

Minutes
CHINO BASIN WATERMASTER
ANNUAL ADVISORY COMMITTEE MEETING

January 26, 2006

The Annual Advisory Committee meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, California, on January 26, 2006 at 9:00 a.m.

ADVISORY COMMITTEE MEMBERS PRESENT

Agricultural Pool

Nathan deBoom, 2006 Chair

Bob Feenstra

Jeff Pierson

Milk Producers Counsel

Ag Pool/Dairy

Ag Pool/Crops

Appropriative Pool

Ken Jeske

Robert DeLoach

Rich Atwater

Gerald J. Black

Mike McGraw

Rosemary Hoerning

Dave Crosley

Raul Garibay

Mike Maestas

Eunice Ulloa

J. Arnold Rodriguez

Mark Kinsey

Charles Moorrees

Bill Stafford

City of Ontario

Cucamonga Valley Water District

Inland Empire Utilities Agency

Fontana Union Water Company

Fontana Water Company

City of Upland

City of Chino

City of Pomona

City of Chino Hills

Chino Basin Water Conservation District

Santa Ana River Water Company

Monte Vista Water District

Santa Ana Water Company

Marygold Mutual Water Company

Non-Agricultural Pool

Justin Scott-Coe

Vulcan Materials Company (Calmat Division)

Watermaster Board Members Present

Ken Willis

West End Consolidated Water Company

Watermaster Staff Present

Kenneth R. Manning

Gordon Treweek

Danielle Maurizio

Sherri Lynne Molino

Chief Executive Officer

Project Engineer

Senior Engineer

Recording Secretary

Watermaster Consultants Present

Scott Slater

Michael Fife

Mark Wildermuth

Hatch & Parent

Hatch & Parent

Wildermuth Environmental Inc.

Others Present

Bill Kruger

Terry Catlin

Justin Brokaw

Dean Martin

Henry Pepper

Paul Deutsch

Chris Diggs

City of Chino Hills

Inland Empire Utilities Agency

Marygold Mutual Water Company

Inland Empire Utilities Agency

City of Pomona

Geomatrix/GE

Fontana Water Company

Steven G. Lee
Martha Davis
Rick Rees

Ag Pool Legal Counsel
Inland Empire Utilities Agency
California CIM/DOS

The Advisory Committee meeting was called to order by Chair deBoom at 9:00 a.m.

AGENDA - ADDITIONS/REORDER

There were no additions or reorders made to the agenda.

I. INTRODUCTIONS OF THE ADVISORY COMMITTEE OFFICERS, CALENDAR YEAR 2006

<u>Nathan deBoom</u>	Chair	(Agricultural Pool)
<u>Ken Jeske</u>	Vice-Chair	(Appropriative Pool)
<u>Bob Bowcock</u>	Second Vice-Chair	(Non-Agricultural Pool)
<u>Ken Manning</u>	Secretary/Treasurer	(Chief Executive Officer)

II. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Advisory Committee Meeting held December 15, 2005

B. CHINO BASIN WATERMASTER INVESTMENT POLICY

Resolution 06-01 - Resolution of the Chino Basin Watermaster, San Bernardino County, California, re-authorizing the Watermaster's Investment Policy

C. LOCAL AGENCY INVESTMENT FUND

Resolution 06-02 – Resolution Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF)

D. ASSESSMENTS

Resolution 06-03 – Resolution of the Chino Basin Watermaster Levying Replenishment and Administrative Assessments for Fiscal Year 2005-2006

E. NOTICE OF INTENT

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

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

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

III. BUSINESS ITEMS

A. PROPOSAL FOR PROFESSIONAL ENGINEERING SUPPORT SERVICES FOR THE CHINO BASIN FACILITIES IMPROVEMENT PROJECT

Mr. Manning stated Watermaster is in the process of working with our partners in the development of a number of improvements to the recharge facilities that have been improved over the last few years. One item that is going to be looked at is the area of earthen berms, the other area that we need assistance in is the area of Department of Safety of Dams in analyzing how staff can work with Flood Control and the Department of Safety of Dams to make sure we are maximizing the length of the time the water stays within the basins. Staff is seeking to hire a consultant to assist in these areas. The contract presented is for \$10,000 dollars and Mr. Manning noted he has a limit to sign contracts up to \$9,999.99. Mr. Manning stated even if this was not over his signatory limit it is important to bring these types of items to the Advisory and Watermaster Board for approval and understanding. Chair deBoom inquired as the length of the service this contract will hold and it was noted it is an on-going contract. Staff is seeking approval to forward this contract to the Board.

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

Moved to approve the proposal to secure a professional engineering support service (Stantec) for the Chino Basin Facilities Improvement Project, as presented

B. BASIN OPERATIONS MANUAL

Mr. Manning stated the County Flood Control Department is looking for two things to occur before they will feel comfortable in relinquishing control of the basins during flood events and during non-flood events. The Operations Manual is one of those two items; the other was the introduction of operations of the SCADA system. The operations of SCADA are complete enough for them to feel comfortable that we can operate the basins from remote locations and not have a problem in a storm event. The Operations Manual is before the Advisory Committee now and has gone through the Pools with unanimous support; however a request from the Conservation District to change the motion that would be made to the Advisory Committee to change to motion to a receive and file rather than approve. The reason for this change is that they and we feel this is a document that will have a number of changes to it over the next few years as we operate and use it – making it a fluid document. Since there are policy statements contained in the Operations Manual, staff feels it important to review it periodically with the Watermaster. A brief discussion ensued with regard to the manual and its review process.

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

Moved to approve to Receive and File the Basin Operations Manual, as presented

C. MONTE VISTA WATER DISTRICT APPLICATION TO RECHARGE

Mr. Manning stated Watermaster received on November 1, 2005 an application from Monte Vista Water District (MVWD) for recharging 3,500 acre-feet of State Water Project water into four of their wells as in injection program. Staff understands this program that MVWD is undertaking is consistent with the goals and objectives of Watermaster and because of the application and the nature of it. If it is required that Watermaster perform analysis of material physical injury. It was sent to Wildermuth Environmental for that analysis; the summary of that analysis is included in the meeting packet. Wildermuth Environmental has come to the conclusion that there is no material physical injury. Watermaster is excited about this opportunity, it is a chance for staff to learn about the injection process and how it might be applied elsewhere in the basin. Mr. Jeske inquired if this was partially covered financially by grant money and district money and it was noted the financial aspect will be covered by both grant and district monies. Mr. Jeske stated at the Appropriative Pool meeting there was a discussion on this item regarding the permit options and noted it was supported at that meeting and stated they were looking forward to seeing how the process works.

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

Moved to approve the Monte Vista Water District's application to recharge a maximum of 3,500 acre-feet/yr of treated State Water Project water by injection at its wells 1, 4, 30 and 32 subject to entering into an agreement with the Watermaster and Inland Empire Utilities Agency whereby MVWD's recharge would be covered in the Watermaster/IEUA permit for the recharge of imported and recycled water and to have the permitting process come through the Watermaster process, as presented

IV. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Board Reappointment Motion

At the Watermaster Board meeting the original pleading for the reappointment of the nine member board was approved with a small conditionality relating to the creation of a Watermaster Governance Committee and was subsequently filed with the court. Counsel Fife stated the Special Referee has filed a report of comments on Watermaster's motion for reappointment which was filed two weeks prior. The Special Referee's comments are available on the back table. Since this document was just received a few days ago, Watermaster counsel has not had time to get formal direction from the Board as to how we should respond to the report. In anticipation of the Watermaster Board meeting today,

counsel has started to draft a response and a copy of that draft response is on the back table for review. Counsel has not received notice to draft this response and it was prepared to begin discussions at the Board meeting today. This item will be discussed at the Watermaster Board meeting today and if any party is interested in this item, they are recommended to attend that meeting. It was asked if an extension of time to review the Special Referee's comments is going to be filed due to time constraints. Counsel Fife stated an extension has not been filed and again noted council has not received input from any parties on the approach to take. Proposing more time is an alternate suggestion that will be presented to the Board as opposed to filing the draft response in haste. Mr. Jeske stated what is contained in the Special Referee's Report are not new topics, they are topics which have been discussed over the last period of ten years, so for the record, to get a report within a matter of days of a scheduled court hearing from the Special Referee with a four day turn-around time for comment and it is a highly inappropriate action by a Special Referee. Mr. Jeske noted he suggests that his comment be injected into the response filed with the court and strongly supports asking for more time to respond properly to the report. Mr. DeLoach stated that he agrees with the statements made by Mr. Jeske and noted that the Special Referee's comments requires a well thought out response. Mr. DeLoach stated that based on the nature of the Special Referee's filing, we are really left with very few options of how to respond. The Board may or may not be adequately equipped to respond due to the two new board members being seated on the board today. As Mr. Jeske noted the Special Referee has placed several new items that were not previously on the table and agencies can only comment on what was written in a separate motion to the court. Mr. DeLoach offered comment on the history of the appointing of the Special Referee. Mr. DeLoach stated the Special Referees' report paints a bleak picture of the millions of dollars that have been paid by every party to the Judgment to make the advances and improvements that we have made to date. Cucamonga Valley Water District would like to see, at a minimum, the Board request an extension of time to allow parties adequate time to prepare a formal response. Mr. Jeske noted that our responses should present a level of consistency and stated that he felt we all live in the best managed water basin in the world. A discussion ensued with regard to possible workshops and processes that will be created by the Special Referee's comments and requests. Counsel Fife stated that it sounds like the unified message from the Advisory Committee to the Board is to ask the Board to request more time to respond. It was noted by the committee members that assumption was correct and that the comments stated today need to be forwarded to the Watermaster Board this afternoon.

2. Peace II Process

Counsel Fife stated counsel and Wildermuth Environmental continues to prepare the responses to the questions that were put forward in the two workshops and it is anticipated those responses will be complete shortly. After the responses are presented, it will be decided what steps are needed in moving the process forward to completion. It was asked if there is a time frame for incorporating the responses into the term sheet. Counsel Fife stated the responses to the questions are to be presented within the next few weeks; after that it will be a matter of checking in with the parties to decide what, if anything needs to be done to the term sheet.

B. ENGINEERS REPORT

Mr. Manning noted the first item on the CEO/Staff Report section is the Engineers Report section which will become a regular agendized item from now on. This will give our engineers a chance to keep the parties up to date on technical activities. Mr. Wildermuth stated that he is diligently working on the Peace II Technical Report which is formulated out of the questions and comments received at the workshops, emails, and conversations. It is anticipated the report will be complete soon. Mr. Wildermuth stated that last summer Wildermuth Environmental completed its analysis of the accumulative effect of transfers and the balance of recharge and discharge, which needs to be done every two years on odd years. This will be brought through the Watermaster process for approval.

C. CEO/STAFF REPORT1. Ontario International Airport Data Request

Mr. Manning offered comment on the history of the Ontario International Airports Potentially Responsible Parties (PRP's) issue. In July, the Regional Water Quality Control Board (RWQCB) sent six PRP's draft clean up and abatement orders on the Ontario International Airport plume. There have been two subsequent meetings held with those PRP's; the first meeting was an introduction meeting where information was shared about the evidence that led those organizations to be at the table and the second meeting was to discuss potential solutions. Staff was pleased with the PRP's reactions at the meetings, it was thought by discussions at the second meeting that the PRP's had held individual meetings prior to the main meeting. At the last meeting they did make a request to Watermaster to supply them with data that the RWQCB and others were relying on that would show that they were in fact responsible for the pollution. Much of that data was in our agricultural well area which required special authorization from the Agricultural Pool to seek well release information. Staff has not received 100% of the release cards to date; however, enough were received in a wide enough area to move forward with the PRP's request of data. Mr. Jeske stated this will not be a short process in just looking at the time lines for gathering information and meeting with the Regional Board; there will be plenty of time to keep the Watermaster parties apprised of the happenings. Mr. Jeske inquired into the well owners that refused to allow the release of data. Mr. Manning stated he would need to go back to the Agricultural Pool for a request to release any data and noted that it be best if Mr. Jeske spoke to chair deBoom directly. It was noted several wells are in areas under construction presently.

3. Water Activity Update

Mr. Manning stated we have experienced one storm this season and along with that storm Watermaster is doing some recharge of State Water Project water off the Metropolitan delivery system. Mr. Treweek noted last year was the first year that we had most CBFIP facilities in place which recharged about 18,000 acre-feet of storm water and approximately 12,000 acre-feet of imported water for a total around 30,000 acre-feet. This year Watermaster set a goal of approximately 50,000 acre-feet consisting of 20,000 acre-feet of storm water, 28,000 acre-feet of imported water, and 3,000 acre-feet of recycled water; this is an ambitious goal. As for the six month report, approximately 1,000 acre-feet of recycled water, 3,000 acre-feet of storm water, and 16,000 acre-feet of imported water for a total of approximately 20,000 acre-feet has been recharged within the first six months of this year. We are looking to capture over the remaining six months about 30,000 acre-feet; a good portion of that amount will be imported water unless the storms pick up. Mr. Manning stated during the next several months staff will keep the parties apprised of all water activities. It was noted that it would be helpful that when staff is discussing water activity that it be made known which basins are receiving the water.

D. INLAND EMPIRE UTILITIES AGENCY1. MWD Status Report – Richard Atwater

Mr. Atwater stated there is good news with regards to the Rialto Pipeline emergency interconnects with the San Gabriel Valley Municipal Water Districts – Inland Empire Utilities Agency (IEUA) is on schedule with the agreements. IEUA will be working with several parties on the design and construction of those connections. With regard to the Rialto Pipeline, Metropolitan is in the process of procuring 96" isolation valves – there is a long lead time for those.

On February 14, 2006 the Metropolitan Board will be holding a public hearing on a rate increase – this increase will not affect the Chino Basin area. Mr. Atwater stated that included in the meeting packet is the IEUA December news letter on the Chino Basin Facilities Improvement Project and noted that almost all the work on the Phase I has

been completed. Mr. Manning noted that in February staff will be having a discussion to go over the items that are included in the Phase II improvements.

2. Recycled Water Status Report – Rich Atwater

Mr. Atwater stated the goal for recycled water for the fiscal year will be about 3,000 acre-feet of recharge. In about a month or so we will start to recharge recycled water in the Turner Basin. In working with the county we would like to have more basins accessible for recharge. This figure will be more than doubled next year once all the improvements have been made. Overall with regard to recycled water from July through December IEUA has delivered about 6,500 acre-feet of recycled water which is what was done for all of last year; there are some new users being hooked up this spring. The expectation for this year is approximately 14,000 acre-feet of recycled water and then next year will we will exceed to serve 20,000 acre-feet.

3. Water Bond Update – Martha Davis

Mr. Atwater spoke briefly on the water bond issue and noted the update for this issue was made available in the meeting packet. Mr. Atwater noted an important point on this issue is the water bond package which included a water fee or water tax and wants Southern California to speak with one voice regarding this issue. A meeting regarding this is scheduled at IEUA next week and Mr. Atwater welcomes all interested parties to attend and to be involved. We need to work together and have a common message on this issue. In speaking with Mr. Manning we have asked our legislative parties to organize a legislative briefing for our members of the legislature on February 16, 2006 – any and all are invited to participate in that meeting. It will be an informative meeting to give our perspective of that component of infrastructure on water and how it could affect our area. It is also a good time to discuss the great things that are happening in the Chino Basin.

4. Monthly Water Conservation Programs Report

No comment was made regarding this item.

5. Quarterly Planning and Water Resources Report

No comment was made regarding this item.

6. Chino Basin Facilities Improvement Project Report

No comment was made regarding this item.

7. State/Federal Legislation Reports

No comment was made regarding this item.

8. Public Relations Report

No comment was made regarding this item.

E. OTHER METROPOLITAN MEMBER AGENCY REPORTS

No comment was made regarding this item.

V. INFORMATION

1. Newspaper Articles

No comment was made regarding this item.

2. NWRA Election Results

No comment was made regarding this item.

3. AGWA Hydrologic, Environmental and Legislative Challenges to Southern California's Present and Future Managed Aquifer Recharge Programs Monday, February 6, 2006

No comment was made regarding this item.

- 4. Integrated Resource Management Business Disclosure
No comment was made regarding this item.

VI. COMMITTEE MEMBER COMMENTS
No comment was made regarding this item.

VII. OTHER BUSINESS
No comment was made regarding this item.

VIII. FUTURE MEETINGS

January 25, 2006	1:00 p.m.	MZ1 Technical Committee Meeting
January 26, 2006	9:00 a.m.	Annual Advisory Committee Meeting
January 26, 2006	11:00 a.m.	Annual Watermaster Board Meeting
February 9, 2006	9:00 a.m.	Joint Appropriative & Non-Ag Pool Meeting
February 21, 2006	9:00 a.m.	Agricultural Pool Meeting @ IEUA
February 23, 2006	9:00 a.m.	Advisory Committee Meeting
February 23, 2006	11:00 a.m.	Watermaster Board Meeting

The Annual Advisory Committee Meeting Adjourned at 9:55 a.m.

Secretary: _____

Minutes Approved: February 23, 2006