

**Minutes**  
**CHINO BASIN WATERMASTER**  
**AGRICULTURAL POOL MEETING**

August 21, 2007

The Agricultural Pool Meeting was held at the offices of the Inland Empire Utilities Agency, 6075 Kimball Avenue, Chino, CA, on August 21, 2007 at 9:00 a.m.

**Agricultural Pool Members Present**

Bob Feenstra, Chair	Dairy
Rob Vanden Heuvel	Milk Producers Council
Jeff Pierson	Crops
Glen Durrington	Crops
John Huitsing	Dairy
Pete Hettinga	Dairy
Edward Gonsman	State of California CIM
Dan Hostetler	Cal Poly

**Watermaster Board Members Present**

Sandra Rose	Monte Vista Water District
Paul Hofer	Crops
Geoffrey Vanden Heuvel	Dairy

**Watermaster Staff Present**

Kenneth R. Manning	Chief Executive Officer
Gordon Treweek	Project Engineer
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

**Watermaster Consultants Present**

Michael Fife	Hatch & Parent
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**Others Present**

Steven Lee	Reid & Hellyer
Rick Rees	Geomatrix for CIM
Pat Boldt	Milk Producers Council
Gayle Learned	SB County Farm Bureau
Bruce Scott	San Jacinto

Chair Feenstra called the Agricultural Pool meeting to order at 9:06 a.m.

**AGENDA - ADDITIONS/REORDER**

Mr. Manning noted the Consent Calendar item C will be an intervention into the Non-Agricultural Pool and not the Agricultural Pool as presented on the July agenda.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Agricultural Pool Meeting held July 17, 2007

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of July 2007
2. Watermaster Visa Check Detail

3. Combining Schedule for the Period July 1, 2006 through June 30, 2007
4. Treasurer's Report of Financial Affairs for the Period June 1, 2007 through June 30, 2007
5. Profit & Loss Budget vs. Actual July 2006 through June 2007

Item C and D were pulled for a more detailed discussion.

**C. INTERVENTION – RIBOLI FAMILY/SAN ANTONIO WINERY**

Mr. deBoom stated he was not at the last Agricultural Pool meeting and wanted to get more information on what is being asked for both interventions. Mr. Manning stated this item was on the agenda last month for consideration and was pulled to hold this item for a month for more investigation by Watermaster staff and the City of Ontario. Mr. Manning stated at last month's Appropriative and Non-Agricultural Pool meeting it was reported that San Antonio Winery reported to Chino Basin Watermaster staff that they had a meter for all of the water that was being used at their facility. As it turns out, they do not have a meter and are in fact using their well for the entire facilities which is a retail establishment. The winery has a wine tasting room, sells wine, and has a small restaurant with bathroom accommodations. Since the last meeting in July staff has determined the best placement for the San Antonio Winery would be to be placed in the Overlying Non-Agricultural Pool based on the water they are using from their production well. Mr. Manning stated at any point in time they decide to begin doing agricultural endeavors, they can then intervene as an Agricultural Pool member as well; we will make them aware of this. Mr. Manning stated that Mr. Jeske from the City of Ontario confirmed that neither the San Antonio Winery nor the Fuji Natural Food Company has a municipal meter and also that if any person drives by Fuji Food Company and does not see any fields it is because all their growing is done hydroponically. Mr. Manning stated what staff is saying is that there is an existing well that has some history and that if they are going to continue having a well which is being used in the manner that it is now, they are going to have to be intervened into the Judgment; staff wants to categorize them into the correct category and staff does feel the Overlying Non-Agricultural Pool is the correct place. A brief discussion ensued with regard to this issue.

**D. INTERVENTION – FUJI NATURAL FOOD INC.**

Mr. Manning stated while Fuji Natural Food does not grow things in the ground they are still growing hydroponically which is still considered Agricultural use of the water. That would make them a part of the Agricultural Pool. Mr. deBoom inquired into possibly having the Agricultural Pool chair and Chino Basin Watermaster send them a letter welcoming them into the Agricultural Pool and invite them to attend the Pool meetings. Chair Feenstra and Mr. Manning stated that was a good idea. Chair Feenstra asked that Watermaster take the lead on writing this letter to them.

*Motion by Pierson, second by Durrington, and by unanimous vote*

***Moved to approve Consent Calendar Items A through D, as presented***

**II. BUSINESS ITEMS**

**A. LEGAL INSTRUMENTS – Discussion Only**

Mr. Manning stated Chino Basin Watermaster has held its first workshop regarding the Legal Instruments and at that workshop staff mentioned we were going to open up a discussion regarding the legal instruments at the next Appropriative Pool meeting. Based on the comments staff receives today on those documents, there will be an amended set of legal instruments available at the second workshop which is going to be held on August 16, 2007; this was the reason for rescheduling this pool meeting today instead of another later date after the scheduled workshop. A few parties have submitted comments in writing, one was from Monte Vista Water District, we have since received another set of comments from Richards, Watson, Gershon on behalf of the City of Upland, there are some email comments from Tom Bunn on behalf of the City of Pomona, and a proposed revision to the Non-Agricultural Pool Judgment Amendment by Bob Bowcock on behalf of Vulcan Materials. The intention today was to have further discussions on the legal instrument documents. Counsel Fife stated the court

has ordered us to have a hearing on the Peace II documents in November. Counsel has asked the court to schedule the hearing for November 15, 2007 and as to date we have not heard back from the court if that date is confirmed. The goal is to conduct the discussion of the documents and perform whatever work needs to be done on them both this month and then the first part of September with the goal that we would then take the documents to the Pools in September, then on to the Advisory Committee and Watermaster Board. With the approval of the parties counsel will be able to file the final documents with the court in the first part of October and that would give us the 30 day notice period that we need; with the hearing in the middle of November. Counsel Fife recognized Mr. Hofer and Mr. Vanden Heuvel's attendance at today's meeting and stated they might want to offer comments to the committee members regarding this matter. Counsel Fife noted no action is needed today. Mr. Vanden Heuvel stated the legal documents that are before us are really the implementation tools for Peace II and are very important. Mr. Vanden Heuvel noted the Agricultural Pool had a huge role to play in the negotiations and decisions that led up to what is now known as the Peace Agreement. The attorney manager process for the Peace II discussions envisioned a management of the Chino Basin around a concept called Hydraulic Control. The early estimates were that we would require approximately 650,000 acre-feet of mining in order to obtain Hydraulic Control and that number was of concern to the Agricultural community. The parties entered into a lot of discussions and there was a lot more engineering work that was done and after further negotiations the documents presented today reflect many updates to the original proposal. Peace II had a couple principles that were imbedded in it; one was that we would do no more mining than that which was necessary to obtain Hydraulic Control that was supported by the Wildermuth model which is constantly being updated and will be fine tune the model runs. Locating the places where the pumping needed to take place was also achieved. Mr. Vanden Heuvel stated a key point was that this amount of mined water would be used as an incentive to make sure that the investments in additional pumping that can maintain Hydraulic Control would go in the most efficient locations. The conflict is the most efficient to the Basin to obtain Hydraulic Control and the most efficient place for those who are going to build the pumps and delivery the water is not the same which causes conflict. By creating a bank of water that can be used to offset replenishment costs, we created the financial incentive to put the pumping in the correct place. Parties also asked for some verification of the Wildermuth model take place by someone qualified to review it and Joe Scalmanini performed that task. The model was reviewed and the answer that came back was that Wildermuth's model was adequate for planning purposes. There was also another study which was done by Dr. Sunding with regards to the economic side of this. Mr. Vanden Heuvel stated he has reviewed the legal instrument documents and was able to participate in workshops and discussions. His review found them to be very faithful to the deal which was constructed. The other item that came out of Peace II was the likely builder of the wells to achieve Hydraulic Control who was Western Municipal Water District. There were some other parties in the Chino Basin that said maybe they would also want to participate. The Peace II process a year ago gave notice to all of the parties that they had six months to opt into taking the lead on this endeavor and if when the six months expires and there are no takers then we would then move ahead with Western. In the last couple of weeks, the staff at Chino Basin Watermaster has stated the six month period has expired and that Western will be in the lead to implement the deal. Mr. Vanden Heuvel stated he feels this is a fine piece of work done by our staff and legal team and he can recommend and assure the Agricultural Pool, to the extent he is able, we can feel comfortable moving forward with Peace II. A lengthy discussion ensued with regard to this matter and Mr. Vanden Heuvel's comments.

**B. AGRICULTURAL PORTION OF MIDDLE SANTA ANA WATERSHED TMDL STUDY**

Chair Feenstra stated Mr. Vanden Heuvel and he have been in conversations about the TMDL studies and what is going to be required or suggested by the Regional Quality Control Board. In our discussions, Mr. Vanden Heuvel felt this should be an agenda item today. Mr. Vanden Heuvel stated one of the requirements of the Federal government is that watersheds and impaired watersheds have to conduct a total maximum daily load study to determine who is loading what when a watershed is impaired. The Santa Ana Watershed, the middle Santa Ana,

is the Chino Basin area and has been identified as an impaired area and there are a number in different elements that are out of compliance. A TMDL study has been initiated by the Regional Board in compliance with Federal law. What they do is identify all the potential contributors of this particular constituent to the water body. In the case of the middle Santa Ana, the major contributors to potential contaminants would be the Flood Control Districts because they are directly discharging into the river, sewer plants, and the cities which cover the major portion of the watershed. Agricultural has also been identified as a potential contributor. This is a fairly expensive process to do this kind of a study and the cities, Flood Control Districts, and sewer plants went to the state and got a significant grant to help them. Mr. Vanden Heuvel went on to say that the Milk Producers Counsel (MPC) which takes the lead for dairy in the Chino Basin recognizes somehow this particular issue did not get on their radar screen. The Farm Bureau was kind of watching this in general. Pat Boldt who is present today has been working for the San Jacinto parties that have their own TMDL process going on and was aware of this and did inquire to the MPC when she came on board as to where Agricultural community was at on this process. Pat Boldt was successful in including the Agricultural community to the existing study because the study had not commenced yet. The urban parties got a \$650,000 grant from the State to help them with this study. It was a great move to add Agricultural community to the study; where we could share in the overhead at a fairly minimal cost. The Dairy Producer Environmental Foundation has agreed to pay for the dairy portion and we are now approaching the Agricultural Pool to pay for the farming portion. The farming portion will cost from \$15,000 to \$20,000. We are also asking if the Agricultural Pool could designate one of its members to work with Pat from MPC in the oversight of that study. A discussion ensued with regard to Mr. Vanden Huevel's comments. Ms. Boldt stated in the Basin Plan Amendment the requirement for Agricultural is that there be a bacterial source indicator assessment that is in the plan/study to which Mr. Vanden Heuvel referred. The TMDL study for the Chino Basin area is for pathogens only. The two requirements that are due to the Regional Board by November 30, 2007 are the Bacterial Source Indicator Assessment Plan and a QAPP Monitoring Plan. The QAPP is a quality assurance type plan that goes with a monitoring plan. Once the monitoring plan and QAPP are developed there will also be some watershed monitoring on an annual basis that is required. A lengthy discussion ensued with regard to this matter and the matter of funding this endeavor with the Agricultural Pool funds. Mr. Rees stated more information and on a timelier manner needs to given to items that are on the agendas or added to the agendas so that parties have time to take items to the decision makers for their input prior to meeting days. Mr. Rees asked that this notation be placed in the meeting records.

*Motion by deBoom, second by Hettinga, and by majority vote – State of California abstained*  
**Moved to approve not to exceed \$20,000 for the TMDL Study and to appoint a farm representative to represent the dairy/farm industry at the meetings, as presented**

### **C. HANSON AGGREGATES**

Mr. Manning stated over a year ago during the period of time that staff thought we were getting snow melt coming down following some heavy rains of the previous winter, staff noticed we were receiving into our Lower Day Basin a quality of water that was not the quality that we would normally get during a non-rain event and/or snow melt. With some investigation working with Inland Empire Utilities Agency (IEUA), staff followed the trail of debris back to Hanson Aggregates and immediately notified them that their ponds had breached and that their debris was finding its way into our Lower Day Basins. Water was shut off going into those basins, however; enough of the silt from Hanson Aggregates clogged the basins and we were not able to recharge any water from that point forward. Staff and counsel have been working with Hanson Aggregates, the County of San Bernardino to some degree, and a number of different agencies. It is staffs understanding that the District Attorneys office is in the position of filing something against Hanson Aggregates in the future. In speaking with IEUA, staff has discussed that it would be prudent to file action against Hanson Aggregates since they are making no ovations about wanting to settle this issue. Mr. Manning stated it is important that this be moved on quickly to get some sort of resolve in a timely manner. Counsel Fife stated IEUA Counsel Mr. Cihigoyenette is the lead attorney on this issue on behalf of IEUA

because they are the party that owns the basin and who also paid for the clean up; Watermaster would be on the pleading as a co-plaintiff with IEUA. Counsel Fife stated staff is asking for action today since IEUA is ready to file the complaint and Watermaster will still have to go through the Watermaster process and seek the courts approval to file against a non-party to the Judgment. Mr. Rees stated more information and on a timelier manner needs to given to items that are on the agendas or added to the agendas so that parties have time to take items to the decision makers for their input prior to meeting days. Mr. Rees asked that this notation be placed in the meeting records.

*Motion by deBoom, second by Pierson, and by majority vote – State of California abstained  
Moved to approve filing of the complaint against Hanson Aggregates, as presented*

**III. REPORTS/UPDATES**

**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**

- 1. MZ1 Filing  
No comment was made regarding this item. This item was postponed to be heard at the September Agricultural Pool meeting.
- 2. Hanson Aggregates  
This item was moved to Business Items "C".

*Motion by deBoom, second by Pierson, and by unanimous vote  
Moved to approve moving Hanson Aggregates from Reports/Updates and enter it as Business Item "C", as presented*

**B. ENGINEERING REPORT**

- 1. State of the Basin Report Update  
No comment was made regarding this item. This item was postponed to be heard at the September Agricultural Pool meeting.

**C. CEO/STAFF REPORT**

- 1. Legislative Update  
No comment was made regarding this item. This item was postponed to be heard at the September Agricultural Pool meeting.
- 2. Recharge Update  
No comment was made regarding this item. This item was postponed to be heard at the September Agricultural Pool meeting.
- 3. Assessment Package Update  
No comment was made regarding this item. This item was postponed to be heard at the September Agricultural Pool meeting.

**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**

August 9, 2007	10:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
August 21, 2007	9:00 a.m.	Agricultural Pool Meeting @ IEUA

August 23, 2007	9:00 a.m.	Advisory Committee Meeting
August 23, 2007	11:00 a.m.	Watermaster Board Meeting

The Agricultural Pool committee meeting was dismissed by Chair Feenstra at 10:10 a.m.

Secretary: \_\_\_\_\_

Minutes Approved: September 18, 2007