

Minutes
CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING

December 10, 2009

The Agricultural Pool Meeting was held at the offices of the office of Inland Empire Utilities Agency, 6075 Kimball Avenue, Chino, CA, on December 10, 2009 at 9:00 a.m.

Agricultural Pool Members Present

Bob Feenstra, Chair	Dairy
Nathan deBoom	Dairy
John Huitsing	Dairy
Gene Koopman	Milk Producers Counsel
Rob Vanden Heuvel	Milk Producers Counsel
Jeff Pierson	Crops
Jennifer Novak	State of California, Dept. of Justice, CIM
Pete Hall	State of California, CIM

Watermaster Board Members Present

Paul Hofer	Agricultural
Michael Camacho	Inland Empire Utilities Agency

Watermaster Staff Present

Ken Manning	Chief Executive Officer
Sheri Rojo	CFO/Asst. General Manager
Danielle Maurizio	Senior Engineer
Ben Pak	Senior Project 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
Gil Aldaco	City of Chino
Dave Crosley	City of Chino
Rick Reese	Geomatrix Consultants, Inc.
Ryan Shaw	Inland Empire Utilities Agency
Martha Davis	Inland Empire Utilities Agency
Tom Love	Inland Empire Utilities Agency
Ken Jeske	City of Ontario
Marsha Westropp	Orange County Water District

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

AGENDA - ADDITIONS/REORDER

No additions or reorder were made to the agenda.

CONFIDENTIAL SESSION - POSSIBLE ACTION

Pursuant to the Agricultural Pool Rules & Regulations, a Confidential Session may be held during the Watermaster Pool meeting for the purpose of discussion and possible action.

No confidential session was called.

I. CONSENT CALENDAR**A. MINUTES**

1. Minutes of the Agricultural Pool Meeting held November 12, 2009

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of October 2009
2. Watermaster Visa Check Detail for the month of October 2009
3. Combining Schedule for the Period July 1, 2009 through October 31, 2009
4. Treasurer's Report of Financial Affairs for the Period October 1, 2009 through October 31, 2009
5. Budget vs. Actual July through October 2009

C. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – The City of Upland will purchase 6,500 acre-feet of water from the West End Consolidated Water Company. This purchase is made first from West End's OSY account of 947.714 acre-feet, second from the carryover account of 947.714 acre-feet, and the remainder from the excess carryover account in the amount of 4604.752 acre-feet. Date of application: November 9, 2009

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

Moved to approve Consent Calendar item A through C, as presented

II. BUSINESS ITEM**A. 2010 Community Outreach Campaign**

Mr. Manning stated for the past four years Watermaster has participated in a public information campaign with Inland Empire Utilities Agency (IEUA), who is the lead agency, along with other water agencies. This is a public message about water infrastructure growth, a conservation message, along with recycled water education to ensure the public is informed as to what the water agencies are doing in these areas. Mr. Manning stated the bond measure will be coming up in 2010 for election and staff feels this campaign is a good one to make sure the public understands the need for additional infrastructure. Watermaster in working with IEUA and the newspaper group have helped develop another informative campaign. The cost is the exact same as last year; Watermaster's share of the cost is \$10,000. Mr. Manning offered a description of past ads and what the future ads will entail. A discussion regarding the 2010 campaign, a recycled water message, and water education ensued.

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

Moved to approve the 2010 Community Outreach Campaign expenditure of \$10,000.00, as presented

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. Chino Airport Water Quality Update**

Counsel Fife stated two of the plumes that Watermaster staff have been working on in the Chino Basin; are Ontario International Airport (OIA) and Chino Airport plumes. There has been a fairly good response from the potential responsible parties (PRPs) on the OIA plume however; there has not been as good a result from the County of San Bernardino regarding the Chino Airport plume. Counsel Fife stated he will keep all parties apprised as to what is going on in the future regarding this matter.

2. DYY Update

Counsel Fife noted this item was mainly for the Appropriators. Counsel Fife stated in August 2009 the concept of the waiver of losses on the Metropolitan Water District (MWD) DYY account was approved. This was part of a package that was supposed to involve the

expansion of the account from 100,000 acre-feet to 150,000 acre-feet; however, there are a lot of issues that still need to be dealt with regarding this. A meeting took place outside the pool meetings after the approval in September 2009 as to what the next steps would be. The first issue to be dealt with was an accounting dispute between the Chino Desalter Authority (CDA) and MWD over how to reflect the replenishment costs to the CDA which go into the calculations of the LRP funding. Since then, the financial staff from different agencies have been talking and attempting to get involved and on the same page as to what needs to be taken care of to satisfy MWD in their request for additional information. After that first issue is resolved, additional items will be dealt with.

Added Comment:

Counsel Fife stated Watermaster's new judge, Judge Stanford Reichert, has scheduled a status hearing for Friday, December 11, 2009. A notice regarding that hearing has been sent out; however, the notice does not clearly convey what the hearing is about so staff and counsel believe it is more of a meet and greet type of hearing. Counsel Fife noted a report will be given at the Advisory Committee and Watermaster Board meetings on the hearing.

B. WATERMASTER FINANCIAL REPORT

1. Financial Update

Ms. Rojo stated there was no financial update report.

Chair Feenstra commented on several water districts being in financial trouble, and asked how Watermaster is doing and whether we are financially secure. Ms. Rojo responded that many water districts are struggling with the fact that their unit sales are down and property tax renewal is down resulting in drastic decreases in anticipated renewal. Mr. Rojo responded that Watermaster has reduced its budgeted expenditures to respond to financial pressures.

C. CEO/STAFF REPORT

1. Legislative Update

Mr. Manning commented on the upcoming bond measure and gave a detailed description of it. Mr. Manning noted there is some interesting information regarding legislative issues on the back table which was handed out at the recent ACWA conference.

2. Recharge Report

Mr. Manning stated the most current recharge report is on the back table. Mr. Manning reviewed the report in detail.

Mr. Pack gave a brief update on the conditions of the recharge basins.

3. Scheduled Board Changes for 2010

Mr. Manning stated a copy of the court approved rotation schedule for representatives to the Watermaster is on the back table. Mr. Manning reviewed the changes that will come up in 2010.

4. Manning 4th Annual Holiday Gathering

Mr. Manning invited all parties to join him and his wife for their 4th Annual Holiday Open House at their home on Thursday, December 17, 2009 starting at 4:00 p.m.

D. COMMITTEE REPORT

1. City of Chino Report on Provision of Recycled Water to Cal Poly at CIM

Mr. Aldaco gave an update on the status of the recycled water provided to Cal Poly at the California Institute for Men (CIM). Mr. Aldaco also gave an update on the Magnolia Channel Pipeline Reconstruction Project and new piping for the City of Chino to provide recycled water to the CIM north section of the Cal Poly Farming Operation. Mr. Aldaco offered

comment on reported pipeline corrosion problems. A discussion regarding corroded pipes ensued and it was noted Mr. Aldaco will come back with an update on this matter at a future meeting.

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

December 10, 2009	9:00 a.m.	Agricultural Pool Meeting @ IEUA
December 16, 2009	10:00 a.m.	Water Quality Committee Meeting @ CBWM
December 17, 2009	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
December 17, 2009	9:00 a.m.	Advisory Committee Meeting @ CBWM
December 17, 2009	11:00 a.m.	Watermaster Board Meeting @ CBWM
December 17, 2009	1:00 p.m.	Recharge Master Plan Workshop @ CBWM
January 7, 2010	1:00 p.m.	Annual Non-Agricultural Pool Elections @ CBWM
January 7, 2010	1:05 p.m.	Annual Appropriative Pool Elections @ CBWM
January 7, 2010	1:15 p.m.	Annual Joint Appropriative & Non-Ag Pool Meeting @ CBWM
January 14, 2010	9:00 a.m.	Annual Agricultural Pool Meeting @ IEUA
January 21, 2010	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
January 21, 2010	9:00 a.m.	Annual Advisory Committee Meeting @ CBWM
January 26, 2010	9:00 a.m.	GRCC Meeting @ CBWM
January 28, 2010	11:00 a.m.	Annual Watermaster Board Meeting @ CBWM

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

Secretary: _____

Minutes Approved: January 14, 2010