

Minutes
CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING

June 26, 2008

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga CA, on June 26, 2008 at 9:00 a.m.

ADVISORY COMMITTEE MEMBERS PRESENT

Appropriative Pool

Mark Kinsey, Acting Chair	Monte Vista Water District
Ken Jeske	City of Ontario
Bill Kruger	City of Chino Hills
John Vega	Cucamonga Valley Water District
Michelle Lauffer	Jurupa Community Services District
J. Arnold Rodriguez	Santa Ana River Water Company
Anthony La	City of Upland
Robert Young	Fontana Union Water Company
Dave Crosley	City of Chino
Charles Moorrees	San Antonio Water Company
Raul Garibay	City of Pomona

Non-Agricultural Pool

Bob Bowcock	Vulcan Materials Company (Calmat Division)
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Agricultural Pool

Jeff Pierson	Ag Pool, Crops
Jennifer Novak	Department of Justice/CIM

Watermaster Board Members Present

Terry Catlin	Inland Empire Utilities Agency
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Watermaster Staff Present

Kenneth R. Manning	Chief Executive Officer
Sheri Rojo	CFO/Asst. General Manager
Sherri Lynne Molino	Recording Secretary

Watermaster Consultants Present

Michael Fife	Brownstein, Hyatt, Farber & Schreck
Tom McCarthy	Wildermuth Environmental Inc.

Others Present

Sandra Rose	Monte Vista Water District
Michael Hughes	Department of Justice
John Bosler	Cucamonga Valley Water District
Gerry Foote	Chino Basin Water Conservation District
Art Kidman	McCormick, Kidman & Behrens
Steven G. Lee	Reid & Hellyer
Martha Davis	Inland Empire Utilities Agency

Mr. Kinsey, acting chair, called the Advisory Committee meeting to order at 9:15 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 May 22, 2008

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of May 2008
2. Watermaster Visa Check Detail
3. Combining Schedule for the Period July 1, 2007 through April 30, 2008
4. Treasurer's Report of Financial Affairs for the Period April 1, 2008 through April 30, 2008
5. Budget vs. Actual July 2007 through April 2008

C. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 2,000 acre-feet of water from San Antonio Water Company's storage account to Monte Vista Water District. This lease is made first from SAWC's net underproduction, if any, in Fiscal Year 2007-08, with any remainder to be captured from storage. Date of Application: April 25, 2008
2. **Consider Approval for Notice of Sale or Transfer** – The one-year lease of 3,135 acre-feet of water from the City of Chino's annual production rights to the City of Ontario. Date of Application: May 2, 2008
3. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 2,862 acre-feet of water from the City of Chino. Watermaster will purchase the water at \$258.00 per acre-foot, which is the MWD replenishment rate (not including IEUA and OCWD fees). The transfer will be made first from the City's net under-production in Fiscal Year 2007-08, with any remainder to be recaptured from storage. Date of Application: May 2, 2008
4. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 1,000 acre-feet of water from the Santa Ana River Water Company. Watermaster will purchase the water at \$258.00 per acre-foot, which is the MWD replenishment rate (not including IEUA and OCWD fees). The transfer will be made first from SARWC's net under-production in fiscal Year 2007-2007. Date of Application: May 9, 2008

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

Moved to approve consent calendar items A through C, as presented

II. BUSINESS ITEMS**A. WATERMASTER 2008-2009 BUDGET**

Mr. Manning stated the revised 2008-2009 Watermaster budget was passed unanimously by the Pools this month and staff is seeking a motion from this committee to pass the budget on to the Watermaster Board. A brief discussion regarding O&M ensued.

Motion by Pierson, second by La, and by unanimous vote

Moved to approve the Chino Basin Watermaster 2008-2009 budget, as presented

B. CONDITIONS SUBSEQUENT NO. 6

Mr. Manning stated Condition Subsequent No. 6 requires Watermaster to report to the court on the development of standards and criteria by which the Regional Water Quality Control Board (RWQCB) will determine that Hydraulic Control is achieved and maintained. Mr. Manning stated Mr. Thibeault from the RWQCB has written a letter to the court which deals with this issue and will be part of the submittal that Watermaster will make to the court in August. Counsel Fife stated to Condition Subsequent No. 6 it is simply to provide to the court what kind of progress is being made on the development of standards and criteria. A discussion with regard to this matter ensued.

No motion was made regarding this item – discussion item only

D. RECHARGE MASTER PLAN DRAFT OUTLINE SCHEDULE

Mr. Manning stated a filing is required by the court regarding the Recharge Master Plan Outline Schedule. Comments were received at the various Pool meetings and incorporated into the draft outline presented today. Mr. Manning noted the presented draft was approved unanimously by the Pools this month.

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

Moved to approve the Recharge Master Plan draft outline schedule, as presented

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**1. August 21, 2008 Hearing

Counsel Fife stated there will be a hearing on August 21, 2008 at 2:00 p.m. This is a consolidated hearing including all of the Condition Subsequents that have been completed, and various filings, including water transactions.

2. Hanson Aggregates Litigation

Counsel Fife stated there is no news to report on this item. This item will be discussed in more detail at the Watermaster Board meeting in closed session.

3. Chino Airport Potential Litigation

Counsel Fife stated there is no news to report on this item. This item will be discussed in more detail at the Watermaster Board meeting in closed session.

4. Recharge Permits

Counsel Fife stated the Chino Basin Watermaster Water Right Permit is on the State Water Resources Control Board's closed session agenda for July 8, 2008. The State Water Resources Control Board normally takes comments on their items for 30 days and then adopts a decision. Counsel will keep the parties apprised.

B. ENGINEERING UPDATES1. Condition Subsequent No. 5 Recharge Master Plan

No comment was made regarding this item.

2. Condition Subsequent No. 6 Hydraulic Control

No comment was made regarding this item.

3. Analysis of Residual Agricultural Pumping

Mr. Manning stated there is a letter from Wildermuth Environmental regarding the analysis that was done on the residual pumping for Agricultural along with a chart that shows the minimum/maximum aggregate production from the Agricultural pool at build-out, a memo from Scott Slater regarding the Monte vista stipulation, and several charts regarding Agricultural production at build-out. Mr. Jeske commented on the timing of getting all this information. Counsel Slater summarized his memo and the Monte Vista stipulation. Mr. Kidman offered comment regarding the decline in safe yield. Mr. Kinsey offered comment on the intent of the stipulation submitted by Monte Vista Water District regarding safe yield. A lengthy discussion regarding this subject ensued. The committee agreed to form a committee to further review this matter and then report back through the Watermaster process. It was decided to receive the information pursuant to the stipulation and not state it was complete or incomplete. No action will be taken on the information as far as forwarding it to the court or having the Appropriate Pool establish a working group to review and discuss this matter.

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

Moved to receive the information as an information item only, note that no action be taken on the information presented, and to establish a committee to review and report back through the Watermaster process, as presented

C. CEO/STAFF REPORT

1. Legislative Update

No comment was made regarding this item.

2. Recharge Update

Mr. Manning stated there was a late year storm in May which allowed for the capture of about 1,000 acre-feet of storm water. The Recharge handout is available on the back table for review.

3. Agreement for O&M of Facilities to Improve the Recharge Master Plan

Mr. Manning stated this item was on the Pools agenda but was asked to be held over until next month in order to give other parties a chance to review the agreement.

4. Personnel Matter

Mr. Manning stated in April, 2008 Gordon Treweek had retired and the vacant position of Project Engineer was placed in several publications for approximately four weeks. A screening committee was formed and the panel interviewed several candidates. One candidate stood out and was approached with an offer of employment at Watermaster. Mr. Ben Pak who is currently employed with Inland Empire Utilities Agency and will be starting at Watermaster on July 7, 2008 and staff is looking forward to working with him as our new Senior Project Engineer.

5. Strategic Planning Conference

Mr. Manning stated the next Strategic Planning Conference has been scheduled for September 28-30, 2008, at the Lake Arrowhead Resort. The format will mirror the Strategic Planning Conference of 2006; however, we will be focusing on the Recharge Master Plan this time. A golf tournament will be held on Sunday afternoon and a kick-off reception will be held Sunday evening. Monday will be a full day of meetings and Tuesday will be a half day of meetings. Mark your calendars for this upcoming conference.

D. INLAND EMPIRE UTILITIES AGENCY

1. MWD Drought Action Alert/Regional Conservation Actions

Ms. Davis offered comment on the Metropolitan Water District's Water Alert. Inland Empire Utilities Agency will be working with various agencies on the drought action plan. Ms. Davis noted MWD has not seen a great response from the many ads placed in papers and on several radio stations regarding the conservation message for water usage.

2. 3-Year Recycled Water Business Plan Update

No comment was made regarding this item.

3. Recycled Water Newsletter

Ms. Davis noted a copy of the Recycled Water Newsletter is in the meeting packet.

4. Monthly Water Conservation Programs Report

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

Ms. Davis offered comment on AB2270 bill which is regarding the use of water softeners and noted this bill has passed through the assembly and is well on its way to the governor's office. This is very good news!

7. Community Outreach/Public Relations Report

No comment was made regarding this item.

E. OTHER METROPOLITAN MEMBER AGENCY REPORTS

No comment was made regarding this item.

IV. INFORMATION

1. IEUA Supports Governor's Emergency Drought Declaration

No comment was made regarding this item.

2. Newspaper Articles

No comment was made regarding this item.

V. COMMITTEE MEMBER COMMENTS

Mr. Kinsey offered comment regarding the Monte Vista Water District's ASR wells.

VI. OTHER BUSINESS

No comment was made regarding this item.

VII. FUTURE MEETINGS

June 19, 2008	3:00 p.m.	Personnel Committee Meeting
June 26, 2008	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
June 26, 2007	9:00 a.m.	Advisory Committee Meeting
June 26, 2007	11:00 a.m.	Watermaster Board Meeting
July 10, 2008	10:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
June 15, 2008	9:00 a.m.	Agricultural Pool Meeting @ IEUA
July 24, 2008	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
July 24, 2007	9:00 a.m.	Advisory Committee Meeting
July 24, 2007	11:00 a.m.	Watermaster Board Meeting

The Advisory Committee meeting was dismissed by Mr. Kinsey at 10:22 a.m.

Secretary: _____

Minutes Approved: July 24, 2008