basic financial statements of Chino Basin Watermaster for the years ended June 30, 1991 and 1990, appears earlier. That audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining schedule of revenue, expenses and retained earnings for the year ended June 30, 1991, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Reardon & Associates

Upland, California
August 27, 1991

CHINA MAIN WATERMASTER
COMBINING SCHEDULE OF REVENUE, EXPENSES AND RETAINED EARNINGS
for the fiscal year ended June 30, 1991

	WATERMASTER ADMINISTRATION		GROUNDWATER OPERATIONS		POOL ADMINISTRATION AND SPECIAL PROJECTS		GRAND TOTAL
	SPECIAL PROJECTS	TOTAL	2022 REVENUE	2022 REVENUE	APPROXIMATE NON-AGRICULTURAL NON-POOL	APPROXIMATE NON-AGRICULTURAL EMERGENCY FUNDS	
REVENUES:							
Assessment Revenue				33,496,001			33,496,001
Replenishment water assessments			68,999	(166,999)			
Transfer of prior year interest to				124,076			
Replenishment assessments			975,041		60		975,041
Administrative assessments			10,298		1,418		11,716
Miscellaneous revenue				158,337	22,411		180,748
Interest revenue					22,411		22,411
Total Revenue	0	0	0	4,552,339	22,411	1,478	4,775,228
EXPENSES:							
Replenishment water deliv./year	41,392	4,181	1,252	361,977	4,189	351	423,142
CMWD general & overheads	2,154	240	72		238	21	2,605
Materials and supplies	2,588	2,588			108	27	3,103
Contract labor and materials	0	20,000	20,031	3,975	642		24,648
Audit fees	3,011	3,011					6,022
Legal fees	0	0					0
Heating compensation	2,350	2,350			400		2,750
Other expenses	1,964	1,964			328		2,292
Total Watermaster Administration Expenses	31,821	24,421			5,403	2,222	39,447
Allocation of Admin. Expenses to Pools	(31,821)	(24,421)			(5,403)		
Total Expenses	0	0	21,355	365,952	66,509	2,421	475,837
EXCESS (DEFICIT) REVENUE OVER EXPENSES	0	0	(21,355)	4,186,387	137,019	22,411	4,323,466
Retained Earnings at Beginning of Year	0	0	161,751	319,472	356,307	12,122	829,652
Retained Earnings at End of Year	0	0	\$ 120,396	\$ 4,505,859	\$ 287,326	\$ 318,533	\$ 5,245,121

See accompanying notes to financial statements