

Minutes
CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING

April 15, 2010

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga CA, on April 15, 2010 at 9:00 a.m.

ADVISORY COMMITTEE MEMBERS PRESENT WHO SIGNED IN

Appropriative Pool

Robert DeLoach, Chair	Cucamonga Valley Water District
Ken Jeske	City of Ontario
Mark Kinsey	Monte Vista Water District
Dave Crosley	City of Chino
Ron Craig	City of Chino Hills
Anthony La	City of Upland
Charles Moorrees	San Antonio Water Company
Josh Swift	Fontana Union Water Company
Robert Young	Fontana Water Company
Ben Lewis	Golden State Water Company

Agricultural Pool

Bob Feenstra	Ag Pool - Dairy
Jeff Pierson	Ag Pool – Crops
Jennifer Novak	State of California Department of Justice

Non-Agricultural Pool

Bob Bowcock	Vulcan Materials Company (Calmat Division)
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Watermaster Board Members Present

Michael Camacho	Inland Empire Utilities Agency
Bob Kuhn	Three Valleys Municipal Water District

Watermaster Staff Present

Ken Manning	Chief Executive Officer
Joe Joswiak	Chief Financial Officer
Ben Pak	Senior Project Engineer
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

Watermaster Consultants Present

Michael Fife	Brownstein, Hyatt, Farber & Schreck
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Others Present Who Signed In

Steve Nix	City of Chino Hills
John Mura	City of Chino Hills
Steven Lee	Reid & Hellyer
Eunice Ulloa	Chino Basin Conservation District
Terry Catlin	Inland Empire Utilities Agency
Ryan Shaw	Inland Empire Utilities Agency
Terry Catlin	Inland Empire Utilities Agency
Chris Berch	Inland Empire Utilities Agency
Andy Campbell	Inland Empire Utilities Agency
Marty Zvirbulis	Cucamonga Valley Water District
Rick Hansen	Three Valleys Municipal Water District
David De Jesus	Three Valleys Municipal Water District

Erin Gilhuly
John Rossi
Jack Safely
Gary Meyerhofer
Shaun Stone

CV Strategies
Western Municipal Water District
Western Municipal Water District
Carollo Engineering
City of Upland

Chair DeLoach called the Advisory Committee meeting to order at 9:00 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 18, 2010

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of February 2010
2. Watermaster Visa Check Detail for the month of February 2010
3. Combining Schedule for the Period July 1, 2009 through February 28, 2010
4. Treasurer's Report of Financial Affairs for the Period February 1, 2010 through February 28, 2010
5. Budget vs. Actual July 2009 through February 2010

*Motion by Kinsey, second by Craig, and by unanimous vote, Non-Agricultural Pool voted no
Moved to approve Consent Calendar item A and B, as presented*

II. BUSINESS ITEMS

A. AGREEMENT TO FORM A TASK FORCE

Mr. Manning noted this item is for information only this month. Mr. Manning stated this agreement was received by SAWPA to form a task force to conduct the Annual Emerging Constituents Characterization Program for the Santa Ana River Watershed. Mr. Manning stated he does have concerns with regard to this agreement because this is not an agreement that Watermaster is a party to or something Watermaster is obligated to do on behalf of Chino Basin with the Santa Ana Watershed Project Authority. Mr. Manning briefly reviewed the agreement and noted staff is not ready to recommend this agreement. Chair DeLoach inquired about Watermaster being a task force agency. Mr. Manning stated Watermaster has participated in the task force; however, we are not obligated to participate in this particular activity. A discussion regarding the financial obligation/cost benefit, and the long term significance of this task force for Watermaster ensued. Mr. Manning stated this item will be on the agenda for recommendation in May; however, at this point in time there are significant questions to be answered and discussions with other parties need to take place. Mr. Manning stated one of the parties that need to be involved and have discussions with is Mr. Atwater at Inland Empire Utilities Agency. A discussion regarding this matter ensued. Mr. Rossi asked the members to turn to page 34 in the meeting package and offered comment and brief history on this item. Mr. Rossi stated we all need a better understanding of the science behind this. Mr. Manning noted for the May agenda there will be a more thorough staff report.

B. AMENDMENT NO. 1 TO AGREEMENT TO FORM A TASK FORCE

Mr. Manning noted this item is for information only this month. Mr. Manning stated this agreement was received by SAWPA to form a task force to conduct a Basin Monitoring Program for nitrogen and total dissolved solids in the Santa Ana River Watershed. Mr. Manning stated this agreement was received too late to perform a critical analysis prior to it being placed on the agenda. Mr. Manning stated this is within the scope of work that has already been agreed to and it is something Watermaster should be involved in and are obligated to be in. Mr. Manning stated it appears in May the recommendation from staff will be to approve this agreement since it is something Watermaster is required to do.

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**1. Paragraph 31 Motion Update

Counsel Fife stated Watermaster did file its response on April 12, 2010, and a copy of that response is available on the back table. Yesterday a notice was sent out regarding the case management order; this is the order that came out of the April 2, 2010 hearing. The order lays out the deadlines for all of the different filings that are going to happen and other procedural items associated with the hearing on May 14, 2010. Mr. Craig inquired about Judge Reichert's decision regarding timing of filings. Counsel Fife stated the briefing schedule began on Monday, April 12, 2010, with Watermaster filing its reply. Next Monday the 19th, the Appropriative Pool or any member of the Appropriative Pool will make their filings. The following Monday the 26th, the Agricultural Pool or any member of the Agricultural Pool will make their filings. On May 10th, which is two weeks after the Agricultural Pool filing, the Non-Agricultural Pool or any member of the Non-Agricultural Pool can reply to all those filings, with the actual hearing being on Friday, May 14, 2010 at 10:30 a.m. Counsel Fife stated it was agreed upon that the hearing on the 14th will be just on the papers with no discovery before the hearing and at the hearing there will be no direct testimony by witnesses and will be solely on the papers filed. Counsel Fife stated at the hearing if the Judge decides that more information is necessary, then the Judge may set a subsequent hearing and establish a discovery schedule at that time.

2. Database and Record Management

Counsel Fife stated this item has been discussed at several meetings for the past month or so and a full report was given at the last Advisory Committee and Watermaster Board meeting and there is no new information to report on at this time. No further comment was made.

B. CEO/STAFF REPORT1. Legislative Update

Mr. Manning stated there are a number of pieces of legislation that are being introduced and hearings are starting to be held in Sacramento. The one significant item that took place recently is the LAO's report which is a report on groundwater resources. This is the second report done by the LAO and this report seems to be a more reasonable report regarding groundwater issues. There are a lot of good recommendations from the report and legislatures are starting to take a look at this report, so in turn, pieces of legislation are being created from some of the LAO's recommendations. Mr. Manning reviewed some of the other assembly bills related to water.

2. Recharge Update

Mr. Manning stated the most recent recharge spreadsheet is on the back table. Mr. Manning stated over the last three or four months a significant increase in the amount of recharge has taken place. Mr. Manning reviewed the recharge handout in detail. Mr. Manning thanked Inland Empire Utilities Agency and the Conservation District for their assistance in improvements made to the recharge basins; those efforts have clearly helped our recharge capabilities.

3. Regional Board Complaint

Mr. Manning stated he has asked Western Municipal Water District to give an additional report under this item to assist in clarification. Mr. Manning stated he received an email copy of the complaint that the Regional Board has filed with Inland Empire Utilities Agency (IEUA) and with Chino Basin Watermaster. That complaint states that Watermaster and IEUA, as the holders of the permit, are being fined because of the lack of progress on the digging of the wells for Hydraulic Control that is necessary on the southwest portion of the basin. Mr. Manning stated in the email Mr. Thibeault made it very clear that Watermaster and IEUA staff are not the problem; it is the Chino Desalter Authority and they need to move this forward. Mr. Manning stated because Watermaster and IEUA are the permit holders, it

is our responsibility to make sure this work gets done. A phone call is taking place this afternoon amongst IEUA and Watermaster staff to discuss an upcoming meeting with Mr. Thibeault so more information will be gathered in order to give a clearer report at the next Watermaster Board meeting next week.

Mr. Rossi stated he would be giving a tag team presentation with Mr. Safely on the Chino Desalter Phase 3 Expansion Project. Mr. Rossi discussed the background which added strength to the Peace Agreement, enhanced regional cooperation, and established scope of work for the desalter expansion. Mr. Rossi stated the Phase 3 Expansion establishes the City of Ontario, Jurupa Community Services District, and Western Municipal Water District as project sponsors and noted Western did initiate admittance into the CDA; however, the current status with the CDA is as a non-voting member. Mr. Rossi stated Western's focus is on increasing water supply, contract facilitation, procurement of funding, and other important coordination. Mr. Rossi reviewed the list of initial implementations. Mr. Safely reviewed the Phase 3 Expansion Facilities comprehensive map in detail. Mr. Rossi concluded the presentation with the upcoming project milestones and remaining agreements. A lengthy discussion regarding Western's presentation and the Regional Board complaint ensued.

4. San Sevaine 5 Berm Improvements

Mr. Pak stated in December, 2009, the board of supervisors of San Bernardino County approved the formation of West End Conservation of Groundwater Resources. In an effort to increase the storm water capture, the technical work group was formed which includes San Bernardino County Park and Flood Control Districts, City of Rancho Cucamonga, City of Ontario, Chino Basin Watermaster, Chino Basin Water Conservation District, and Inland Empire Utilities Agency. Mr. Pak gave the presentation and noted the implementation schedule is a pretty aggressive schedule but everybody's working pretty closely trying to get completed by May. Mr. Manning stated he wanted to thank IEUA for the assistance on this project.

Added Comment:

Mr. Manning noted after discussion with both the Appropriative and Non-Agricultural Pool chairs it has been decided both of those meetings will be pushed out one week due to the ACWA conference to Thursday, May 13, 2010; the times will remain the same. Mr. Manning asked that the members please adjust their calendars to reflect this date change and noted a notice will be sent out to all the parties to reflect the date change.

C. INLAND EMPIRE UTILITIES AGENCY

1. Recycled Water Recharge Program Update

Mr. Berch stated he would be giving the presentation prepared and scheduled to be given by Patrick Shields; however, Mr. Shields was unable to attend today's meeting. Mr. Berch gave the Inland Empire Utilities Agency Recycled Water Groundwater Recharge Program Update presentation. Mr. Berch reviewed the four IEUA water recycling facilities and discussed their influent flow levers, water quality, recycled water demand and capacity. A review of the IEUA recycled water production cycle map was reviewed in detail. Mr. Berch discussed the exceptional recycled water quality which included their Pre-Treatment Program and longstanding treatment facility performance to date. Mr. Berch gave the chronology of recycled water recharge and reviewed each of the permitted recycled water recharge basins. Mr. Berch concluded his presentation with the names and affiliations that are on the expert panel. A discussion regarding underflow ensued.

2. MWD Water Rates and Budget Update

Mr. Shaw reviewed the most recent MWD water rates and noted the new budget has not yet been adopted and it will be brought back in May.

3. State Water Project Allocation Update
No comment was made regarding this item.
4. DYY Third Call Year
Mr. Shaw stated IEUA expects a third consecutive DYY call from Metropolitan; a draft letter was received this week and they are anticipating a final letter shortly. Mr. Shaw stated there will be approximately 17,000 acre-feet for that call and that should essentially zero out the storage account.
5. WSAP Second Allocation Year
No comment was made regarding this item.
6. Monthly Water Use Report
No comment was made regarding this item.
7. State and Federal Legislative Reports
No comment was made regarding this item.
8. Community Outreach/Public Relations Report
No comment was made regarding this item.
9. Peace II PEIR Schedule
Mr. Shaw stated the Peace II Subsequent EIR should be going out next week for public review. Mr. Manning stated in discussing this item with the DYY Committee this morning, it appears there will be some water available under the limits that would allow for Watermaster to purchase some replenishment water this year; the exact amount of water is not yet known but we should be able to start taking in water as early as next week. Mr. Manning noted he believes this will be purchased at a Tier I rate.

D. OTHER METROPOLITAN MEMBER AGENCY REPORTS

Mr. Hansen stated Three Valleys Municipal Water District has 5,000 acre-feet available for the basins but unfortunately the retail agencies within Three Valleys have already taken it. Mr. Hansen stated until there is a Delta fixed and MET has their reservoirs reserves up, we are always going to be in an allocation program. Mr. Hansen offered comment on the Allocation Program.

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

Pursuant to the Advisory Committee Rules & Regulations, a Confidential Session may be held during the Watermaster Pool meeting for the purpose of discussion and possible action.

No confidential was called.

VIII. FUTURE MEETINGS

Thursday, April 15, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, April 15, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
Wednesday, April 21, 2010	1:30 p.m.	* RMP Half Day Workshop @ Rancho Central Park

Thursday, April 22, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM
Thursday, May 6, 2010	1:00 p.m.	Appropriative Meeting @ CBWM
Thursday, May 6, 2010	2:30 p.m.	Non-Agricultural Pool Meeting @ CBWM
Wednesday, May 12, 2010	10:00 a.m.	Watermaster Budget Workshop @ CBWM
Thursday, May 13, 2010	9:00 a.m.	Agricultural Pool Meeting @ IEUA
Wednesday May 19, 2010	12:30 p.m.	* RMP Half Day Workshop @ Rancho Central Park
Thursday, May 20, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, May 20, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, May 27, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM

*** Recharge Master Plan (RMP) Workshop at Rancho Central Park
11200 Base Line Road, Rancho Cucamonga**

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

Secretary: _____

Minutes Approved: May 20, 2010