

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

October 17, 2007 – Rescheduled from October 16, 2007

The Agricultural Pool Meeting was held at the offices of the Inland Empire Utilities Agency, 6075 Kimball Avenue, Chino, CA, on October 17, 2007 at 1:00 p.m. which was rescheduled from October 16, 2007.

**Agricultural Pool Members Present**

Bob Feenstra, Chair	Dairy
Nathan deBoom	Dairy
Gene Koopman	Milk Producers Council
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**

Geoffrey Vanden Heuvel	Dairy
Paul Hofer	Crops

**Watermaster Staff Present**

Sheri Rojo	CFO/Asst. General Manager
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

**Watermaster Consultants Present**

Michael Fife	Hatch & Parent
Andy Malone	Wildermuth Environmental Inc.

**Others Present**

Steven Lee	Reid & Hellyer
Rick Rees	Geomatrix for CIM
Jennifer Novak	DOJ – State of California
Ray Bennett	State of California – CIM

Chair Feenstra called the Agricultural Pool meeting to order at 1:09 p.m.

**AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to the agenda.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Agricultural Pool Meeting held September 18, 2007

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of September 2007
2. Watermaster Visa Check Detail
3. Combining Schedule for the Period July 1, 2007 through August 31, 2007

4. Treasurer's Report of Financial Affairs for the Period August 1, 2007 through August 31, 2007
5. Profit & Loss Budget vs. Actual July 2007 through August 2007

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

***Moved to approve Consent Calendar items A through B, as presented***

## **II. BUSINESS ITEMS**

### **A. INTERVENTION – FUJI NATURAL FOOD INC.**

Ms. Rojo stated this item was discussed in detail at a prior pool meeting. Based upon our review of the documents provided by Fuji Natural Foods, staff recommends this company be placed in the Agricultural Pool. Fuji Natural Foods grows food hydroponically and then packages it for distribution. Fuji Natural Foods has a fairly large operation and staff has discovered recently they do have wells on their property and that they need to intervene into the Judgment. Fuji Food made that intervention request to Watermaster staff. The Agricultural Pool Committee members inquired as to why this item was coming back to this pool again since it was approved in August. Counsel Fife commented on the recommendation made at the Advisory Committee meeting in August and at the Appropriative and Non-Agricultural Pool last week. Counsel Fife noted the caveat made by the Non-Agricultural Pool in wanting staff to conduct a complete audit of the pools to determine if the parties are indeed properly assigned. Mr. Durrington inquired as to how much water is being used at this facility. Ms. Maurizio noted it is estimated that Fuji Natural Foods was using anywhere from 600 to 800 acre-feet per year. A discussion ensued with regard to this matter.

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

***Moved to approve the intervention into the Chino Basin Watermaster Agricultural Pool party, as presented***

### **B. PEACE II AND MZ1 LONG TERM PLAN**

Counsel Fife stated that we will not need to take action take on this item today. There are documents on the back table for review; one is the stipulation for the MZ1 Long Term Plan which was approved by the Watermaster Board, another item is an excerpt from the Peace II Agreement and a pleading. The pleading will be filed today with the court; it is the filing of the conformed copy of the MZ1 Long Term Plan. As part of the stipulation in paragraph three of the stipulation, it was agreed upon to add a few elements to the MZ1 Long Term Plan; those elements were added on page 2-6. The other document that we needed to conform to the stipulation was the Peace II Agreement; which was section 8.4 relating to the requirement to 6,500 acre-feet of recharge. Staff is handing these items out to advice of the changes that were made. Counsel Fife stated comments can still be received on these documents. Counsel Fife stated when the Peace II documents were approved by the pools, Advisory Committee, and the Watermaster Board, there was a commitment made by Watermaster that the approval was subject to convening a separate negotiation, in order to decide what to do about the assessment issue and the claim that Watermaster was required under the Judgment to reconsider the assessment calculations. The document that has been handout out right now is the result of that process; it is an agreement between the parties about how some of the measures in Peace II can be slightly adjusted in order to make up some of the apparent economic disparity. We do have conceptual agreement on this document by all the parties; however, there are still some minor adjustments that need to be made to it. Counsel Fife stated no motion is being asked for today, staff is just making the parties aware of the cut and paste sections that were moved around in the documents; all language has already been approved by the Watermaster Board. Counsel Fife mentioned there are still some details on certain items that Watermaster is working on with Inland Empire Utilities Agency (IEUA) and there is a meeting scheduled for tomorrow with IEUA's staff and some Appropriators to discuss this matter further. A discussion ensued with regard to yield and basin re-operation. Mr. Geoffrey Vanden Heuvel offered comment regarding re-operation with the validation of the Wildermuth model which was done by Mr. Scalmanini. It was noted that the Scalmanini Report

noted the Wildermuth Model was sufficient in its present form for what it was being used for; however, it needed to be refined for better results. Mr. Scalmanini was told at the time of the release of his report that Wildermuth was in fact refining the model as he was writing his report. The revised Wildermuth Report on the recalibrated model should be released in draft form soon. Counsel Fife stated in working with Mr. Wildermuth over the years, the changing and/or refining of his work and opinions is always taking place on a constant basis because the basin changes and the needs of the basin change. Mr. Malone offered comment regarding the model and what the model represents with and without re-operation. Mr. Malone stated that it appears this pool needs Mr. Wildermuth to come and explain the recalibrated model and its results in greater detail. Chair Feenstra stated he did want Mr. Malone to make Mr. Wildermuth aware that a full presentation needed to be given shortly to this pool on re-operation and hydraulic control. A lengthy discussion ensued with regard to this matter.

### III. REPORTS/UPDATES

#### A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Peace II Documents – Transmittal Pleading re November 29, 2007 Hearing  
Counsel Fife stated a draft of the transmittal pleading is not fully completed at this time; it is being worked on presently and will be distributed early next week. The filing deadline is October 26, 2007 with a November 29, 2007 hearing on the Peace II documents at 1:30 p.m.
2. Subsidence Long Term Plan November 15, 2007 Hearing  
Counsel Fife stated the hearing regarding the Subsidence Long Term Plan is still scheduled for November 15, 2007 and it does not appear that there will be any opposition to the plan. The Special Referee's Report on the MZ1 Long Term Plan is due October 12, 2007 and will be distributed to the parties. A discussion ensued with regard to the previously scheduled technical workshop which was cancelled. Even though the court cancelled the workshop, Mr. Scalmanini noted he still needed some technical clarification and instead of an actual workshop, Ms. Schneider and Mr. Scalmanini met at the Watermaster office with other technical staff. A brief discussion ensued with regard to this item.

#### B. FINANCIAL REPORT

1. Water Activity Reports Update  
Ms. Rojo stated the Water Activity Reports have been mailed out all with the exception of one and staff is working on that one internally.

#### C. CEO/STAFF REPORT

1. Legislative Update  
No comment was made regarding this item.
2. Recharge Update  
Ms. Rojo noted the Recharge handout is available on the back table for review.
3. Strategic Planning Report  
Ms. Rojo noted the Strategic Planning Conference went good and was well attended.

### 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**

Ms. Rojo discussed with the Agricultural Pool members the need to change the date of the November meeting due to the Thanksgiving Holiday. It was noted the Agricultural Pool meeting will change from Tuesday, November 20, 2007 to Tuesday, November 13, 2007 at 9:00 a.m. at IEUA.

**VII. FUTURE MEETINGS**

October 11, 2007	10:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
October 16, 2007	9:00 a.m.	Agricultural Pool Meeting @ IEUA
October 25, 2007	9:00 a.m.	Advisory Committee Meeting
October 25, 2007	11:00 a.m.	Watermaster Board Meeting

The Agricultural Pool committee meeting was dismissed at 2:23 p.m.

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

Minutes Approved: November 13, 2007