

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

January 15, 2008

The Annual Agricultural Pool Meeting was held at the offices of the Inland Empire Utilities Agency, 6075 Kimball Avenue, Chino, CA, on January 15, 2008 at 9:00 a.m.

**Agricultural Pool Members Present**

Bob Feenstra, Chair	Dairy
Nathan deBoom	Dairy
Jeff Pierson	Crops
Glen Durrington	Crops
John Huitsing	Dairy
Pete Hettinga	Dairy
Rob Vanden Heuvel	Milk Producers Council
Pete Hall	State of California CIM
Nate Mackamul	State of California CIW

**Watermaster Board Members Present**

Paul Hofer	Crops
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**Watermaster Staff Present**

Kenneth R. Manning	Chief Executive Officer
Sheri Rojo	CFO/Asst. General Manager
Gordon Treweek	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**

Steven Lee	Reid & Hellyer
Rick Rees	Geomatrix for CIM
Jennifer Novak	State of California

Chair Feenstra called the Agricultural Pool meeting to order at 9:10 a.m.

**AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to the agenda.

**I. ANNUAL ELECTIONS - ACTION**

**A. Calendar-Year 2008 Agricultural Pool Members**

The Agricultural Pool membership shall consist of not less than ten representatives selected at large by members of the pool. Pool members will be asked to make any necessary changes to the following list in order to establish pool membership and alternates during calendar year 2008:

Current Agricultural Pool Members

Crops: Glen Durrington  
Jeff Pierson

Dairy: Robert Feenstra

Current Alternates:

Crops: Dan Hostetler

Dairy: Syp Vander Dussen

	Gene Koopman		
	Peter Hettinga		
	Nathan deBoom		
	John Huitsing		
	Rob Vanden Heuvel		
State:	Pete Hall	State:	Jennifer Novak
	Edward Gonsman		Henry Provencher
	Nate Mackamul		Richard Alvarado

**B. Calendar Year 2008 Agricultural Pool Officers**

Nominations will be heard for Pool Chair, followed by nominations for Pool Vice-Chair.

Chair	<u>Bob Feenstra</u>
Vice-Chair	<u>Jeff Pierson</u>
Secretary/Treasurer	<u>Watermaster Chief Executive Officer</u>

Mr. Manning noted the Non-Agricultural Pool passed on taking the Chair position for calendar year 2008 and the Non-Agricultural Pool members recommended that Robert DeLoach be nominated for the 2008 Advisory Committee Chair position. Mr. Manning stated Robert DeLoach won the vote for the Advisory Committee chair with Mark Kinsey as his alternate.

**C. Calendar Year 2008 Advisory Committee Members & Officers**

The pool members will be asked to determine the ten agricultural representatives to serve on the Advisory Committee and, according to the rotation sequence established among the pools, appoint a representative to serve as Chair of the Advisory Committee during calendar year 2008

Chair	Appropriative Pool	<u>Robert DeLoach</u>
Vice-Chair	Agricultural Pool	<u>Bob Feenstra</u>
2 <sup>nd</sup> Vice-Chair	Non-Agricultural	<u>Bob Bowcock</u>

**D. Calendar-Year 2008 Pool Representation on Watermaster Board**

The Pool members will be asked to select two representatives to serve on the Watermaster Board during Calendar-Year 2008 and one or two alternate representatives.

Member: <u>Geoffrey Vanden Heuvel</u>	Alternate: <u>Bob Feenstra/Jeff Pierson</u>
Member: <u>Paul Hofer</u>	Alternate: <u>Bob Feenstra/Jeff Pierson</u>

**II. CONSENT CALENDAR**

**A. MINUTES**

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

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of December 2007
2. Watermaster Visa Check Detail
3. Combining Schedule for the Period July 1, 2007 through November 30, 2007
4. Treasurer's Report of Financial Affairs for the Period November 1, 2007 through November 30, 2007
5. Budget vs. Actual July 2007 through November 2007

**C. CHINO BASIN WATERMASTER INVESTMENT POLICY**

Resolution 08-01 – Resolution of the Chino Basin Watermaster, San Bernardino County, California, re-authorizing the Watermaster's Investment Policy

**D. LOCAL AGENCY INVESTMENT FUND**

Resolution 08-02 – Resolution Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF)

**E. LEVYING REPLENISHMENT & ADMINISTRATIVE ASSESSMENTS**

Resolution 08-03– Resolution of the Chino Basin Watermaster Levying Replenishment and Administrative Assessments for Fiscal Year 2007-2008

**F. NOTICE OF INTENT**

Annual Filing of Notice of Intent Regarding the Determination of Operating Safe Yield

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

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

**III. BUSINESS ITEMS****A. IEUA CONTRACT FOR TECHNICAL SERVICES FOR DRY YEAR YIELD**

Mr. Manning stated this item pertains to a contract between Chino Basin Watermaster and Inland Empire Utilities Agency (IEUA) for technical services to provide the services of Wildermuth Environmental Inc. for the purposes of working on the Dry Year Yield (DYY) study. Mr. Manning stated originally this contract was going to come under the contract with Black & Veatch. However, Watermaster is working on developing a new contract with Wildermuth Environmental that will have some language regarding Wildermuth's relationships with other parties within the basin in order to protect Watermaster and give Wildermuth permission to give unbiased opinions to other parties. This contract, as it is presented today, will allow that to occur. IEUA has taken this contract before their board and it was approved. Staff is asking for approval for this contract and to move it through the Watermaster process; however, the motion is different than the request in the staff letter because of discussions that took place at the Appropriative and Non-Agricultural pool meeting. At that meeting a motion was formulated to include the receipt of revenue from IEUA and expenditure for a similar amount for services by Wildermuth Environmental. A discussion regarding this item ensued. Mr. Pierson inquired into the statements made on page 42 of the meeting packet regarding if the project does not proceed, Metropolitan Water District requires that the funds be returned. Mr. Manning stated IEUA will be responsible for returning the funds; Watermaster has no liability in this.

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

***Moved to approve the contract for services for Dry Year Yield and to amend the 2007/2008 Watermaster budget for receipt of revenue from Inland Empire Utilities Agency and the Expenditure of a similar amount for services by Wildermuth Environmental, Inc., as presented***

**IV. REPORTS/UPDATES****A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. Peace II Order**

Counsel Fife stated a copy of the Peace II order from the court is now available. A special Board meeting was held on December 31, 2007 to discuss the order and to address whether there were any necessary revisions that needed to be made to the Assessment Package. The order does grant Watermaster's motion with conditions subsequent. Because of the order there was no need to revise the Assessment Package. Counsel Fife stated this is a conditional order and there are further things that must be done going forward. There is a schedule for further items that need to be submitted to the court. The first set of those submissions are due shortly. Counsel Fife referenced a matrix which was put together by Mr. Manning for the upcoming projects. Counsel Fife reviewed the matrix. The court is seeking an explanation of the Non-Agricultural Pool judgment amendments which was answered in the reply brief to the court; the actual submission to that request will look similar to the reply brief. A corrected initial schedule is also being asked for by the court with regard to the 400,000 acre-feet of forgiveness water. Counsel Fife stated a draft

of those submissions will go to the Advisory Committee and the Watermaster Board later this month with the goal of complying with that submission by February 1, 2008. Mr. Manning noted it was decided at the Appropriative and Non-Agricultural pool meeting last week that a special Appropriative and Non-Agricultural Pool meeting will take place 10 or 15 minutes prior to the Advisory Committee meeting on January 24, 2008 to review the draft pleading. A discussion regarding the need for attendance by the Agricultural Pool members at the pre-meeting next week to review the draft brief ensued. It was noted that the Agricultural Pool members felt the Advisory Committee can take care of this since issue since there are members from this pool on the Advisory Committee.

2. Hanson Aggregates

Counsel Fife stated this item involves the incident over the Lower Day basin damages. A law suit is on file now but it has not been officially served, in order to give counsel time to work with them. Hanson Aggregates has asked if staff and counsel could participate in non-binding mediation to try and resolve this matter. Counsel Fife stated their request shows they are interested in resolution. Counsel Fife stated discussions have taken place and a settlement is attempting to be made if the dollar amount is high enough to cover all costs and lost revenue.

**B. ENGINEERING UPDATES**

No comment was made regarding this item.

**C. FINANCIAL REPORT**

1. Budget Update

Ms. Rojo distributed a handout to go with the slide presentation on the update of engineering tasks / comparison of budget to actual and estimated cost at completion for fiscal year 2007/2008. Ms. Rojo stated this is the time that Watermaster starts to prepare their new fiscal year budget. Ms. Rojo discussed the program elements and how they apply to each category to come up with a budget number. A chart was reviewed which references certain accounts that are projected to come in over budget at the end of the fiscal year.

2. Draft Policy for Capital and O&M for Recharge Facilities

It was noted this item will be placed on a future agenda.

**D. CEO/STAFF REPORT**

1. Legislative Update

Mr. Manning stated because of this is a presidential election year Washington's normal events have pretty much come to a halt. Mr. Manning stated the ACWA Conference is coming up in February which is always interesting but with it being a presidential election year the conference will be especially interesting. At the state level the governor's budget is prepared and is almost ready to be given to the legislature and in the governor's recent speech he did talk a lot about water. Some of his speech talked about a possible reduction in staff which was confusing because most of the field agencies are running without field positions filled and it does not appear there would be much savings in doing that. Mr. Manning stated he will be going to meeting later this month that will be discussing bond measures and he will keep the parties up to date on what is going on.

2. Recharge Update

Mr. Treweek stated there is an updated supplemental and storm water recharge handout now available which summarizes the first six months of recharge. 4,000 acre-feet of recharge has been captured which is not a large number. Staff has calculated the storm in January and it appears approximately 2,000 acre-feet of storm water was captured then which is a very good number. Mr. Treweek stated he feels this high number of storm water capture is due to all the improvements made to the basins over the summer and our reactions to storms when they come in.

3. Wildermuth Contract

Mr. Manning stated Watermaster staff is working with Wildermuth staff to put together a draft contract; a copy of the first draft is now available. This will allow staff to be able to have in a formal contract for the work that is done with Wildermuth Environmental. Mr. Manning noted one of the biggest changes that will be taking place will be management of projects by task number and managing by task order that will allow staff to have greater management control over those; that will be built into this contract. The language that is still not in this draft and is being worked on is the language for working with parties within the basin and how that would be handled. All parties should have access to the expertise that Wildermuth has; however, it needs to be done in such a way that protects his unbiased opinion.

V. INFORMATION

1. Newspaper Articles

No comment was made regarding this item.

VI. POOL MEMBER COMMENTS

No comment was made regarding this item.

VII. OTHER BUSINESS

No comment was made regarding this item.

VIII. FUTURE MEETINGS

January 10, 2008	9:30 a.m.	Annual Non-Agricultural Pool Elections
January 10, 2008	10:00 a.m.	Annual Appropriative Pool Elections
January 10, 2008	10:15 a.m.	Annual Joint Appropriative & Non-Agricultural Pool Meeting
January 15, 2008	9:00 a.m.	Annual Agricultural Pool Meeting @ IEUA
January 23, 2007	9:00 a.m.	GRCC Meeting
January 24, 2007	9:00 a.m.	Annual Advisory Committee Meeting
January 24, 2007	11:00 a.m.	Annual Watermaster Board Meeting

The annual Agricultural Pool election meeting was dismissed by Chair Feenstra at 10:20 a.m.

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

Minutes Approved: February 19, 2008