

Minutes
CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING

February 26, 2009

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga CA, on February 26, 2009 at 9:00 a.m.

ADVISORY COMMITTEE MEMBERS PRESENT

Agricultural Pool

Gene Koopman, Chair
Jennifer Novak
Bob Feenstra
Jeff Pierson
Pete Hall

Milk Producers Counsel
State of California Dept. of Justice, CIM
Ag Pool – Dairy
Ag Pool – Crops
State of California, CIM

Appropriative Pool

Mark Kinsey
Ken Jeske
Anthony La
Ron Craig
Dave Crosley
Charles Moorrees
Raul Garibay
Mike McGraw
Robert Young

Monte Vista Water District
City of Ontario
City of Upland
City of Chino Hills
City of Chino
San Antonio Water Company
City of Pomona
Fontana Water Company
Fontana Union Water Company

Non-Agricultural Pool

Bob Bowcock

Vulcan Materials Company (Calmat Division)

Watermaster Board Members Present

Michael Camacho

Inland Empire Utilities Agency

Watermaster Staff Present

Ken Manning
Sheri Rojo
Ben Pak
Danielle Maurizio
Sherri Lynne Molino

CEO
CFO/Asst. General Manager
Senior Project Engineer
Senior Engineer
Recording Secretary

Watermaster Consultants Present

Michael Fife
Andy Malone
Wen-Hsing Chaing
Tom McCarthy

Brownstein, Hyatt, Farber & Schreck
Wildermuth Environmental, Inc.
Wildermuth Environmental, Inc.
Wildermuth Environmental, Inc.

Others Present

Mohamad El Amamy
Scott Burton
Rick Hanson
Jack Safely
Bill Kruger
Terry Catlin
Sandra Rose
Steven Lee
Eunice Ulloa
Tom Dodson

City of Ontario
City of Ontario
Three Valleys Municipal Water District
Western Municipal Water District
City of Chino Hills
Inland Empire Utilities Agency
Monte Vista Water District
Reid & Hellyer
Chino Basin Water Conservation District
Tom Dodson & Associates

Chair Koopman called the Advisory Committee meeting to order at 9:01 a.m.

AGENDA - ADDITIONS/REORDER

Mr. Manning noted the Thirty-First Annual Report is now available on the back table.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Advisory Committee Meeting held January 22, 2009

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of January 2009
2. Watermaster Visa Check Detail
3. Combining Schedule for the Period July 1, 2008 through December 31, 2008
4. Treasurer's Report of Financial Affairs for the Period December 1, 2008 through December 31, 2008
5. Budget vs. Actual July 2008 through December 2008

C. CHINO BASIN WATERMASTER INVESTMENT POLICY

Resolution 09-01 – Resolution of the Chino Basin Watermaster, San Bernardino County, California, authorizing the Watermaster's Investment Policy

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

Moved to approve Consent Calendar A through C, as presented

II. BUSINESS ITEM

A. BUDGET TRANSFER

Mr. Manning stated this item was presented to the Pools and Advisory Committee and passed unanimously. Quarterly meetings take between staff and with consultants to ensure budgeted items are on task both regarding timing and funding. Recently in reviewing some of the projects by necessity, it was noted that some projects had to be shifted around and due to that shift funds needed to be moved around. Staff is asking for a recommendation to approve Budget Transfer Request T-09-02-01 which is detailed in the staff letter provided in the meeting package. Mr. Manning stated one of the items that Watermaster is undertaking is this coordination with three of the pumpers in this basin to better understand the pumping patterns that they are working on in order to coordinate that activity better. This analysis is something that staff and consultants were not aware needed to be done at the time we prepared the budget. A brief discussion regarding this item ensued.

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

Moved to approve Budget Transfer Request T-09-02-01 relating to OBMP, HCMP, Desalters, and Storage Program to Groundwater Level Monitoring Program, Recharge Master Plan, and MZ-3, as presented

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Court Hearings

Counsel Fife stated there is another court hearing scheduled for April 9, 2009 at 9:30 a.m. at the San Bernardino Court. Counsel Fife noted at the February 2, hearing the court scheduled the next hearing for April 16, 2009; however, due to scheduling issues, an ex-parte motion was filed with the court to move the date from April 16, to another date and the court did move that to April 9, 2009. A notice of the court hearing was sent out last week and the purpose of the next hearing is to go through Program Elements 1 through 3 of the OBMP thoroughly. The court also wanted a declaration from legal counsel regarding Watermaster's reporting progress and that declaration will be sent out in advance of the April 9, hearing date.

2. Dry Year Yield Agreement

Counsel Fife stated the Agreement with Metropolitan Water District (MWD) regarding the Dry Year Yield Expansion of the 100,000 acre-foot account needs to be executed by September, 2009; due to the arrangement between MWD and Inland Empire Utilities Agency (IEUA) with regard to the LRP Funding for the desalters. One of the conditions for the expansion was that Agreement then gets executed by September, 2009. Staff has asked IEUA to prepare an application for that storage account along with the submitting of it. Once the draft agreement is ready, it will go through the Watermaster process for approval.

3. Non-Agricultural Pool Water Auction

Counsel Fife stated since the last set of meetings counsel has been talking with Western Municipal Water District (WMWD) and since Mr. Slater has been performing the majority of the work on this item, he will be giving a more detailed report at the Board meeting today. Currently the understanding from WMWD is that they are not interested in the entire 36,000 acre-feet of water. The proposed agreement that has been distributed assumed that WMWD would be the base bidder for the entire amount and would be bidding on the 36,000 acre-feet of water; however, that has now changed and counsel is now looking at ways to restructure the deal accordingly. One option is to divide the 36,000 acre-feet into four buckets of 9,000 acre-feet each; WMWD has indicated they would be more inclined to participate in a smaller acre-foot breakdown. A discussion regarding this matter ensued.

B. ENGINEERING REPORT

1. Wildermuth Environmental Engineering Update

Mr. McCarthy stated the Hydraulic Control and Monitoring Report are on schedule for an April 15, 2009 delivery to the Regional Board. Wildermuth Environmental is also working on the State of the Basin Report and this is on schedule for completion by the end of this fiscal year. With regard to the the Recharge Master Plan work, meetings have taken place with consultants and all consultants have reported to be on schedule with their tasks. Mr. McCarthy stated the majority of the data has been collected for the Well Optimization work and all Appropriators that pump over 1,000 acre-feet have been contacted; data collection should be completed this month and the modeling updated in the month of March. A Recharge Master Plan Workshop has been scheduled for March 26, 2009 following the Watermaster Board meeting.

Mr. Manning introduced Andy Malone and Wen-Hsing Chaing who will be giving a presentation on the 3D presentation which was given to Judge Wade at the recent hearing. Mr. Manning noted he discussed this presentation with Mr. Wildermuth about giving the same presentation to the Advisory Committee and Watermaster Board members. Mr. Malone stated this presentation will focus more on Hydraulic Control than the one given at the recent hearing. Mr. Malone stated this presentation will be reviewing some of the modeling results that demonstrate Hydraulic Control. Mr. Malone asked the parties to think about questions to be asked about specific parts of the basin that they are interested in seeing and possibly how they would want Wildermuth to construct the 3D visualizations to demonstrate water level changes or flow directions in the model results in the future. Mr. Malone reviewed several 3D scenarios using Wildermuth's simulation model and discussed the display detail. A lengthy discussion regarding Mr. Malone's presentation, water losses, and water reduction & demand ensued.

2. Dodson Peace II EIR Update
No comment was made regarding this item.

C. FINANCIAL REPORT

1. Watermaster Budget
Ms. Rojo stated staff is working with consultants on the first stages of preparing the upcoming budget. A Budget Workshop will be scheduled in April and are all invited to attend.

D. CEO/STAFF REPORT

1. Legislative Update
Mr. Manning stated the ACWA legislative conference is taking place right now but because of the Advisory and Board meetings he was not able to attend that conference. Mr. Manning stated he recently spent two days in Sacramento with Chris Frahm and Paul Bauer visiting with members of the Senate and several legislators. Meetings were scheduled with Senator Cogdill, Senator Huff, Senator Kehoe, Senator Padilla, Senator Simitian, and Senator Wolk, Assembly Members, Huffman, Caballero, Lowenthal, and Salas. These legislators are members of the respective water committees. Mr. Manning stated they also met with Assembly Members Curren-Price, Duvall, Huber, and with SWRCB member Baggett; it was a very busy two days. Now that the state budget is resolved, water issues generally, and groundwater specifically, are front and center in the Capitol. While there is significant disagreement on the timing and components of a water bond and Delta fix, a lot of ideas will be on the table Friday, which is the bill introduction deadline. Mr. Manning stated he will be scheduling another round of legislative visits in March.
2. Recharge Update
Mr. Manning stated the most current Recharge update is available on the back table. Mr. Manning stated there have been some significant storms in February and in working with IEUA there has been a lot of effort to capture as much storm water as possible. Mr. Manning commented on the San Sevaire Basin #5, with regard to one of the berms that needed strengthening and hardening that blew out in a recent storm and crews have been working with sand bags trying to fortify that broken berm.
3. Fontana Barrier Study
Mr. Manning stated Watermaster has been asked to act as the project manager for a study that will look at whether or not water is moving across the Rialto/Colton barrier into the Chino Basin. Mr. Manning has spoken to the parties who are involved in this study and have indicated there is an interest for Watermaster to act as the project manager under two conditions; 1) it does not cost Watermaster any money, and 2) will be granted accessibility to the data collected to use in our modeling. Final dialog or any agreements have not yet taken place or been presented. A brief discussion regarding this matter ensued. Mr. Manning stated they are interested in having Watermaster as a disinterested party to handle all of the data. Mr. Pak will be the project manager and will handle the administrative issues and Joe LeClaire will handle the scientific issues from Wildermuth; those salaries and time would be covered by that project. Fred Fudacz representing Fontana Water Company was the person who approached Watermaster regarding this study and additional discussions are scheduled. Mr. Manning noted this study will also help greatly in our modeling efforts.

E. INLAND EMPIRE UTILITIES AGENCY

1. MWD Water Supply Allocation Update
Mr. Shaw stated MWD implementing will make a decision in April for possible implementation in July.
2. IEUA's Draft "Strawman" Drought Allocation Plan Update
Mr. Shaw stated the IEUA Draft Strawman Drought Allocation Plan is in the meeting packet for your review. The original Strawman proposal was first circulated in October 2008 and the version which is in front of you is dated February 18, 2009; the only change is that a communications strategy has been added. This is to address the importance that a coordinated message is delivered should a drought be declared this summer or later in the year. A meeting regarding this takes place once a month with all water agency managers and a working group has been formed from those meetings. The goal from that working group is to present the IEUA Drought Plan at a workshop on April 1, 2009.
3. Dry Year Yield Expansion Update
Mr. Shaw stated the meetings regarding the Dry Year Yield Expansion are continuing. The Three Valleys Municipal Water District, IEUA, and Western Municipal Water District are all meeting together with MWD for ongoing progress on this expansion. Mr. Dodson is with IEUA as a carryover from a presentation that he made at this morning's DYY operating committee meeting.
4. Peace II CEQA Update and Draft Schedule
Mr. Dodson stated the environmental document process has already begun and a release of notice of preparation has been sent out. This notice communicates to all the parties that we are going to prepare a subsequent Environmental Impact Report. A document will be prepared that will be based upon the original OBMP PEIR that was adopted in 2000. Staff is evaluating the Peace II components that were agreed upon as part of the program for managing water within the Chino Basin into the future. Staff is going to update the environmental database for several of the environmental issues. The notice of preparation identifies seven issues that are going to be looked at. Fundamentally those are issues that staff feels has changed including air quality, some biological resource issues, hydrology, and some management issues related to regionally adopted biology management plans specifically for the southeast portion of the basin. The objectives are to look at the implementation of Peace II and what the environmental consequences are for that implementation and to provide a foundation to be able to continue to implement individual projects into the future. These projects that have being submitted to the state revolving fund for funding and/or to the federal government will have a database that will assist staff that is current and be able to be utilized for those specific individual projects in the future. The notice of preparation is available for comment until approximately March 25, 2009. The key issue is hydrology and staff is doing additional modeling in addition to the previous Peace II issues. Staff is also looking at optimization issues without creating any material physical injury. The environmental document will be released at the end of March or beginning of April and will be distributed for public review for 45 days; hopefully adoption will be around June. Mr. Manning offered comment on the EIR process and thanked Mr. Dodson for all his hard work on this project.
5. IRP Update
No comment was made regarding this item.
6. AB1420 & MWD Ordinance Requirements for Extraordinary Conservation Programs
Mr. Shaw stated AB1420 is a law that became effective January 1, 2009, and the significance of this law is for water agencies to now be eligible to receive state and federal funds on a going forward basis their agency must comply with the requirements of AB1420. There is a lot of work underway right now on helping agencies comply and understand AB1420 requirements.

7. Monthly Water Conservation Programs and Imported Water Deliveries/DYY Report
No comment was made regarding this item.
8. Quarterly Water Conservation Programs Update
No comment was made regarding this item.
9. Recycled Water Newsletter
No comment was made regarding this item.
10. State and Federal Legislative Reports
No comment was made regarding this item.
11. Community Outreach/Public Relations Report
No comment was made regarding this item.

F. OTHER METROPOLITAN MEMBER AGENCY REPORTS

Mr. Hanson stated in just a 24 hour period Orville had an inflow of over 30,000 acre-feet and Shasta over 40,000 acre-feet, unfortunately it seems to be too little too late. Mr. Hanson offered comment on state allocation. There was no replenishment water in 2008, nor is there expected to be any in 2009. For most of 2010 there will be no supplemental water for spreading purposes. A budget workshop was recently held at MWD and at that workshop there was a great deal of discussions regarding rate increases. Member agencies have spoken out against that type of rate increase even though there is a great deal of justification and rational when you review MWD's budget and realize that nearly two-thirds of their \$1.5B budget is fixed costs. On March 24, 2009 there will be another budget workshop and all interested parties are welcome to attend. Chair Koopman offered comment on rate increases. A discussion on costs and rate increases ensued.

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. CONFIDENTIAL SESSION - POSSIBLE ACTION

No comment was made regarding this item.

VIII. FUTURE MEETINGS

February 26, 2009	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
February 26, 2009	9:00 a.m.	Advisory Committee Meeting
February 26, 2009	11:00 a.m.	Watermaster Board Meeting
March 10, 2009	9:00 a.m.	GRCC Meeting
March 12, 2009	10:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
March 17, 2009	9:00 a.m.	Agricultural Pool Meeting @ IEUA
March 26, 2009	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
March 26, 2009	9:00 a.m.	Advisory Committee Meeting
March 26, 2009	11:00 a.m.	Watermaster Board Meeting
April 9, 2009	9:30 a.m.	Chino Basin Watermaster Hearing, San Bernardino Court
April 14, 2009	10:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
April 21, 2009	9:00 a.m.	Agricultural Pool Meeting @ IEUA
April 23, 2009	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM

Minutes Advisory Committee Meeting

February 26, 2009

April 23, 2009	9:00 a.m.	Advisory Committee Meeting
April 23, 2009	11:00 a.m.	Watermaster Board Meeting

The Advisory Committee meeting was dismissed by Chair Koopman at 10:15 a.m.

Secretary: _____

Minutes Approved: March 26, 2009