

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

June 17, 2008

The Agricultural Pool Meeting was held at the offices of the Inland Empire Utilities Agency, 6075 Kimball Avenue, Chino, CA, on June 17, 2008 at 9:00 a.m.

**Agricultural Pool Members Present**

Bob Feenstra, Chair	Dairy
Jeff Pierson	Crops
Nathan deBoom	Dairy
Glen Durrington	Crops
Pete Hettinga	Dairy
John Huitsing	Dairy
Jennifer Novak	State of California Department of Justice for CIM
Nathan Mackamul	State of California/CIW

**Watermaster Staff Present**

Kenneth R. Manning	Chief Executive Officer
Sheri Rojo	CFO/Asst. General Manager
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
Sandra Rose	Monte Vista Water District
Ben Pak	Visitor
Gerry Foote	Chino Basin Water Conservation District

Chair Feenstra called the Agricultural Pool meeting to order at 9:40 a.m.

**AGENDA - ADDITIONS/REORDER**

No additions or reorders were made to the agenda.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Agricultural Pool Meeting held May 20, 2008

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of May 2008
2. Watermaster Visa Check Detail
3. Combining Schedule for the Period July 1, 2007 through April 30, 2008
4. Treasurer's Report of Financial Affairs for the Period April 1, 2008 through April 30, 2008
5. Budget vs. Actual July 2007 through April 2008

**C. WATER TRANSACTION**

1. **Consider Approval for Notice of Sale or Transfer** – Cucamonga Valley Water District has agreed to lease 4,500 acre-feet of water from the City of Pomona. This lease is to be taken first from the FY 2007/08 allocation from the City of Pomona's net underproduction, if any, with any remainder from Pomona's local storage account. Date of Application: May 9, 2008
2. **Consider Approval for Notice of Sale or Transfer** – Cucamonga Valley Water District (CVWD) has agreed to the transfer of 8,530.000 acre-feet of water from San Antonio Water Company (SAWCO). This transfer is made from SAWCO's annual production right. Date of Application: May 30, 2008
3. **Consider Approval for Notice of Sale or Transfer** – Attachment G of the Chino Basin Watermaster Peace II documents allows for a one-time special water transfer of 8,530.000 acre-feet from Vulcan Materials to San Antonio Water Company (SAWCO). SAWCO is purchasing the transferring 8,530.000 acre-feet of Vulcan Material's water in storage. Date of Application: May 30, 2008

**D. OPEN NEW CHECKING ACCOUNT**

1. Open a New Checking for Chino Basin Watermaster with Vineyard National Bank

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

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

**II. BUSINESS ITEMS****A. WATERMASTER 2008-2009 BUDGET**

Mr. Manning asked that the committee members use the updated budget on the back table rather than the one in the meeting packet. Mr. Manning noted this item was on the agenda last month and the recommendations made by the Pools at the May meetings along with recommendations made at the Budget Workshop and Ad-Hoc Board Budget Committee meeting were incorporated in the budget being presented today as a handout. Ms. Rojo offered comment on the changes made to the presented budget and a brief discussion ensued.

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

***Moved to approve the Watermaster 2008-2009 budget, as presented***

**B. AGREEMENT FOR O & M OF FACILITIES TO IMPLEMENT THE RECHARGE MASTER PLAN**

Mr. Manning stated in section VIII 8.1(a) of the Peace II Agreement calls for modification to the agreements that are in place for O&M for the basins. The agreement that was agreed upon in the Peace II process calls for a pro-rata share of costs to be paid by Inland Empire Utilities Agency for the amount of recycled water that they put into the basin. The first amendment to the original agreement will then memorialize this. Mr. Manning noted this agreement will be signed by four parties, one of whom is Chino Basin Water Conservation District and at the Appropriative and Non-Agricultural Pool meeting last week they asked that this item be pulled from the agenda for them to have time to review it and approve it by their board. A discussion regarding the agreement ensued. It was decided to proceed with the Appropriative and Non-Agricultural Pool motion to pull this item from the agenda and bring it back at a future date.

*No motion was made regarding this item – discussion item only*

**C. CONDITION SUBSEQUENT NO. 6**

Mr. Manning stated in the court documents given to Watermaster in December, Condition Subsequent No. 6 requires Watermaster to report to the court on the development of standards and criteria by which the Regional Water Quality Control Board (RWQCB) will determine that Hydraulic Control is achieved and maintained. Mr. Manning stated Mr. Thibeault from the RWQCB has written a letter to the court which deals with this issue and will be part of the submittal that Watermaster will make to the court in August. Counsel Fife stated with regard to Condition Subsequent No. 6 it is simply to provide to the court what kind of progress is being made on the development of standards and criteria. Mr. Wildermuth offered comment on the 9 items discussed in the RWQCB's letter. A discussion regarding the Bright-Line Agreement ensued.

*No motion was made regarding this item – discussion item only*

**D. RECHARGE MASTER PLAN DRAFT OUTLINE SCHEDULE**

Mr. Manning stated a filing that is required by the court regarding the Recharge Master Plan Outline Schedule is due to the court shortly with the actual Recharge Master Plan being due in 2010. Mr. Manning offered comment regarding the recommendations made at the Recharge Master Plan meeting that took place last week prior to the Appropriative and Non-Agricultural Pool meeting. Staff is asking for comments from this committee and is seeking approval for this outline to be presented to the Advisory Committee and Watermaster Board meeting later this month. It was noted this outline was required by Conditions Subsequent no. 5. A discussion regarding this matter ensued.

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

***Moved to approve the Recharge Master Plan draft outline schedule, as presented***

**III. REPORTS/UPDATES****A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. August 21, 2008 Hearing**

Counsel Fife stated there was an original hearing scheduled for May but the court has rescheduled that hearing to now take place on August 21, 2008. Several different items will be presented at this hearing for the judge's consideration due to the delay in holding the hearing.

**2. Hanson Aggregates Potential Litigation**

Counsel Fife noted the Watermaster Board did meet last month in closed session to be update and have discussion on the Hanson Aggregates potential litigation matter. No report was made by the Board on this item. Counsel has met several times with the Hanson Aggregate staff and all parties are attempting to settle this matter. Hanson has asked for Watermaster to provide some information to them.

**3. Chino Airport Potential Litigation**

Counsel Fife noted the Watermaster Board did meet last month in closed session to be updated and have discussion regarding the Chino Airport potential litigation matter. Last month a letter was received from the people who are expanding the Desalter asking Watermaster to take the lead in litigation against San Bernardino County with regard to the Chino Airport. Discussions are taking place with the Chino Desalter Authority staff regarding this matter. Counsel Fife will give an update after more information is received. A discussion regarding the Chino Airport plume ensued.

**B. ENGINEERING UPDATES****1. Condition Subsequent No. 5 Recharge Master Plan**

Mr. Wildermuth stated Conditions Subsequent no. 5 is still being worked on by both Wildermuth Environmental and counsel on the pleading that will be filed with the court.

2. Condition Subsequent No. 6 Hydraulic Control  
Mr. Wildermuth gave a report titled, "Recovery of Hydraulic Control after a Six-Month Shut Down of Desalters I and II." Mr. Wildermuth reviewed the contents of Condition Subsequent No. 6 and gave an update on the status of each requirement. Several maps regarding failure scenarios using the model were reviewed in detail. A discussion regarding Mr. Wildermuth's presentation ensued.
3. Analysis of Residual Agricultural Pumping  
It was noted this item will be presented and discussed at a future meeting.

**C. CEO/STAFF REPORT**

1. Legislative Update  
Mr. Manning commented on AB2046/Jones which is regarding eliminating the use of impaired water sources for use in Urban Water Management Plans. Mr. Manning commented on AB2270/Laird which is sponsored by Inland Empire Utilities Agency and is moving through the legislature presently; this bill relates to water softener issues.
2. Recharge Update  
Mr. Manning stated there was a late year storm in May which allowed for the capture of 1,000 acre-feet of recharge water. The Recharge handout is available on the back table for review.
3. Personnel Matter  
Mr. Manning stated in April, 2008 Gordon Treweek had retired and the vacant position of Project Engineer was placed in several publications for approximately four weeks. A screening committee was formed and the panel interviewed several candidates. One candidate stood out and was approached with an offer of employment at Watermaster. The candidate has accepted our offer; Mr. Ben Pak who is currently employed with Inland Empire Utilities Agency. Mr. Pak will be starting at Watermaster on July 7, 2008 and staff is looking forward to working with him as our new Senior Project Engineer.
4. Strategic Planning Conference  
Mr. Manning stated the next Strategic Planning Conference has been scheduled for September 28-30, 2008, at the Lake Arrowhead Resort. The format will mirror the Strategic Planning Conference of 2006; however, we will be focusing on the Recharge Master Plan this time. A golf tournament will be held on Sunday afternoon and the kick-off reception will be held at the golf course in the club house Sunday evening. Monday will be a full day of meetings and Tuesday will be a half day of meetings. Mark your calendars for this upcoming conference.

**IV. INFORMATION**

1. IEUA Supports Governor's Emergency Drought Declaration  
No comment was made regarding this item.
2. 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.

The Agricultural Pool meeting was dismissed to hold a brief closed session at 10:41 a.m.

**VII. FUTURE MEETINGS**

June 12, 2008	9:00 a.m.	Recharge Master Plan Follow Up Meeting
June 12, 2008	10:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
June 17, 2008	9:00 a.m.	Agricultural Pool Meeting @ IEUA
June 19, 2008	3:00 p.m.	Personnel Committee Meeting
June 26, 2008	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
June 26, 2007	9:00 a.m.	Advisory Committee Meeting
June 26, 2007	11:00 a.m.	Watermaster Board Meeting

The Agricultural Pool meeting was dismissed by Chair Feenstra at 10:50 a.m.

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

Minutes Approved: July 15, 2008