

Minutes
CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING

June 17, 2010

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga CA, on June 24, 2010 at 9:00 a.m.

ADVISORY COMMITTEE MEMBERS PRESENT WHO SIGNED IN

Appropriative Pool

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| Robert DeLoach, Chair | Cucamonga Valley Water District |
| Mark Kinsey | Monte Vista Water District |
| Dave Crosley | City of Chino |
| J. Arnold Rodriguez | Santa Ana River Water Company |
| Raul Garibay | City of Pomona |
| John Mura | City of Chino Hills |
| Shaun Stone | City of Upland |
| Ken Jeske | City of Ontario |
| Josh Swift | Fontana Union Water Company |
| Robert Young | Fontana Water Company |
| Tom Harder | Jurupa Community Services District |

Agricultural Pool

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| Bob Feenstra | Ag Pool - Dairy |
| Jeff Pierson | Ag Pool – Crops |
| Pete Hall | State of California – CIM |
| Nathan Mackamul | State of California – CIM |

Non-Agricultural Pool – Did not sign in

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

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| Michael Camacho | Inland Empire Utilities Agency |
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Watermaster Staff Present

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

Watermaster Consultants Present

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| Michael Fife | Brownstein, Hyatt, Farber & Schreck |
| Mark Wildermuth | Wildermuth Environmental Inc. |

Others Present Who Signed In

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| Bill Kruger | City of Chino Hills |
| Steven Lee | Reid & Hellyer |
| Scott Burton | City of Ontario |
| Chris Berch | Inland Empire Utilities Agency |
| Marty Zvirbulis | Cucamonga Valley Water District |
| David De Jesus | Three Valleys Municipal Water District |

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

AGENDA - ADDITIONS/REORDER

There were no changes or additions made to the agenda.

I. CONSENT CALENDAR**A. MINUTES**

1. Minutes of the Advisory Committee Meeting held May 20, 2010

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of April 2010
2. Watermaster Visa Check Detail for the month of April 2010
3. Combining Schedule for the Period July 1, 2009 through April 30, 2010
4. Treasurer's Report of Financial Affairs for the Period April 1, 2010 through April 30, 2010
5. Budget vs. Actual July 2009 through April 2010

C. LOCAL AGENCY INVESTMENT FUND

Revised Resolution 10-02 – Resolution Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF)

D. WATER TRANSACTION

Consider Approval for Notice of Sale or Transfer – Monte Vista Water District will purchase 2,000 acre-feet of water from the Monte Vista Irrigation Company. This purchase is made first from the Irrigation Company's net underproduction, if any, in Fiscal Year 2009-2010, with any remainder to be recaptured from storage. Date of Application: April 5, 2010

Motion by Jeske, second by Young, and by majority vote – Non-Agricultural Pool voted no on item B Financial Reports

Moved to approve Consent Calendar items A through D, as presented

II. BUSINESS ITEMS**A. CHINO CREEK WELL FIELD LOCATIONS**

Mr. Manning stated this item has gone through the Watermaster process for the Pools; this item, in working with the CDA and the Expansion Group, is letting them know that Watermaster finds the locations of their wells 16 and 18 are consistent with the modeling which was done by Wildermuth Environmental. Staff finds no problems with the locations of the wells. The issues dealing with depth of screening will be dealt with once the wells are dug and there is more testing done. Mr. Kinsey noted when the Appropriative Pool approved this item they made some minor changes to the recommendation. Mr. Kinsey inquired if those changes have been incorporated into this recommendation. Mr. Manning stated those changes have been integrated into staff's recommendation.

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

Moved to approve Chino Creek Well Field Locations, as presented

B. CHINO BASIN WATERMASTER 2010-2011 BUDGET

Mr. Manning noted Mr. Joswiak will give a budget presentation with revisions that came out of the Pool meetings and the budget sub-committee. Mr. Joswiak reviewed the dates of the budget workshop, sub-committee meetings, and the Pool meetings. Mr. Joswiak offered a summary of the changes that came out of those various meetings and noted the Non-Agricultural Pool will be holding a special Non-Agricultural budget workshop directly after this meeting. Mr. Joswiak gave the 2010-2011 revised budget presentation. Mr. Kinsey thanked the sub-committee and parties that worked together to lower the budget. A discussion regarding the proposed final 2010-2011 budget, including an inquiry into what Mr. Brommenschenkel does for the Agricultural Pool, ensued.

Motion by Jeske, second by Kinsey, and by majority vote – Non-Agricultural Pool abstained

Moved to approve the Chino Basin Watermaster 2010-2011 Budget, as presented

C. CONDITION SUBSEQUENT NO. 8

Mr. Manning stated staff is requesting the approval of Resolution 10-03 which is the conveyance to the court of the satisfaction of the Condition Subsequent Number 8. As part of the Peace II Agreement the courts imposed a number of conditions subsequent; Watermaster has complied with all of those conditions subsequent, met all the timelines, and has submitted all of the elements that were necessary. The last condition subsequent is the final submittal of the Recharge Master Plan and this has been a cooperative effort between Watermaster, the Chino Basin Water Conservation District, Inland Empire Utilities Agency (IEUA) and many others. Watermaster staff is thankful for all the efforts by all the parties to complete these court requirements. Staff is recommending Resolution 10-03 be approved; however, IEUA is asking to defer their opinion of the Recharge Master Plan (RMP) or their concurrence with the RMP until the Urban Water Management Plans have been adopted in June of 2011. Mr. Love offered comment on IEUA's position to defer concurrence with the RMP. Mr. Manning stated staff is asking the resolution be approved so that it can be sent along with the pleading to the court prior to the deadline of July 1, 2010. Mr. Jeske offered comment on the proposed resolution, the RMP, and the Urban Water Management Plan; it was noted the last Recharge Master Plan was done in 2001. Counsel Fife noted this language does track the Peace II Agreement section 8.1 which states it will be updated and amended as frequently as necessary with court approval in not less than every five years. A lengthy discussion regarding IEUA's position and the possible action of the court due to the process being incomplete because of what happened with the Urban Management Plans which was not anticipated in 2008 ensued. Counsel Fife noted there is a copy of the draft pleading available on the back table; a final copy will be available at the Watermaster Board meeting next week. Mr. Kinsey offered comment on safe yield reduction, and the approach it would take to resolve that, and noted Monte Vista Water District will be submitting comments on this issue. Mr. Garibay offered comment on a response by a member of IEUA with regard to the way storm water and recycled water is calculated. Mr. Wildermuth stated this information has not been completely provided and Mr. Pak noted staff is still working with IEUA staff on obtaining this information.

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

Moved to approve Resolution 10-03 regarding updated Recharge Master Plan in satisfaction of December 21, 2007 court order Condition Subsequent Number 8, as presented

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

Counsel Fife stated the Paragraph 31 Motion has no new information to report on at this item time except the hearing for this item is tomorrow at 10:30 a.m.

2. ACL Complaint

Counsel Fife stated the ACL complaint was reported and discussed at length at all three Pool meetings. The Watermaster Board at their last meeting did approve a settlement agreement with the Regional Board, and the Regional Board approved the settlement at their board meeting on June 10, 2010; a copy of that settlement agreement is on the back table.

3. CDA Facilitation

Counsel Fife stated the facilitation is continuing with frequent meetings with the CDA parties. At the last Watermaster Board meeting the Board did adopt a set of principles that were agreed upon through that facilitation process. Those principles are available on the back table for review.

B. CEO/STAFF REPORT1. Legislative Update

Mr. Manning stated the legislature is working through their list of bills which have moved from their house of origin to the other house in the legislature. There is also a lot going on with the elections.

2. Recharge Update

Mr. Manning stated the most recent recharge update is available on the back table for review. Mr. Manning reviewed the recharge spreadsheet in detail.

3. Potential Implementation of MWD's Water Supply Allocation Plan Update

Mr. Manning noted this item has been on the agendas recently and has already been discussed. Presently Mr. Manning will be meeting with AGWA on July 13, 2010 to come up with a common position/unified voice. A lengthy discussion regarding this item, Metropolitan rate structures, water project obligations, and groundwater agencies involvement ensued.

C. INLAND EMPIRE UTILITIES AGENCY1. MWD Water Rates and Budget Update

Mr. Love recapped Metropolitan Water District rate changes and budget updates.

2. State Water Project Allocation Update

Mr. Love stated state water project allocations is currently at 45% and there is optimism by some that it will go to 50%; which there has never before been a change in allocation after June 1st.

3. DYY Third Call Year

Mr. Love MWD has made a third year call; however there is only about 17,200 acre-feet left in their account.

4. MWD WSAP Second Allocation Year

Mr. Love stated MWD has a lot of water they can place into storage. Who has control over that water once it goes into storage is the question that is presently being discussed.

5. Prop 84 Funding

Mr. Love stated SAWPA has requested proposals for projects for a first round of IRWP funding. The amount that has been allocated for SAWPA to distribute is approximately \$12 million dollars. Mr. Love noted the deadline is next week to get these projects on the list. Mr. Love offered comment on this issue in detail.

6. Peace II SEIR Schedule

No comment was made regarding this item.

7. Imported Water Recharge

No comment was made regarding this item.

8. Monthly Water Use Report

No comment was made regarding this item.

9. State and Federal Legislative Reports

No comment was made regarding this item.

10. Community Outreach/Public Relations Report

No comment was made regarding this item.

D. 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

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 session was called.

VIII. FUTURE MEETINGS

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| Wednesday, June 16, 2010 | 2:00 p.m. | Personnel Committee Meeting @ CBWM |
| Thursday, June 17, 2010 | 8:00 a.m. | IEUA DYY Meeting @ CBWM |
| Thursday, June 17, 2010 | 9:00 a.m. | Advisory Committee Meeting @ CBWM |
| Thursday, June 17, 2010 | 11:00 a.m. | Non-Agricultural Pool Budget Workshop @ CBWM |
| Friday, June 18, 2010 | 10:30 a.m. | CBWM Court Hearing @ Chino Court Room C1 |
| Thursday, June 24, 2010 | 11:00 a.m. | Watermaster Board Meeting @ CBWM |
| Thursday, July 1, 2010 | 1:00 p.m. | Appropriative Pool Meeting @ CBWM |
| Thursday, July 1, 2010 | 2:30 p.m. | Non-Agricultural Pool Meeting @ CBWM |
| Thursday, July 8, 2010 | 9:00 a.m. | Agricultural Pool Meeting @ IEUA |
| Thursday, July 15, 2010 | 8:00 a.m. | IEUA DYY Meeting @ CBWM |
| Thursday, July 15, 2010 | 9:00 a.m. | Advisory Committee Meeting @ CBWM |
| Thursday, July 22, 2010 | 11:00 a.m. | Watermaster Board Meeting @ CBWM |

The Advisory Committee meeting was dismissed by Chair DeLoach at 9:40 a.m.

Secretary: _____

Minutes Approved: July 15, 2010