

Minutes
CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING
February 19, 2008

The Annual Agricultural Pool Meeting was held at the offices of the Inland Empire Utilities Agency, 6075 Kimball Avenue, Chino, CA, on February 19, 2008 at 9:00 a.m.

Agricultural Pool Members Present

Bob Feenstra, Chair	Dairy
Jeff Pierson	Crops
Glen Durrington	Crops
Gene Koopman	Milk Producers Council
John Huitsing	Dairy
Pete Hettinga	Dairy
Jennifer Novak	State of California Department of Justice for CIM
Nate Mackamul	State of California CIW

Watermaster Board Members Present

Paul Hofer	Ag Pool - 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
Mark Wildermuth	Wildermuth Environmental Inc.

Others Present

Steven Lee	Reid & Hellyer
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Chair Feenstra called the Agricultural Pool meeting to order at 9:05 a.m.

AGENDA - ADDITIONS/REORDER

Mr. Manning stated there is a revised Wildermuth Environmental contract on the back table that incorporated changes suggested at last week's Appropriative and Non-Agricultural Pool meeting.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Annual Agricultural Pool Election Meeting held January 15, 2008

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of January 2008
2. Watermaster Visa Check Detail
3. Combining Schedule for the Period July 1, 2007 through December 31, 2007

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

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

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

II. BUSINESS ITEMS

A. BUDGET AMENDMENT, BUDGET TRANSFER, AND PURCHASING POLICIES

Mr. Manning stated staff is formulating policies as requested by the Pools that are now before this committee for approval. Mr. Manning stated the draft policies were distributed at the January Advisory Committee and Watermaster Board meeting and the only feedback received was from the City of Pomona and Watermaster's external auditors. The auditors recommended a change with regard to the purchasing policy to have this policy mirror the check signing authority; the \$500 amount was changed to \$1,000 staff limit to reflect their suggestion. A discussion regarding signing off on requests and transfers ensued. Mr. Manning stated the system at Watermaster is that the bills are reviewed by three people prior to an accounting action such as a transfer or bills paid.

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

Moved to approve the budget amendment, budget transfer, and purchasing policies, as presented

B. CAROLLO ENGINEERS CONTRACT

Mr. Manning stated this contract is an extension to an existing contract Watermaster has with Carollo Engineers to provide the services of Mr. Meyerhofer. Mr. Manning stated in April 2007 the Watermaster Board approved the original contract in the amount of \$75,000 to hire Carollo Engineers to provide the services of Mr. Meyerhofer who would coordinate the Chino Desalter Authority Expansion Program and maintain the schedule that Watermaster had developed for both the court and for the Regional Board. The original \$75,000 agreed to by Watermaster is invoiced to Inland Empire Utilities Agency, Three Valleys Municipal Water District, and Western Municipal Water District for \$25,000 each. This contract extension would be for \$50,000 which would be reimbursed by WMWD for the \$50,000. Mr. Meyerhofer has been doing an outstanding job, but, there is still a lot of work to be done. Staff originally tried to anticipate the amount of time it would take for this to transition over to allow Western Municipal Water District to become a part of the CDA which then would transfer this contract over to the CDA and WMWD; that has not yet taken place which is why staff is seeking an extension to the original contract to allow that still to happen. A discussion with regard to what party will be paying the actual contract costs ensued.

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

Moved to approve the extension to the contract with Carollo Engineers, as presented

C. WILDERMUTH ENVIRONMENTAL INC. CONTRACT

Mr. Manning handed out the contract with Wildermuth Environmental Inc. that incorporated the changes requested to be made by the parties who have had a chance to review the document. Mr. Manning stated one of the items that were revised was the 2007/2008 billing schedule. It was also noted Schedule A has been eliminated from the contract which is being replaced by some additional language in the contract. Counsel Fife stated the contract that was distributed in the package did contain Schedule A which details ownership of materials between Wildermuth and Watermaster. Counsel Fife stated the handout reflects new language replacing Schedule A and noted this change is a more satisfactory way of explaining the relationship of ownership. Counsel Fife reviewed the handout in detail. A lengthy discussion ensued with regard to this contract. Mr. Manning noted the changes that were discussed and requested will be made and a revised contract will be distributed at the Advisory Committee and Watermaster Board meeting later this month.

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

Moved to approve the Wildermuth Environmental Contract between Chino Basin Watermaster and Wildermuth Environmental Inc. including the changes discussed, as presented

D. BUDGET AMENDMENT/TRANSFER ACTION ITEMS

Mr. Manning stated commensurate to the documents and policies adopted in Business Item A, Ms. Rojo stated staff will be utilizing the budget transfer form that was just approved to transfer funds between accounts to cover the projected over run that is being anticipated in the OBMP category. Mr. Manning stated in an attempt to stay on budget, some work is being deferred from this year to next. A discussion ensued with regard to the Agricultural Pool legal bills; it was noted Watermaster staff will discuss the bills with the Agricultural Pool chair and their council. A discussion ensued with regard to the \$50,000 of additional budgetary account funds being transferred to the Agricultural legal and technical services account #8467. Mr. Manning noted the Appropriative and Non-Agricultural Pool members approved an additional \$15,000 instead of staff's recommendation of \$50,000 and asked for the consult with the Agricultural Pool chair to review costs. A lengthy discussion ensued with regard to the motion made at the Appropriative and Non-Agricultural Pool meeting. The Agricultural Pool approved the recommendation give by the Watermaster staff for an additional \$50,000 and agreed to a meeting in the near future.

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

Moved to approve the budget amendments/transfer request in the amount of \$50,000.00, as presented

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Temporary Urgency Application to SWRCB Regarding Santa Ana River from San Bernardino Valley Municipal Water District and Western Municipal Water District

Counsel Fife stated this temporary urgency application comes from Western Municipal Water District and San Bernardino Valley Municipal Water District with regard to the Santa Ana process from the hearing that took place in May 2007. A decision from that hearing has not been received from the State Board and because of the recent wet weather; WMWD and SBVMWD are thinking there could be as much as 43,000 acre-feet in the Santa Ana River that they would be able to divert. This can't be done until a decision has been received on their application by the State Board which is why the temporary urgency application has been filed. This should not be an issue for the Chino Basin Watermaster; however, there will be some technical review from Wildermuth to assure there will be no impact on the basin.

2. Chino Basin Water Supply Assessment Committee

John Schatz is currently writing a water supply assessment and has asked counsel for any boilerplate language that existed. Since there isn't any he is trying to get together a few people to help draft some language about the Chino Basin and why the Chino Basin provides a reliable supply of water that can be put into a water supply assessment. Counsel Fife stated at the request of Mr. Schatz counsel agreed to put this on the agenda to request assistance; a few other parties have already agreed to help him. A discussion ensued with regard to this matter.

B. ENGINEERING UPDATES

1. Regional Board Letter

Mr. Wildermuth stated the Regional Board letter dated January 15, 2008 which requests that both Chino Basin Watermaster and Inland Empire Utilities Agency, who are the maximum benefit proponents, to submit a status report on deliverables required under Max Benefit. Watermaster and IEUA staff got together and doled out assignments to get this request taken care of. Mr. Wildermuth also noted the schedule that was submitted to the

Regional Board a year ago relating to obtaining Hydraulic Control is not 100% on track and that needs to be reported to the Regional Board. Mr. Wildermuth stated a request has been made to the Regional Board for an additional week's time to allow staff to finish the report.

2. Monitoring Status to Date

Mr. Wildermuth stated this item will be given with a full presentation at the upcoming Advisory Committee meeting.

3. March 1, 2008 Conditions Subsequent

Mr. Wildermuth stated the court's December 21, 2007 order required Watermaster to produce a report to answer certain questions. Mr. Wildermuth stated a draft report has been completed and has been put on the Wildermuth and Watermaster ftp sites. Most of the report is a repackaging of the report to create a certain record that the court wanted to see. The only substantially new item in the report is section 5 where it looks at specific questions that were articulated by the Special Referee and attempts to answer those. Mr. Wildermuth handed out several tables that came from this report and then he reviewed them in detail. A lengthy discussion ensued with regard to this matter. It was noted the conditions subsequent due March 1st will be filed with the court on March 3, 2008 since March 1 is a Saturday.

C. FINANCIAL REPORT

1. Financial Updates

No comment was made regarding this item.

D. CEO/STAFF REPORT

1. Legislative Update

Mr. Manning stated the water bond issue in California is not over and is still in discussion mode in Sacramento, both the Governor and the senate have different ideas where they want to see this bond issue go. The Chamber of Commerce has four alternatives to the bond measures that were originally drafted in concept following the pattern on the senate version of the bond but also incorporates items that the Governor is looking for. Mr. Manning will keep the parties apprised at future meetings.

Mr. Manning stated the ACWA conference will take place at the end of the month and he will be attending that conference by will be back for the Board meeting.

Mr. Manning stated the AGWA conference took place this past week in Ontario and it was very well attended. It turned out to be an excellent conference from speaking to others who attended. At that conference Mr. Manning was voted in as the new AGWA Chairman taking the place of Mr. Rossi who had been chair for the past several years.

2. Recharge Update

Mr. Treweek stated there have been two fairly good storms in January in which 4,500 acre-feet of storm water was recharged. When adding the 3,500 acre-feet of recharge that took place in December the total for this year is approximately 8,000 acre-feet of storm water captured and 1,000 acre-feet of recycled water.

Last week the Rialto Pipeline was shut down and during that down time two new valves were installed in CB14 and CB20. A lot of capacity was brought on board by installing these two new valves.

Mr. Treweek discussed the progress on the Phase II project and all the work is looking at being complete by October 2008.

3. Semi-Annual Status Report

Mr. Manning stated a copy of the Semi-Annual Status Report is in the meeting packet and is ready for review and comment. Next month this item will come through the Watermaster process for approval to file with the court.

4. Personnel Committee Update

Mr. Manning stated the Personnel Committee did meet recently and at that meeting the committee approved two new positions and authorized Watermaster staff to move forward with obtaining approval. The actual positions will be going through the Watermaster process next month for approval.

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

February 12, 2008	9:00 a.m.	Water Quality Committee Meeting
February 14, 2008	8:00 a.m.	MZ1 Technical Committee Meeting
February 14, 2008	10:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
February 19, 2008	9:00 a.m.	Agricultural Pool Meeting @ IEUA
February 28, 2007	9:00 a.m.	Advisory Committee Meeting
February 28, 2007	11:00 a.m.	Watermaster Board Meeting

The Agricultural Pool meeting was dismissed by Chair Feenstra at 11:20 a.m.

Secretary: _____

Minutes Approved: March 17, 2008