

**Minutes**  
**CHINO BASIN WATERMASTER**  
**ADVISORY COMMITTEE MEETING**

*June 28, 2007*

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga CA, on June 28, 2007 at 9:00 a.m.

**ADVISORY COMMITTEE MEMBERS PRESENT**

**Appropriative Pool**

Ken Jeske, Chair	City of Ontario
Raul Garibay	City of Pomona
Dave Crosley	City of Chino
Anthony La	City of Upland
Marty Zvirbulis	Cucamonga Valley Water District
J. Arnold Rodriguez	Santa Ana River Water Company
Mark Kinsey	Monte Vista Water District
Bill Kruger	City of Chino Hills
Robert Young	Fontana Union Water Company

**Non-Agricultural Pool**

Bob Bowcock	Vulcan Materials Company (Calmat Division)
-------------	--

**Agricultural Pool**

Bob Feenstra	Agricultural Pool, Dairy
--------------	--------------------------

**Watermaster Board Members Present**

Sandra Rose	Monte Vista Water District
-------------	----------------------------

**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
Ryan Drake	Hatch & Parent
Andy Malone	Wildermuth Environmental Inc.

**Others Present**

Gary Meyerhofer	Carollo Engineering
Mike Maestas	City of Chino Hills
Martha Davis	Inland Empire Utilities Agency
Rich Atwater	Inland Empire Utilities Agency
Jennifer Novak	State of California
Jason Weiner	State of California
Mohamed El-Amamy	City of Ontario
Rosemary Hoerning	City of Upland

Chair Jeske called the Advisory Committee meeting to order at 9:09 a.m.

**AGENDA - ADDITIONS/REORDER**

Mr. Manning stated the MZ1 Technical Committee met this morning and that committee made a few minor changes to the Business Item A, MZ1 Long Term Plan. Those changes will be presented today under Business Items.

**I. CONSENT CALENDAR****A. MINUTES**

1. Minutes of the Advisory Committee Meeting held May 24, 2007

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of May 2007
2. Watermaster Visa Check Detail
3. Combining Schedule for the Period July 1, 2006 through April 30, 2007
4. Treasurer's Report of Financial Affairs for the Period April 1, 2007 through April 30, 2007
5. Profit & Loss Budget vs. Actual July 2006 through April 2007

**C. WATER TRANSACTION**

1. Consider Approval for Notice of Sale or Transfer – The City of Upland has agreed to purchase from West End Consolidated Water Company a portion of West End's water in storage in the amount of 3,800 acre-feet. The 85/15 rule does not apply and a recapture plan has not been completed as Upland intends to immediately sell 10,000 acre-feet of water in storage to the Fontana Water Company. Date of application: April 11, 2007

*Motion by Feenstra, second by Garibay, and by unanimous vote*

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

**II. BUSINESS ITEMS****A. MZ1 LONG TERM PLAN AND MZ1 PLEADING**

Counsel Fife stated there are a few changes on the MZ1 Long Term Plan that were recommended by the MZ1 Technical Committee which met this morning regarding this item. There was a typographical error on the staff report in the meeting packet. The staff letter has been revised and that revised copy is what is being presented today. Counsel Fife stated the MZ1 Long Term Plan was presented to the Pools and was approved at those meetings with the caveat that there may be some proposed minor changes from both the City of Chino and Monte Vista Water District. The Appropiative Pool directed that another MZ1 Technical Committee meeting be held to consider those changes. Staff, counsel, and the MZ1 Technical Committee did meet this morning at 8:00 a.m. and considered the proposed changes. Those changes were included in the copy of the MZ1 Long Term Plan in the packet. At the meeting this morning there were a few additional changes. Counsel Fife stated the first change is on page 2-3 of the plan and page 57 in the agenda package. The change is with regard to the proposal to consider an injection project by the MZ1 Technical Committee. The change will now read, "*The Technical Committee will develop a scope and a budget for the proposed project by April 2008.*" The second change is in section 2-4 in the second paragraph which reads, "By the end of May 2008"; May is being changed to *April*. The last change is in the Evaluation and Update of the MZ1 Subsidence Management Plan on page 65 of the agenda package, beginning with the sentence, "*Within the Managed Area, Watermaster recommends that all.*" After the word all, a footnote is being changed and will now read, "*Well 11A will be exempt from this recommendation. This is based on the small amount of water pumped from the deep zone by this well and the impracticability to shut down this well due to permitting requirements. This exemption shall be subject to continuous review by the Technical Committee to ensure that continued pumping from this well does not interfere with water level recovery.*" Counsel Fife stated those were the changes that were recommended by the MZ1 Technical Committee this morning and so with those changes we are presenting this plan for approval. Counsel Fife stated on page 45 of the meeting packet there is a list of proposed findings that relate to the nature of the interim plan and its affect on the relationship to the interim plan, the Peace

Agreement, and the Judgment. Staff recommends that this committee adopt these findings, and the Long Term Plan and then direct them to be filed with the court along with the pleading which is in the agenda packet beginning on page 67. Chair Jeske inquired as to whose well is well 11A. Counsel Fife stated that well belongs to California Institute for Men. Mr. Kruger stated he would like to comment on behalf of the City of Chino Hills; they do take exception to the Management Zone 1 Long Term Plan as it is written now in terms of limiting the ability to pump for up to six months at a time; the City of Chino Hills is in the process now of preparing documentation for submittal. Mr. Kinsey stated he feels the same comments made at the Appropriative Pool meeting still need to apply here today and that is when you go back to the goal of this plan, it is to develop a pumping and recharge plan to reduce water levels to tolerable ranges or and reduce subsidence and ground fissuring. Mr. Kinsey stated the focus of this plan is on production part of it and we have not really addressed the recharge aspect of the plan yet. Mr. Kinsey stated he is hoping there is a commitment from the committee members evaluate the feasibility of injection as a solution and will be willing to fund such a plan. A discussion ensued with regard to this matter.

*Motion by Crosley, second by Feenstra, and by majority vote – Chino Hills voted no*

***Moved to approve the Monitoring Zone 1 Long Term Plan and Findings and to also receive and file the MZ1 pleading with the court, as presented***

#### **B. 2007/2008 BUDGET**

Ms. Rojo stated a Budget Workshop was held and a detailed presentation given at the Advisory Committee and Watermaster Board meetings last month. Ms. Rojo stated some comments were received regarding the presentation given last month and those changes were incorporated. Ms. Rojo noted this item was approved at the Pool meetings this month with a summary of budget items presented such as the Administrative costs that include COLA at 4%, OBMP expenses include costs for the micro-economic study, Implementation Projects include increases in Ground Level Monitoring, HCMP and Storage Programs and decreases in Recharge O&M and MZ1 subsidence issues, Debt services remain neutral, and Assessments should remain relatively neutral but that depends on the final year end production. A discussion regarding the special referee funding ensued.

*Motion by Garibay, second by Zvirbulis, and by unanimous vote*

***Moved to approve the Chino Basin Watermaster 2007/2008 Budget, as presented***

#### **C. MICRO-ECONOMIC ANALYSIS STUDY**

Mr. Manning stated the Micro-Economic Analysis Workshop was held last week with Dr. David Sunding. Mr. Manning stated the non-binding Term Sheet notes that the micro-economic study is a pre-requisite for the binding agreement and that it also required that we hold a workshop which was completed on June 7, 2007. The prior macro economic study looked at the basin as if it were run by one owner; the micro study will look at it agency by agency. The proposal that is before this committee today is a not to exceed proposal with Dr. Sunding for \$172,600. The scope of work is fully inclusive of all the information that was discussed at the scoping meetings. A communication was received yesterday from two economists, Dr. Mann and Dr. Hatchet, where they have made some comments on the scope of study; those comments are on the back table. Dr. Mann and Dr. Hatchet have been hired by: Monte Vista Water District, the City of Chino Hills, Three Valleys Municipal Water District, the City of Pomona, and the City of Upland to review and interpret the work of Dr. Sunding. Staff is recommending approval of the proposed scope of work for the micro-economic analysis proposal which is slightly different from the contract that was presented at the Pool meetings. The contract which is before this committee incorporated the change that the Pool Committee members requested, in that the contract is now between Dr. Sunding and Watermaster as opposed to the prior contract which was between Dr. Sunding and Hatch & Parent. Mr. Manning stated this item was approved with the change from Hatch & Parent to Chino Basin Watermaster unanimously by the Pools at their meetings this month.

*Motion by Kinsey, second by Garibay, and by unanimous vote*

***Moved to approve the scoping work for the micro-economic analysis study not to exceed contract which is being performed by Dr. David Sunding, as presented***

#### **D. VOLUME VOTE**

Mr. Manning stated last month staff withdrew this item from the Advisory Committee's agenda because the Appropriative Pool had asked for the Volume Vote to be reconsidered and sent onto the Budget Advisory Committee for review. With the adoption of some changes by the Budget Advisory Committee the revised Volume Vote was approved unanimously at the Appropriative Pool meeting earlier this month. This now allows us to move onto the Volume Vote for the Advisory Committee members and it is included in the meeting packet. Staff is recommending the approval of the presented Volume Vote. Mr. Kinsey stated he would like to see the same motion made for this committee as the Appropriative Pool made at their meeting and read the motion that was approved at the Appropriative Pool meeting. A brief discussion ensued with regard to this item.

*Motion by Kinsey, second by Crosley, and by unanimous vote*

***Moved to approve the adoption of the revised volume vote to include half of the vote based on operating safe yield and half of the vote based on the prior year's assessable production. Each volume vote will be valid until a subsequent volume vote is adopted, as presented***

### **III. REPORTS/UPDATES**

#### **A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**

1. Santa Ana River Hearing Closing Brief

Counsel Fife stated in the meeting packet there is a copy of Watermaster's closing brief in the Santa Ana process along with the stipulations that all the parties entered into concerning the 1969 Agreement.

#### **B. ENGINEERING REPORT**

1. Model Update

It was decided since this report was given in its entirety at all the Pool meetings the model update would not be given at today's meeting. Mr. Malone noted the full modeling report will be given today at the Watermaster Board meeting.

#### **C. CEO/STAFF REPORT**

1. Legislative Update

Mr. Manning stated there are a lot of bills moving through the committees right now and going back and forth between the two houses. One bill that is noteworthy is SB59 which was essentially the governor's proposal for the water bond that was going to go on the next ballot. That bill was killed in committee and appeared to have no life. The concepts that were contained within SB59 have some legs though and the leadership senate was meeting in a private session last week to see how they could bring life back into the concept of SB59. It appears they are trying to develop an alternative to what was contained in SB59. Mr. Manning stated he is encouraging them to have more emphasis on groundwater within that bill.

2. Recharge Update

Mr. Manning stated the recharge update handout is available on the back table for review. We did have a little over 200 acre-feet recharged by way of urban run-off this past month and we did have one minor storm and we were able to capture some water. Metropolitan Water District still has no replenishment water available to purchase at this time.

3. Dry Year Yield Report

Mr. Manning stated starting on page 185 of the meeting packet is the Inland Empire Utilities Agency's legislative reports which are very informative for what is taking place currently on the legislative front. Mr. Manning noted there is workshop scheduled for today at 1:00 p.m. here at the Chino Basin Watermaster office to discuss the Dry Year Yield Program.

Added Comment

Mr. Manning stated there will be a matrix given to the Watermaster Board members at today's Board meeting regarding the Peace II elements. There are sixteen distinct areas that have been developed and need to be dealt with in order for us to reach completion of our mission. A comment about what each one of the items means and its status is listed as to where they are as of today. A due date of when staff thinks those are to be completed are listed as well and those coincide with the schedule that was developed for the court and the Regional Board. This matrix will be updated each month and made available so that all parties can be kept up to date on the progress of related and the Peace II elements.

**E. INLAND EMPIRE UTILITIES AGENCY**

1. Drought Plan for 2008

Ms. Davis stated this is now officially the driest year in California and as pointed out in Mr. Atwater's memo with regard to drought planning, they are carefully looking at water levels. Ms. Davis discussed the proposed pumping plan for the rest of the year and the Dry Year Yield Program. Ms. Davis noted Mr. Atwater will be hosting today's meeting at 1:00 p.m. regarding the Dry Year Yield Program.

2. Summer Conservation Efforts

Ms. Davis stated there is a possibility that California will be in a mandatory conservation situation next year. A discussion regarding conservation ensued.

3. Status of Delta SWP Pumping Issues

No comment was made regarding this item.

4. Monthly Water Conservation Programs

No comment was made regarding this item.

5. Monthly Imported Water Deliveries Report

No comment was made regarding this item.

6. State and Federal Legislative Report

No comment was made regarding this item.

7. Community Outreach/Public Relations Report

No comment was made regarding this item.

**F. OTHER METROPOLITAN MEMBER AGENCY REPORTS**

No comment was made regarding this item.

**IV. INFORMATION**

1. Newspaper Articles

No comment was made regarding this item.

**V. COMMITTEE MEMBER COMMENTS**

Mr. Kinsey stated Monte Vista Water District has been operating its first aquifer storage and recovery well, which is called well 30. 1,000 gallons per minute are being injected so there is some replenishment going on in the basin. Tier I water is being used right now. We will have a second injection well come on line in the July/August time frame and a third one in the fall. This is a very exciting project for Monte Vista Water District.

**VI. OTHER BUSINESS**

No comment was made regarding this item.

**VII. FUTURE MEETINGS**

June 28, 2007	8:00 a.m.	MZ1 Technical Committee Meeting
June 28, 2007	9:00 a.m.	Advisory Committee Meeting
June 28, 2007	11:00 a.m.	Watermaster Board Meeting
July 12, 2007	10:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
July 17, 2007	9:00 a.m.	Agricultural Pool Meeting @ IEUA
July 24, 2007	9:00 a.m.	GRCC Meeting
July 26, 2007	9:00 a.m.	Advisory Committee Meeting
July 26, 2007	11:00 a.m.	Watermaster Board Meeting

The Advisory Committee meeting was dismissed by Chair Jeske at 9:50 a.m.

Secretary: \_\_\_\_\_

Minutes Approved: July 26, 2007