

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

April 15, 2008

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

**Agricultural Pool Members Present**

Jeff Pierson, Chair	Crops
Nathan deBoom	Dairy
Glen Durrington	Crops
Gene Koopman	Milk Producers Council
Rob Vanden Heuvel	Milk Producers Council
John Huitsing	Dairy
Jennifer Novak	State of California Department of Justice for CIM
Pete Hall	State of California/CIM
Nathan 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
Janine Wilson	Recording Secretary

**Watermaster Consultants Present**

Michael Fife	Brownstein, Hyatt, Farber & Schreck
Mark Wildermuth	Wildermuth Environmental Inc.

**Others Present**

Steven Lee	Reid & Hellyer
Eunice Ulloa	Chino Basin Water Conservation District

Chair Pierson called the Agricultural Pool meeting to order at 9:02 a.m.

**AGENDA - ADDITIONS/REORDER**

No additions or reorders were made to the agenda. It was noted a revised meeting agenda was sent out prior to the meeting and a copy of that revised agenda is on the back table.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Agricultural Pool Meeting held March 18, 2008

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of March 2008
2. Watermaster Visa Check Detail
3. Combining Schedule for the Period July 1, 2007 through February 29, 2008
4. Treasurer's Report of Financial Affairs for the Period February 1, 2008 through February 29, 2008

5. Budget vs. Actual July 2007 through January 2008

**C. KCO, LLC (“KOLL”) INTERVENTION**

1. Consider Approval of Application of Intervention by KCO, LLC (“Koll”) to become a Member of the Overlying Non-Agricultural Pool

**D. WATER TRANSACTION**

1. **Consider Approval for Notice of Sale or Transfer** – The Cucamonga Valley Water District has an agreement with West Valley Water District, formerly known as West San Bernardino County Water District, whereby Cucamonga Valley Water District will purchase 500 acre-feet of West valley Water District’s stored Chino Basin groundwater. Date of Application: March 13, 2008
2. **Consider Approval for Notice of Sale or Transfer** – Sunkist Growers (“Transferor”) hereby permanently transfers to KCO, LLC – “Koll” (“Transferee”) the quantity of 22.000 acre-feet per year of corresponding Safe Yield (Non-Agricultural Pool) adjudicated to Transferor or its predecessor in interest in the Judgment. Date of Application: March 4, 2008

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

***Moved to approve Consent Calendar Item A, B, and D1, as presented***

**Pulled C and D2:**

KCO, LLC (KOLL”) Intervention, and the related transfer were pulled for discussion. A discussion regarding this matter ensued. It was noted the Agricultural Pool would like to see more information regarding Sunkist water sources and who the small pumpers are in or out of the Agricultural Pool at the next meeting.

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

***Moved to approve Consent Calendar Item C and D2, as presented***

**II. BUSINESS ITEMS**

**A. NON-AGRICULTURAL WATER SALE**

No comment was made regarding this item.

**B. PROPOSED BUDGET TRANSFER REQUEST**

Mr. Manning stated this item was presented last month and at that Appropriative and Non-Agricultural Pool meeting staff was directed to hold the item over until a conversation could be held between members of the Appropriative Pool and the Agricultural Pool. That meeting did take place and no recommendation was received as a result of that meeting. A motion was made at the March Agricultural Pool which designated \$50,000 for the budget transfer. Since that meeting staff has reviewed the Agricultural Pool Legal and Technical invoices that have been submitted to Watermaster and have analyzed them going forward to the end of the year and staff believes \$35,000 is an appropriate amount to seek approval for a budget transfer at this time. A discussion ensued with regard to this matter.

*Motion by Durrington, second by deBoom, and by majority vote – Mr. Koopman voted no*

***Moved to approve the budget transfer request in the amount of \$35,000 for the Agricultural Pool legal and technical expenses, as presented***

**III. REPORTS/UPDATES**

**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**

1. Hanson Aggregates

Counsel Fife stated this item is regarding the discharge of silt into the Lower Day Basin. A complaint has been filed by Chino Basin Watermaster and served on Hanson Aggregates.

A mediation session was held last week which did not produce a settlement. A case management conference is scheduled for April 18, 2008. A discussion regarding this item ensued.

2. Peace II Signatures

Counsel Fife requested that the parties who have not yet signed the Peace II documents which are on the Chino Basin Watermaster web site to please do so as quickly as possible.

Added Comment:

Counsel Fife stated Monte Vista Water District filed a response last week to Watermaster's previous filings. This response asks the court to put a stay on the courts December 21, 2007 order approving Peace II. A copy of that pleading is on the back table. A discussion this situation ensued. Counsel Fife stated these pleadings were received just last Thursday and they are still being reviewed by staff and counsel.

**B. ENGINEERING UPDATES**

1. Engineering Update

Mr. Wildermuth stated a report on the Hydraulic Control Monitoring Program is being sent to the Regional Board next week. A meeting took place with the Regional Board last week regarding changing the monitoring program which will reduce the scope of work and costs substantially. After the report is received and reviewed by the Regional Board, a formal report will be sent to them requesting a change in our current program. The proposal will be sent through the Watermaster process prior to it going to the Regional Board.

Wildermuth Environmental has been working on the test well sites for the Chino Creek Well Field and that work is almost concluded.

With regard to the compliance with the December 21, 2007 court order on the technical issues; conditions subsequent no. 3 was filed on April 3, 2008 and no comments have been received from the Special Referee. Conditions subsequent no. 5 is a mandate to provide to the court an outline that shows the scope of the Recharge Master Plan. There was a meeting held on March 28, 2008 of the stakeholder group to start putting that plan together. Since that meeting a very substantive outline of that report has been prepared. Conditions subsequent no. 6 is a requirement to report on the development of the standards and criteria of which Hydraulic Control can be measured and assessed. As a result of the second meeting with the Regional Board last week a Strawman is being developed which contains two parts.

**C. FINANCIAL REPORT**

1. Financial Update

Ms. Rojo stated a Budget Ad-Hoc Committee meeting was held recently and the participants included board members and pool members. The budget categories were reviewed and discussed for the next fiscal year. The scheduling of work, and who performs what tasks and the budgeted costs of the categories was reviewed in detail. It was noted that Watermaster appeared to be on task and that another meeting does not need to be scheduled. The Watermaster Budget Workshop has been scheduled for April 29, 2008 at 10:00 a.m.

**D. CEO/STAFF REPORT**

1. Legislative Update

No comment was made regarding this item.

2. Recharge Update

Mr. Manning noted that due to his retirement, his will be Gordon's last Agricultural Pool meeting. Mr. Treweek stated this winter Kennedy Jenks completed the Phase II design

process. Watermaster received two bid packages. The first was for berm heightening and hardening to increase the capacity at four basins and also to strengthen the internal berms. The second package was for two new turnouts CB14 and CB20 and associated pipelines. The received bids are 20 to 25% below the engineers estimate which will free up money out of the overall bid package for other work.

Mr. Treweek stated the recharge update is on the back table including recharge numbers through the month of March.

**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**

April 10, 2008	10:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
April 15, 2008	9:00 a.m.	Agricultural Pool Meeting @ IEUA
April 16, 2008	9:00 a.m.	GRCC Meeting
April 24, 2008	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
April 24, 2007	9:00 a.m.	Advisory Committee Meeting
April 24, 2007	11:00 a.m.	Watermaster Board Meeting

The Agricultural Pool meeting was dismissed by Chair Pierson at 10:00 a.m.

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

Minutes Approved: \_\_\_\_\_