

Minutes
CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING

September 22, 2005

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, California, on September 22, 2005 at 9:00 a.m.

ADVISORY COMMITTEE MEMBERS PRESENT

Appropriative Pool

Ken Jeske, Chair	City of Ontario
Robert DeLoach	Cucamonga Valley Water District
Rich Atwater	Inland Empire Utilities Agency
Gerald J. Black	Fontana Union Water Company
Mike McGraw	Fontana Water Company
Charles Moorrees	San Antonio Water Company
Rosemary Hoerning	City of Upland
Dave Crosley	City of Chino
Bill Stafford	Marygold Mutual Water Company
Kevin Sin	City of Pomona
Mark Kinsey	Monte Vista Water District

Agricultural Pool

Nathan deBoom	Milk Producers Council
John Huitsing	Dairy
Pete Hettinga	Dairy

Non-Agricultural Pool

Justin Scott-Coe	Vulcan Materials Company (Calmat Division)
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Watermaster Staff Present

Kenneth R. Manning	Chief Executive Officer
Sheri Rojo	CFO/Asst. General Manager
Gordon Treweek	Project Engineer
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

Watermaster Consultants Present

Michael Fife	Hatch & Parent
Mark Wildermuth	Wildermuth Environmental Inc.

Others Present

Steven G. Lee	Agricultural Pool Legal Counsel
Terry Catlin	Inland Empire Utilities Agency
Martha Davis	Inland Empire Utilities Agency
Henry Pepper	City of Pomona
Josephine Johnson	Monte Vista Water District
Rick Hansen	Three Valleys Municipal Water District
Randy Crawford	Scuba Duba
Charlie Anderson	Scuba Duba
Scott Crawford	Scuba Duba

The Advisory Committee meeting was called to order by Chair Jeske at 9:10 a.m.

AGENDA - ADDITIONS/REORDER

There were no additions or reorders made to the agenda.

I. CONSENT CALENDAR**A. MINUTES**

1. Minutes of the Advisory Committee meeting held August 25, 2005

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of August 2005
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2005 through July 31, 2005
3. Treasurer's Report of Financial Affairs for the Period July 1, 2005 through July 31, 2005
4. Profit & Loss Budget vs. Actual July 2005

C. WATER TRANSACTION

1. **Consider Approval for Transaction of Notice of Sale or Transfer** – The City of Upland has agreed to purchase from the West End Consolidated Water Company water in storage in the amount of 14,425 acre-feet; Date of Application: August 1, 2005
2. **Consider Approval for Transaction of Notice of Sale or Transfer** – The transfer of Monte Vista Irrigation Company's FY 2005-06 Annual Production Rights to the Monte Vista Water District. The total quantity of water to be transferred is estimated at 1,050 acre-feet; Date of Application: July 20, 2005
3. **Consider Approval for Transaction of Notice of Sale or Transfer** – The City of Ontario has agreed to purchase from the City of Upland a portion of Upland's water in storage in the amount of 16,000 acre-feet; Date of Application: August 1, 2005

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

Moved to approve Consent Calendar Items A through C, as presented

II. BUSINESS ITEMS**A. PRELIMINARY ANALYSIS OF MATERIAL PHYSICAL INJURY**

Mr. Manning stated that when a party is going to recharge water, it is necessary to go through Material Physical Injury. Inland Empire Utilities Agency sent a letter to Chino Basin Watermaster in 2004 asking for the analysis to be done; that request was forwarded to Wildermuth Environmental Inc. for review. Included in the meeting package is a copy of Wildermuth's finding report. Mr. Wildermuth stated that a presentation was given at the Pool meetings regarding this item and inquired if this committee wanted to see that presentation at this meeting. The Advisory Committee waived seeing the presentation. Mr. Wildermuth stated that nothing has changed since the presentation was given to the Pools. Chair Jeske inquired if the action being sought out today was to receive and file only. Mr. Manning stated that is what staff is seeking for a motion. Mr. Atwater added comment that IEUA has a meeting with the Department of Health Services (DHS) on Monday and there is a tentative meeting scheduled to have a public hearing with DHS on October 26, 2005. Mr. Atwater noted that in this second phase report, staff is contemplating that the permit with the Regional Water Quality Control Board and the findings of fact from the DHS would be identical to Phase I. A question regarding Material Physical Injury for some Pomona wells was presented. Mr. Wildermuth stated that DHS criteria was used as the primary criteria and even though it shows this recycled water contribution in excess of 20%, that does not mean there is a Material Physical Injury; it means to comply with the draft regulations, the recycled quality of water being recharged would have to be improved. A discussion ensued with regard to the quality of recharge water.

Motion by Crosley, second by DeLoach, and by unanimous vote

Moved to receive and file the analysis of material physical injury, as presented

B. MOTION TO SCHEDULE HEARING TO RE-APPOINT BOARD

Counsel Fife reviewed the chronology for this item and stated the Appropriative Pool considered the motion the Board had directed counsel to prepare, requesting an extension of the nine member board. Rather than action being taken on that motion, the Appropriative Pool requested the Board to consider directing counsel to draft a different motion, asking for an extension and a hearing date in early 2006. In the meeting package on page 13 there is a copy of the minutes for a special board meeting that was held last week via conference call. The Board took this request from the Appropriative Pool and directed counsel to draft the pleading that is presented in the meeting packet; that pleading requests the court to set a hearing for reappointment of the Board. The court is willing to put that hearing on February 9, 2005; the motion specifically requests a hearing on February 9, 2005 and further requests that the term of the Board be extended until February 9, 2005. On the back table there is a larger set of documents regarding this motion; the material in the meeting packet has identical essence. Staff is asking for a motion to file this motion; there is an Ex-Parte hearing scheduled for this afternoon at 1:30 p.m. If this committee directs counsel to file this motion, it would be filed today. A discussion ensued with regard to noticing the special board meeting. Counsel Fife stated this was a special closed meeting, it was not noticed except to the Board members; as our rules specify, we try and always comply with the Brown Act, however, given the special nature of these circumstances it was understood that the action that was taken would be fully agendaized for consideration at this meeting. Mr. deBoom noted that this special board meeting took the Agricultural Pool members by surprise and that during the Agricultural Pool meeting, a closed caucus was called to order where Mr. Hofer and Counsel Lee offered commentary.

Motion by DeLoach, second by Black, and by unanimous vote

Moved to recommend requesting the Board to have their attorney file this motion, as presented

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. Attorney-Manager**

Counsel Fife stated the Attorney-Manager process continues and all parties feel good progress has been achieved. Counsel Slater will be giving a full report at the Watermaster Board meeting today on the progress that has been made and noted this report will be given in closed session.

B. CEO/STAFF REPORT**1. Wet Basin Maintenance Presentation**

Mr. Manning stated that the strategies within the Chino Basin need to be looked at far enough in advance for us to be prepared to deal with them. One of those strategies is for basins that are going to be used for reclaimed water; those basins are possibly going to be kept wet 365 days a year which presents a maintenance problem. The problem arises because the same basins that are going to be used for reclaimed are also used for imported and storm flow. In recognition that there are going to be maintenance issues for our basins, a strategy for wet basin clean up needs to be researched. Scuba Duba is one of the companies that has performed a wet basin demonstration test for the Chino Basin Watermaster and has since modified their equipment to possibly accommodate cleaning out the basins while still wet. They are here today to present their findings. Mr. Treweek will present the other explored options first in a report regarding basin desilting. Mr. Treweek presented the basin desilting options that he investigated which are as follows: 1) Dry, Scrape and Haul, 2) Semi-submersible, 3) Diver Controlled Vacuum, 4) Cable-controlled Barge, and 5) Tracked submersible Vehicle. Mr. Treweek presented the advantages and disadvantages of each of these options along with a comparison in capital costs, O&M costs, and annual costs. A discussion ensued with regard to these options. Mr. Anderson gave a presentation on the continuous recharging of basins throughout the year by using the system that Scuba Duba developed specifically for

particular basins needs. The system that Scuba Duba uses is an Automated Hydraulic Basin Cleaning System which has been modified for our specific recharge basin needs. A detailed review of the research and design accomplishments which were specific to the Chino Basin project was presented. Mr. Manning stated that the reason this item is being brought forth today is because staff is hoping to foster some discussions over the next few months to get an idea as to where we should go with this idea; or if it should be abandoned if there is no interest. Mr. Manning inquired that if the Pools, Advisory Committee, and Board feel the technologies that we are investigating have some value to us in the future. Mr. Manning stated that staff will be investigating over the next few months if there are other agencies who would be interested in participating in this study and in this investigation. A discussion ensued and questions were presented to the staff at Scuba Duba.

2. Water Quality Update

Mr. Manning stated there was a meeting held on the clean up and abatement orders in Ontario at the offices of the Regional Water Quality Control Board in Riverside; all parties mentioned as PRP's were in attendance. At that meeting the Regional Board presented a good case as to why those six PRP's should be included in the suit, following that presentation Mr. Wildermuth gave a presentation on costs for clean up. Mr. Thibeault requested that the parties reconvene in approximately 30-45 days where the negotiations would begin; that meeting has now been scheduled for October 11, 2005. Since that meeting Mr. Manning has been in touch with staff at the Desalter Authority to keep them apprised because one of the solutions being presented would be the inclusion of the Desalter Authority.

3. Legislative Update

Mr. Manning noted that Martha Davis from Inland Empire Utilities Agency (IEUA) will provide an update for this item under IEUA's section Legislative Highlights.

4. Water Activity Report/Assessment Calendar

Ms. Rojo stated that staff was waiting to receive comments back regarding the Water Activity Report, however, to date no comments have been received and due to that lack of comment staff is assuming that all parties have agreed with the new formatting. The Water Activity Reports will be mailed out early next week to the appropriators and staff is asking for a signature that you agree with the numbers that are represented in the report. Following that schedule, an Assessment Package Workshop will be scheduled in the middle/end of October for inclusion of the package in the November meeting packet. A discussion ensued with regard to the Water Activity report in relation to the Assessment Package.

5. Status of MZ1 Supplemental Water Deliveries

Mr. Manning stated that as a result of the Peace II discussions, there was an agreement to supply 32,500 acre-feet of water into the MZ1 area over a five year period. At the end of the five years we had not quite reached that goal, however, as of today we have crossed over and have delivered 32,596.3 acre-feet into MZ1 – the commitment has now been fulfilled.

C. INLAND EMPIRE UTILITIES AGENCY

1. MWD Status Report – Richard Atwater

Mr. Atwater stated that Rick Hansen and he attended the Member Agency Managers Meeting which was held at Inland Empire Utilities Agency last Friday and noted they had good conversations at that meeting about emergency connections on the Azusa Pipeline and the issues concerning the Rialto Pipeline. At another meeting for the Northern Group Meeting, Director Tim Brick suggested that more focus be placed on groundwater storage in

Southern California. Mr. Hansen spoke on some cost sharing ideas for the emergency connections.

2. Urban Water Management Plan – Martha Davis

Ms. Davis noted that the plans for the Urban Water Management are due at the end of December. Another draft of the Regional Plan the first week of October and the goal is to have this adopted by the IEUA board in November. Inland Empire Utilities Agency is assisting the Water Facilities Authority and the Chino Basin Desalter Authority to help prepare their plans.

3. Legislative Highlights – Martha Davis

Ms. Davis noted the legislative year came to a close the first week of September. One of the bills that are being followed for the Chino Basin is SB 820 (Kuehl). In terms of issues coming up for next year are water quality bills particularly bills that focuses on perchlorate are going to be a big topic of discussion. Staff will want to work closely with the Water Quality Committee to obtain guidance on policy issues related to that legislation. The other area that will have great attention paid is issues related to energy. Phase II rate increases are being looked at by all energy servers. We need to have input on how we are going to have some control over our energy future and figuring out how we can maximize our efficiency of our energy usage. Ms. Davis reviewed several projects for water efficiency in correlation to funding issues. In a meeting at SAWPA it was noted that SAWPA is talking about organizing another tour of the whole watershed; no dates have been set for that tour. Ms. Davis stated that HR 177 (Miller) which authorizes additional funding for desalters in the Prado Basin has been cleared to move out of the subcommittee on the house side and will hopefully be moving next week – this is very good news. Staff will want to sit down with other agencies and discuss the congressional agenda for next year. Mr. Manning reviewed several other bills that were presented in favor of water issues this past year. The SB 376 (Soto), the Three Valley's bill was chaptered and signed by the governor which is good news for Three Valleys Municipal Water District.

4. Salinity Reduction

Ms. Davis stated that this report is an update to an earlier presentation given several months ago. The report being presented is a Salinity Reduction Study which is a collaborative resource project. Ms. Davis stressed the importance of keeping salt (total dissolved solids) as low as possible in recycled water. The IEUA Salinity Management Plan is to reduce introduction of salts into wastewater treatment systems from all sources. It was noted that residential water softeners contribute salts to wastewater systems and there is a great need to develop salinity reduction programs for residential customers. The purpose and hypothesis for the Salinity Reduction Study was reviewed in detail. Ms. Davis reviewed several sampling results in the Chino residential area. The Salinity Reduction Programs have several main goals such as; creating awareness, invoke a sense of urgency about the situation, create a passion, and to provide "thank you" and rebates for resident participation. There is a "Pinch the Salt" outreach program in place right now which addresses the public by a direct mail campaign, has a web site for review, and solicits water softener owners to participate in in-home water softener assessments. The results from the "Pinch the Salt" campaign were reviewed in detail and it was noted that the program increased collaboration. There were salinity reduction studies schedule for Salinity Characterization, Demographic Profiling, Salinity Reduction Programs, and Evaluations scheduled through 2005.

5. FY 2004/05 Water Production Report

No comment was made regarding this item.

6. FY 2004/05 Water Conservation Activities Report

No comment was made regarding this item.

- 7. State/Federal Legislation Reports
No comment was made regarding this item.

- 8. Community Outreach/Public Relations Report
No comment was made regarding this item.

D. OTHER METROPOLITAN MEMBER AGENCY REPORTS

Mr. Hansen thanked all parties for their support on SB 376; especially Cucamonga Valley Water District and Inland Empire Utilities Agency who actually wrote Three Valleys support letters. Mr. Hansen spoke on an increase on property tax bills. Mr. Hansen encouraged this group who began efforts in Washington DC to show a unified front in the Chino Basin area that we are all working together for regional value and regional benefit.

IV. INFORMATION

- 1. Newspaper Articles
No comment was made regarding this item.

V. COMMITTEE MEMBER COMMENTS

No comment was made regarding this item.

VI. OTHER BUSINESS

No comment was made regarding this item.

VII. FUTURE MEETINGS

September 20, 2005	9:00 a.m.	GRCC Meeting
September 22, 2005	9:00 a.m.	Advisory Committee Meeting
September 22, 2005	11:00 a.m.	Watermaster Board Meeting
October 13, 2005	9:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
October 18, 2005	9:00 a.m.	Agricultural Pool Meeting @ IEUA
October 27, 2005	9:00 a.m.	Advisory Committee Meeting
October 27, 2005	11:00 a.m.	Watermaster Board Meeting

The Advisory Committee Meeting Adjourned at 10:46 a.m.

Secretary: _____

Minutes Approved: October 27, 2005