

Minutes
CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING

December 6, 2005

The Agricultural Pool Meeting was held at the offices of the Inland Empire Utilities Agency, 6075 Kimball Avenue, Chino, CA, on December 6, 2005 at 9:00 a.m.

Agricultural Pool Members Present

Nathan deBoom, Chair	Milk Producers Council
Gene Koopman	Milk Producers Council
Glen Durrington	Crops
John Huitsing	Dairy
Pete Hettinga	Dairy
Bob Feenstra	Dairy
Edward Gonsman	State of California, CIM
Dan Hostetler	Cal Poly Pomona

Watermaster Board Member Present

Geoffrey Vanden Heuvel	Crops
Al Lopez	Western Municipal Water District

Watermaster Staff Present

Kenneth R. Manning	Chief Executive Officer
Sheri Rojo	CFO/Asst. General Manager
Gordon Treweek	Project Engineer
Danielle Maurizio	Senior Engineer

Watermaster Consultants Present

Michael Fife	Hatch & Parent
Mark Wildermuth	Wildermuth Environmental Inc.

Others Present

Steve Lee	Reid & Hellyer
Ken Jeske	City of Ontario
Mark Kinsey	Monte Vista Water District
Sandra Rose	Monte Vista Water District
Josephine Johnson	Monte Vista Water District
Rick Rees	Geomatrix for California
Frank Brommenschenkel	Consultant for Reid & Hellyer

Chair deBoom called the meeting to order at 9:10 a.m.

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Agricultural Pool Meeting held November 15, 2005

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of November 2005
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2005 through November 30, 2005

3. Treasurer's Report of Financial Affairs for the Period November 1, 2005 through November 30, 2005
4. Profit & Loss Budget vs. Actual July through November 2005

Motion by Koopman, second by Durrington, and by unanimous vote

Moved to approve Consent Calendar Items A through B, as presented

II. BUSINESS ITEMS

A. MOTION FOR EXTENSION OF THE WATERMASTER BOARD

Mr. Manning introduced the Watermaster Board item and stated there have been extensive discussions regarding this item and noted action must be presented to the court on the hearing date of February 9, 2006 which is why the meetings in December needed to take place. Counsel Fife stated this motion has been presented at a prior meeting and is only slightly different from the one which was presented a few months prior. The motion is asking for a reappointment of the Watermaster's nine member Board for another five year term. The structure of the motion is to go through all the conditions that the court has laid out, both when it made the first reappointment five years ago and anything subsequent to that be satisfied also. There are several references to the State of the Basin Report which has been made available to the Watermaster parties for a few months; this will be one of the other items submitted to the court on February 9, 2006. A question regarding the make up of the board remaining as it currently comprised was presented. Counsel Fife stated this motion is for a rollover of the current make up of the board for another five year term.

Motion by Feenstra, second by Koopman, and by unanimous vote

Moved to approve the motion for the extension of the Watermaster Board, as presented

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Attorney Manager Process/Discussion of Peace II Agreement

Counsel Fife stated there was a recent Peace II Workshop held which was widely attended and there has been a follow up workshop scheduled for December 7, 2005. The outcome of the workshop was presented to the Watermaster Board and the Board decided to schedule a follow up workshop and instructed staff to distribute the agreement to the Pools so the Pool members could begin discussing the agreement. No action is required today and is being presented for comment and discussion. Mr. Koopman presented several technical questions to Mr. Wildermuth. Mr. Wildermuth offered comments on Mr. Koopman's technical questions. A discussion ensued with regard to Agricultural Pool transfers and it was noted there are no Agricultural Pool transfers, only a Watermaster accounting procedure. A further discussion ensued with regard to who could possibly be considered an Agricultural Pool member later on down the road. Counsel Fife stated the members of the Agricultural Pool are specifically listed in the Judgment. Mr. Manning offered comment on conversion area 1 and noted that Watermaster staff is confident regarding what properties are available for Agricultural conversion and when and how to take that process forward. A lengthy discussion ensued with regard to Agricultural water rights to pump or not to pump. It was asked that Mr. Wildermuth give a short presentation on why water is going to be drawn down in the middle of the basin. Mr. Wildermuth stated he had nothing official prepared, however, would offer comment. Mr. Wildermuth gave a brief summary of the implementation of Peace I and how tools were developed to operate the basin (computer simulation tools). During the analysis various issues and forethoughts arose regarding the basins operation. Mr. Wildermuth offered different scenarios regarding replenishment and its possible effects and noted that when pumping started many many years ago it changed the water levels in the basin. Mr. Wildermuth stated that when the original adjudication was done for this basin, the assumption was that the basin was a bowl, and had a constant outflow, which was basically based on very limited data and basin knowledge. The storage

arrangement and how we think about how the basin operates is based on a flawed conceptual model; in the real world the basin is tilted. A lengthy discussion ensued with regard to pumping and desalter replenishment with regard to inflow and water levels. Mr. Vanden Heuvel offered comment regarding a chart that was presented at the recent workshop and made reference to the examples given in the chart regarding full, half, and no replenishment obligations and in looking to other sources where we can get maximum benefit without full forgiveness. Mr. Vanden Heuvel stated that we would be foolish to ignore our future water legacy. While Mr. Vanden Heuvel fully supports Hydraulic Control, he voiced his vast concerns over the proposed Peace II Agreement and its possible long term affect on legacy. Mr. Atwater spoke on blending and water management strategies. A discussion ensued with regard to water treatments and replenishment with treated and/or blended water. It was noted that Wildermuth Environmental's proposal is mirroring what Orange County has already done successfully. Mr. Jeske stated the proposed Peace II Agreement has a lot of advantages regarding pumping and drawdown "incentives" and managing hydraulics. A discussion ensued with regard to moving forward with the proposed Peace II Agreement and the use of desalter water. Chair deBoom inquired if there will be any type of checks and balances that will be put into place to see that projects and improvements are moving forward and are on track. Mr. Manning stated there needs to be a movement now towards recharge facilities and access to water, whether it be advanced treatment on reclaimed water, additional water from MET, or an outside purchase that would be guaranteed. Watermaster staff has been looking into these areas along with the purchase of additional recharge facilities as part of the strategic planning process. Counsel Fife noted that several of the inquiries will be addressed at the Peace II Workshop tomorrow. Mr. Kinsey commented on purchasing water in the future and a discussion ensued with regards to Mr. Kinsey's comments. Counsel Fife stated this discussion was a good start and noted dialog will continue on this matter.

B. CEO/STAFF REPORT

1. Agricultural Pool Transfer Credit
No comment was made regarding this item.
2. Review Land Use Conversion Area Maps
No comment was made regarding this item.
3. MZ1 Transfer Discussion
No comment was made regarding this item.

Added Item:

Mr. Manning stated there were discussions with the possible responsible parties (PRP) on the Ontario Airport issue and one thing the PRP's has requested is access to data within in the zone of contamination. Many of the wells in that zone are Agricultural wells; notification will be sent to well owners on this request. A discussion ensued with regard to what information is already available at the Regional Board. Mr. Wildermuth noted the plume is now much larger and more information that was not previously gathered from additional wells is now needed. A question regarding releasing information on other contaminants was presented. Mr. Manning noted that the "confidentiality" agreement" to not make released data available to the public will be enforced. Counsel Lee stated the notification to the pump well owner will include the notice of confidentiality and will be up to those individual well owners if they want to release such data. Mr. Manning noted that Watermaster is anxious to get the letters out in the mail to assist the Regional Board and enter into a meaningful dialog with the PRP's on the plume issue.

IV. INFORMATION

1. Newspaper Articles
No comment was made regarding this item.

V. POOL MEMBER COMMENTS

No comment was made regarding this item.

VI. OTHER BUSINESS

No comment was made regarding this item.

VII. FUTURE MEETINGS

December 6, 2005	9:00 a.m.	Agricultural Pool Meeting @ IEUA
December 8, 2005	9:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
December 15, 2005	9:00 a.m.	Advisory Committee Meeting
December 15, 2005	11:00 a.m.	Watermaster Board Meeting
January 12, 2006	9:00 a.m.	Annual Appropriative Pool Meeting
January 12, 2006	11:00 a.m.	Annual Non-Agricultural Pool Meeting
January 17, 2005	9:00 a.m.	Annual Agricultural Pool Meeting @ IEUA
January 26, 2006	9:00 a.m.	Annual Advisory Committee Meeting
January 26, 2006	11:00 a.m.	Annual Watermaster Board Meeting

The Agricultural Pool Meeting Adjourned at 11:00 a.m.

Secretary: _____

Minutes Approved: January 17, 2006