

Minutes
CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING

April 23, 2009

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga CA, on April 23, 2009 at 9:00 a.m.

ADVISORY COMMITTEE MEMBERS PRESENT

Appropriative Pool

Gene Koopman, Chair
Robert DeLoach
Mark Kinsey
Ken Jeske
Anthony La
Dave Crosley
Bill Kruger
Raul Garibay
Mike McGraw
Robert Young

Milk Producers Council
Cucamonga Valley Water District
Monte Vista Water District
City of Ontario
City of Upland
City of Chino
City of Chino Hills
City of Pomona
Fontana Water Company
Fontana Union Water Company

Agricultural Pool

Bob Feenstra
Jennifer Novak
Jeff Pierson
Pete Hall

Ag Pool - Dairy
State of California Dept. of Justice, CIM
Ag Pool – Crops
State of California, CIM

Non-Agricultural Pool

Kevin Sage

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
Mark Wildermuth
Andy Malone

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

Others Present

John Rossi
Mike Maestas
Sandra Rose
Rick Hansen
Mohamad El Amamy
Ron Craig
Steven Lee
Eunice Ulloa
Tom Love

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

Rich Atwater
Terry Catlin
Marv Shaw
John Bosler

Inland Empire Utilities Agency
Inland Empire Utilities Agency
Inland Empire Utilities Agency
Cucamonga Valley Water District

Chair Koopman called the Advisory Committee meeting to order at 9:02 a.m.

AGENDA - ADDITIONS/REORDER

No additions or reorders were made to the agenda.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Advisory Committee Meeting held March 26, 2009

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of March 2009
2. Watermaster Visa Check Detail
3. Combining Schedule for the Period July 1, 2008 through February 28, 2009
4. Treasurer's Report of Financial Affairs for the Period February 1, 2009 through February 28 2009
5. Budget vs. Actual July 2008 through February 2009

C. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – Santa Ana River Water Company hereby transfers to Jurupa Community Services District in the quantity of 1,000 acre-feet of corresponding Operating Safe Yield. Date of Application: February 2, 2009
2. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 1,800.000 acre-feet of water from the Santa Ana River Water Company. Watermaster will purchase the water at \$295.00 per acre-foot, which is the MWD's replenishment rate (not including IEUA and OCWD fees). The transfer will be made first from SARWC's net under-production in Fiscal Year 2008-09, with any remainder to be recaptured from storage. Date of Application: March 2, 2009
3. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 5,085.000 acre-feet of water from the City of Chino. Date of Application: March 2, 2009

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

Moved to approve Consent Calendar A through C, as presented

II. BUSINESS ITEM

A. BUDGET TRANSFER T-09-04-01

Mr. Manning stated this is a budget transfer request for moving funds into the budget for the farming portion of the TMDL Study. Several discussions have taken place regarding this matter for the last few months and staff is recommending approval for this budget transfer.

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

Moved to approve budget transfer T-09-04-01 for the funding of the farming portion of the middle Santa Ana Watershed TMDL Study

B. BUDGET TRANSFER T-09-04-02

Mr. Manning stated this is a budget transfer request for moving funds into the budget for Agricultural Pool legal and technical services to maintain paying expenses to the end of the fiscal year. Staff is recommending approval for this budget transfer in the amount of \$30,000.00.

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

Moved to approve budget transfer T-09-04-02 for Agricultural Pool Legal and Technical

C. STATUS REPORT 2008-2

Mr. Manning stated it that used to be standard practice for Judge Gunn to receive these status reports; however, when Judge Wade took over the case he indicated he no longer wanted to receive them. At the last hearing the Judge stated he would like to resume receiving the status reports and the one being presented today needs approval for it to be submitted to the court. Mr. Manning commented on the new format change and noted the newly revamped Status Report has taken on more of a public relations feel to it as well as it sharing what has taken place technically. Staff is recommending approval to forward this report to the court.

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

Moved to approve Status Report 2008-2 for filing with the court

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. April 27, 2009 Hearing**

Counsel Fife stated there is a hearing scheduled for next Monday, April 27, 2009, at 9:30 a.m.; there is additional information on the back table that describes some of what is going to be discussed/presented at this hearing. Counsel Fife briefly described the handouts. Counsel Fife noted this hearing will be much different from the last hearing because Jude Wade has informed us exactly what it is he wants to be presented including four questions that he wants answered. A discussion regarding the upcoming hearing ensued.

2. Hanson Aggregates Update

Counsel Fife stated this litigation case has now been resolved and Watermaster has received the first of the four scheduled installment payments. The next check will be due on July 1, 2009, then July 1, 2010, with the final check on July 1, 2011.

3. Notice Application for Storage Account by Inland Empire Utilities Agency, Three Valleys Municipal Water District, and Western Municipal Water District on behalf of Metropolitan Water District of Southern California for an additional 74,000.000 acre-feet in addition to the 100,000.000 acre-feet existing DYY Storage Account

Counsel Fife stated this is an information only item this month and will be on a future agenda as a business item.

4. Development and Use of the City of Upland's Storm Drains Agreement

Counsel Fife stated this is an information only item this month and will be on a future agenda as a business item.

B. ENGINEERING REPORT**1. Recharge Master Plan Update and Schedule**

Mr. Wildermuth stated this item is the same report which was presented at the Pool meetings and unless the parties would like to see it again, it will not be given again today; no other comment was made.

2. Summary of Findings from Max Benefit/Hydraulic Control Monitoring Report
Mr. Wildermuth stated this item has the same report which was presented at the Pool meetings and unless the parties would like to see it again, it will not be given again today; no other comment was made.
3. Results of InSAR Work
Mr. Malone gave the same presentation that was given at a recent MZ1 Technical Committee meeting. Mr. Malone reviewed the Where, How, and Why of OBMP Program Element 1 and OBMP Program Element 4. For Element 1, Mr. Malone reviewed the basin-wide monitoring of ground-levels, InSAR and periodic conventional surveying, and the current and projected drawdown of groundwater levels across the Chino Basin. For Element 4 Mr. Malone reviewed the Southwest MZ1 management area, InSAR, surveying, and aquifer-system monitoring, and the MZ1 Subsidence Management Plan. Mr. Malone reviewed two InSAR maps in detail. Mr. Malone reviewed the Summary of Scope and Budget table which included task descriptions and task costs.

C. FINANCIAL REPORT

1. Budget Workshop and Related Items
Ms. Rojo stated last Tuesday the Budget Workshop was held and was well attended and noted at that workshop a draft budget was distributed. At the workshop there were some questions presented that were related to the MZ1 work; after discussions, those numbers are what is being presented in the current budget. Ms. Rojo noted there are still a few different account numbers being worked on regarding Recharge O&M and debt service. Staff is anticipating bringing back a final budget next month through the Watermaster process of approval.

D. CEO/STAFF REPORT

1. Legislative Update
Mr. Manning stated on the back table there is a spreadsheet that shows the five different bond proposals that are being looked at in Sacramento. Mr. Manning offered comment on the different proposals and noted there is money in these proposals for local projects including the desalters and recycled water. Mr. Manning referenced the member agency legislative section of the meeting packet starting on page 119 which is always very detailed and informative. Mr. Manning noted there is a second handout that lists bills that were submitted in both houses having to do with water and water related issues. Mr. Manning reviewed some of the bills in detail. Mr. Manning noted there are a lot of really good things going on in Washington that could have a positive effect on the Chino Basin and future projects.
2. Recharge Update
Mr. Manning stated the updated spreadsheet is available on the back table. There was 296 acre-feet of storm water recharge captured last month. This could be the last month of rainfall for the year; this was a less than average rainfall year. A brief discussion regarding snow pack ensued.
3. Zone 1 Repair to San Sevaine Channel Agreement
Mr. Manning stated this item is referenced with the 2003 Christmas Day storm; however, this is a separate issue to repair portions of the San Sevaine Channel. An agreement will come through the Watermaster process at a future meeting with 25% of the cost shared with Watermaster, 25% shared cost with IEUA, and the balance of 50% with Chino Basin Conservation District.

Added Comment:

Mr. Manning stated there have been some discussions with Fontana Water Company, who is most affected by the unmet replenishment obligation. Watermaster has secured 7,000 acre-feet out of the 21,000 acre-feet required leaving a balance of 14,000 acre-feet needed. Fontana Water Company, along with other agencies with an obligation have begun in discussions to come up with options in looking at storage accounts in the basin. This is an information item only and the very start of discussions that will take place over the next several months. A discussion regarding this matter ensued.

E. INLAND EMPIRE UTILITIES AGENCY

1. MWD Water Supply Allocation Update
Mr. Atwater stated on April 14, 2009 Metropolitan Water District did adopt their Drought Allocation Shortage 10%. The Department of Water Resources was able to increase the supply to the state project contractors from 20% to 30%. It does appear that MET will keep water in storage because of the drought situation; next winter may have the same weather conditions. This means if next winter is as dry, there will be even less water in storage. Mr. Atwater commented on the recent City of Los Angeles council meeting where that council adopted a mandatory 15% reduction. All water agencies are working closely together on the message coordination including a very nice spread on Earth Day. Also on April 14, 2009 Metropolitan Water District adopted the rate increase that was expected which goes into effect on September 1, 2009. Mr. Atwater discussed other rate increases. Chair Koopman offered comment regarding labor increases.
2. IEUA's Drought Plan Update
Mr. Atwater stated on March 17, 2009 the State Board did approve for Inland Empire Utilities Agency a \$38M first stimulus funding grant agreement in the State of California. This is a unique situation and IEUA is working with all of its member agencies on this endeavor. Mr. Atwater noted on April 7, 2009 IEUA applied with Cucamonga Valley Water District for federal stimulus funding through the Bureau of Reclamation for another \$24M. That includes projects in Upland, Rancho Cucamonga, Fontana, and Ontario.
3. Recycled Water Status Report
No comment was made regarding this item.
4. Peace II CEQA Update
No comment was made regarding this item.
5. Monthly Water Conservation Programs
No comment was made regarding this item.
6. Imported Water Deliveries/DYY Performance Report
No comment was made regarding this item.
7. Recycled Water Newsletter
No comment was made regarding this item.
8. State and Federal Legislative Reports
No comment was made regarding this item.
9. Community Outreach/Public Relations Report
No comment was made regarding this item.
10. MWD Drought Plan and Press Release
No comment was made regarding this item.

11. IEUA Drought Plan and Press Release
No comment was made regarding this item.
12. MWD Water Rates and Charges Board Letter
No comment was made regarding this item.
13. Revised Peace II CEQA Schedule
No comment was made regarding this item.

F. OTHER METROPOLITAN MEMBER AGENCY REPORTS

Mr. Rossi stated as part of the rate recommendation for the 20% increase was a review by all of the member agencies and MWD staff of the rate system and that could be a minor review or it could lead to some major changes so all are extremely engaged in the process. Mr. Rossi reviewed how these changes will affect Western Municipal Water District. Mr. Rossi offered comment on conservation funding and noted how difficult it is to get this type of funding. Mr. Rossi discussed property tax issues.

Mr. Hansen stated offered comment on the MWD budget and noted some of Three Valleys concerns. Mr. Hansen noted that the budget did work out for Western Municipal Water District but did not work out as well for Three Valleys Municipal Water District in that the changes that were made will increase the cost for TVMWD. A discussion regarding Mr. Rossi's and Mr. Hansen's comments regarding the rate increase.

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 confidential session was held and no comment was made regarding this item.

VIII. FUTURE MEETINGS

April 14, 2009	10:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
April 21, 2009	9:00 a.m.	Agricultural Pool Meeting @ IEUA
April 21, 2009	2:00 p.m.	Budget Workshop
April 23, 2009	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
April 23, 2009	9:00 a.m.	Advisory Committee Meeting
April 23, 2009	11:00 a.m.	Watermaster Board Meeting
April 23, 2009	1:00 p.m.	WE Workshop #2 Task 6.1
April 27, 2009	9:30 a.m.	Chino Basin Watermaster Hearing, San Bernardino Court
April 28, 2009	9:00 a.m.	GRCC Meeting
May 14 2009	10:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
May 19, 2009	9:00 a.m.	Agricultural Pool Meeting @ IEUA
May 28, 2009	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
May 28, 2009	9:00 a.m.	Advisory Committee Meeting
May 28, 2009	11:00 a.m.	Watermaster Board Meeting
May 28, 2009	1:00 p.m.	WE Workshop #3 Tasks 8.2 through 8.5

The Advisory Committee meeting was dismissed by Chair Koopman at 10:46 a.m.

Minutes Advisory Committee Meeting

April 23, 2009

Secretary: _____

Minutes Approved: May 28, 2009