

Minutes
CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING

May 9, 2013

The Agricultural Pool meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on May 9, 2013 at 1:30 p.m.

Agricultural Pool Members Present

Bob Feenstra, Chair	Dairy
Nathan deBoom	Dairy
John Huitsing	Dairy
Gene Koopman	Milk Producers Council
Rob Vanden Heuvel	Milk Producers Council
Jeff Pierson	Crops
Glen Durrington	Crops
Carol Boyd	State of California, Department of Justice
Pete Hall	State of California, CIM

Watermaster Board Members Present

Paul Hofer	Crops
Bob Craig	Jurupa Community Services District

Watermaster Staff Present

Peter Kavounas	General Manager
Danielle Maurizio	Assistant General Manager
Joe Joswiak	Chief Financial Officer
Sherri Molino	Recording Secretary

Watermaster Consultants Present

Brad Herrema	Brownstein, Hyatt, Farber & Schreck
Mark Wildermuth	Wildermuth Environmental Inc.

Others Present

Tracy Egoscue	Egoscue Law Group
Larry Dimock	California Department of Corrections
Julie Cavender	California Department of Corrections
Dave Crosley	City of Chino
Rick Reese	Amec
Curtis Paxton	Chino Desalter Authority

Chair Feenstra called the Agricultural Pool meeting to order at 1:35 p.m.

Chair Feenstra thanked Mr. Koopman and Mr. Hall for attending the Appropriative Pool meeting this morning for the CDA item.

AGENDA - ADDITIONS/REORDER

There were no additions or reorders made to the agenda.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Agricultural Pool Meeting held April 11, 2013

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of March 2013
2. Watermaster VISA Check Detail for the month of March 2013
3. Combining Schedule for the Period July 1, 2012 through March 31, 2013
4. Treasurer's Report of Financial Affairs for the Period March 1, 2013 through March 31, 2013
5. Budget vs. Actual Report for the Period July 1, 2012 through March 31, 2013

C. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 2,000.000 acre-feet of water from the City of Upland by Fontana Water Company. This purchase is made from the City of Upland's storage account. Date of Application: April 8, 2013
2. **Consider Approval for Notice of Sale or Transfer** – The purchase of 6.500 acre-feet of water from The Nicholson Trust by Fontana Water Company. This purchase is made from The Nicholson Trust's Annual Production Right/Operating Safe Yield first, then any additional from storage. Date of Application: April 17, 2013
3. **Consider Approval for Notice of Sale or Transfer** – The purchase of 782.000 acre-feet of water from San Antonio Water Company by the City of Ontario. This purchase is made first from San Antonio Water Company's net underproduction in Fiscal Year 2012-13, with any remainder to be recaptured from storage. The City of Ontario is utilizing this transaction to produce its San Antonio Water Company shares. Date of Application: May 1, 2013

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

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

II. BUSINESS ITEMS**A. CDA REQUEST RE REMEDIATION OF CHINO AIRPORT GROUNDWATER PLUME**

Mr. Kavounas stated this item has continued on since the Chino Desalter Authority (CDA) made a request of the Watermaster Board in February of this year. This item has been discussed at length through the Watermaster process and staff has expanded its report to show the discussions, and new information has been added for a revised pending recommendation which is still to be created because deliberations are still taking place with the Pools; this item is scheduled to be taken to the Watermaster Board in May. Mr. Kavounas stated the Agricultural Pool has made their support for this item clear. The staff letter has added information on cost treatment for Well 18 and Watermaster has asked the CDA to clarify it's intent to reimburse Watermaster and they have done that. The items that this Pool may not be familiar with are the Appropriative Pool's action of today, which was to defer giving any advice to the Watermaster Board and to hold a special Appropriative Pool meeting on May 16, 2013 in advance of the Advisory Committee meeting. In addition to that, the Appropriative Pool has asked Watermaster to evaluate Well 18 with respect to Hydraulic Control (HC) and questioning if Well 18 is necessary altogether for HC or not. There are circumstances that are different than thought back in 2011 when the Regional Water Quality Control Board (RWQCB) gave Watermaster an idea of what they thought HC means. Staff needs to go back and give the RWQCB that information. The Appropriative Pool had asked at their April meeting for an opportunity to review the draft pleading that the Watermaster Board would use if the Board would grant the CDA's request. The Watermaster Board did have a confidential session on April 18, 2013 and at that time, the Board gave authorization for legal counsel to prepare a draft pleading including sharing it with the Pool's legal counsel which was done last night.

Chair Feenstra inquired about the Appropriative Pool's concerns. Mr. Kavounas stated the Appropriative Pool has not had an opportunity to review the draft pleading and they want time to review it; it is anticipated that by their meeting next week, there will be more information to share with them and they would have had the necessary time to review the draft pleading. Mr. Kavounas offered comment on the Appropriative Pools' discussions and concerns, and he noted Watermaster is trying to give them more information. Ms. Egoscue inquired about the

RWQCB recent concerns regarding HC. Mr. Kavounas stated they have not said anything different; however in 2011 the RWQCB wrote Watermaster a letter, and Watermaster was a participant in writing this letter. There were some assumptions made at that time based on the model and the data that we had at that time. There was an understanding of how much water flows through the Chino Creek Well Field and now, having drilled the wells and in trying to pump from them, our understanding has dramatically. There is considerably less water flowing through the Chino Creek Well Field than previously thought. Watermaster intends to go through that analysis and we intend to go back to the RWQCB and ask them to reconsider what is Hydraulic Control in that portion of the basin. Ms. Egoscue inquired how does that address the contention of the CDA that they drilled the well per the encouragement of the Watermaster. Mr. Kavounas stated that is hard to say and collectively we have yet to find a single piece of paper from Watermaster directing the CDA to place the well there. There was a collaborative effort to find an area where the wells could be drilled and that area was understood to give us HC and was thought to provide a double benefit.

Chair Feenstra asked Mr. Wildermuth if he shares the same concerns that parties are expressing. Mr. Wildermuth stated he has analyzed it in the past with the tools and data we had at that time, and he has analyzed in the present with the tools and data we have now. Mr. Wildermuth stated the way Mr. Kavounas described it, we started seeing these pump tests coming in and we knew there was less water circulating there in the upper part of the aquifer where we are responsible for HC as a group which is Inland Empire Utilities Agency and Watermaster. Mr. Wildermuth stated we knew we were going to get less water and we have been working and trying to understand that and we are starting with an analysis to determine the efficacy of Hydraulic Control. Mr. Wildermuth noted he cannot speak to the Appropriative Pool issues.

Mr. Koopman stated the well is pumping is less than what we hoped for because there is less water moving through in that area. If there was the amount of water that was anticipated there would have been Hydraulic Control; however, he believes there is still a good amount of water going through there and we should still obtain HC. The RWQCB should test it and then they will be able to tell us if there is HC. Mr. Koopman noted we could have made our assumptions because of what the model told us; however, the reasons for doing it are still the same, and that part has not changed. He is not convinced we are not achieving the purposes that we went after.

Mr. Wildermuth offered comment on data from 1999 to now with regard to Hydraulic Control. Mr. Wildermuth discussed agricultural pumping and its decline; the Appropriators are pumping more in other areas, which could lead to a substantial decrease in water production, and that is what the model said. With that information collectively we came up with the idea of putting in Desalters and finding means to get them installed to maintain yield in the basin. Then during the Basin Plan redo in the late 1999 and early 2000, we went to the RWQCB and we told them we were going to get this hydraulic isolation, and then we asked them if we could get a higher objective, that way we could do reclamation with less cost. The RWQCB is looking for is that whatever we do up above that line of control, doesn't affect the quality in the river and the downstream beneficial uses. The Hydraulic Control definition says that we are going to reduce the outflow to de minimis levels; the river quality is not substantially different. That is technically where we have been going. Mr. Wildermuth stated there was a sense with the wells that went in and how they were tested, they weren't going to deliver 100% of what was thought they would get. Mr. Wildermuth offered further comment on this matter.

Chair Feenstra stated before Mr. Kavounas started at Watermaster there were several presentations done by Mr. Andy Malone and we went through these HC issues and he does not recollect ever hearing that the HC concerns were caused by the Desalters. Mr. Koopman stated the first Desalter had nothing to do with isolating ourselves from the river. Mr. Koopman stated the first Desalter was for mitigation purposes and then later on it was to work on Hydraulic Control, and he noted there are a lot of benefits from water recharge and this is something we needed to do.

Mr. Pierson stated this is obviously a very complicated issue and we are now getting the Appropriative Pool's concept that maybe Well 18 is not necessary and it possibly does not add the benefit of HC or the need for Hydraulic Control, and there are a number of issues that this Committee acknowledged or sat quiet if there is nothing in writing, with the placement of that well. Mr. Pierson stated he remembers this Committee understood that it was a multiple benefit and it would reduce the spillage of the water flow and it would also clean-up an existing plume, with the potential of bringing parties in to pay for that added cost of the clean-up. It was fairly clear to him, over the course of time, to either acknowledge or acquiesce and allowed that well to be placed, and he thought it had the full support from the Agricultural Pool at that time, and to go back now and review the benefits of HC at that location or the necessity of HC at that location, maybe it's a magnitude issue, or maybe we don't have as much water flowing and the question will be is there an effect downstream in the Santa Ana River. Mr. Pierson stated more and more questions are being added on as this moves along. Mr. Pierson stated it was his recollection that this well was needed for HC and it was also a benefit to the clean-up; he is looking more for the clean-up issue more than HC.

Chair Feenstra spoke on Mr. Gerald Thibeault and what he worked so long and hard for us to achieve HC, and he really wanted us to move forward. Chair Feenstra stated the Agricultural Pool's main concern was the plume and the clean-up needed.

Mr. Koopman offered comment on tolerances in the past and now, and we don't want to be at the mercy of technology. Mr. Koopman inquired if we still think we can achieve what the initial objective was. Mr. Wildermuth stated if the objective is a very small discharge towards the River, then he would say yes.

Chair Feenstra asked that Mr. Hofer please meet with Mr. Geoffrey Vanden Heuvel regarding this item since he has been absent for a few meetings prior to the next Watermaster Board meeting.

Mr. Pierson stated as a general comment, he does not think anything has changed since the last several times we discussed this item and took action. The action this Committee took, and the recommendation to move forward on this item was given to Mr. Geoffrey Vanden Heuvel to pursue this at the Watermaster Board level.

Chair Feenstra offered comment on the Desalters and pumping at those wells. Mr. Paxton stated all of the wells are in operation at some point in time. Mr. Paxton stated he has no further information and he noted he has provided answers to all the questions presented over the last several months. Chair Feenstra thanked Mr. Paxton for his work on this matter.

Mr. Durrington inquired about the wells at Desalter I, how many gallons per minute are they pumping. Mr. Paxton stated the existing wells are pumping anywhere from 10 to 11 million gallons per day; there is a variance in the deep wells and offered further comment on those wells.

Mr. Vanden Heuvel stated he heard at one of the Pool meetings that the CDA Board had some patience but it was not unlimited patience, and we are talking about bringing this back up at the Advisory Committee or the Watermaster Board. Mr. Kavounas stated this is going to the Watermaster Board in May and this will be discussed at the upcoming Advisory Committee meeting.

Mr. Kavounas stated staff will inform the Watermaster Board of the items discussed at the Pool meetings and this will also go to the Advisory Committee next week. Mr. Kavounas stated the Appropriative Pool is having a special meeting on this topic right before the Advisory Committee meeting at 8:00 a.m. Mr. Kavounas stated the Watermaster Board may choose not to take any action. Mr. Kavounas stated what the Appropriative Pool is trying to do is manage risk if

something goes wrong. The Appropriative Pool has a proposed action and there may be an uncertain amount of probability that something will go wrong and if it does go wrong, in their eyes, the consequence is pretty significant. The Appropriative Pool as they see it, what could possibly go wrong is that we move down the path requested by the CDA, and this is taken to court, and then that litigation devolves, and it ends up with new parties intervening into the Judgment; they are looking for ways to mitigate that risk and lower those consequences if they can. Mr. Kavounas stated he would encourage the Committee hold its position firm and also to keep an open mind that the Appropriative Pool has legitimate concerns as well, and those concerns will be brought to the Advisory Committee. Mr. Kavounas stated ultimately the issue will get resolved and the RWQCB will take San Bernardino County to task and will make them clean-up; the question is when and how does that timing affect what Mr. Paxton is trying to get done.

Chair Feenstra this has taken a really long time to move forward and this is not just about HC it is about clean-up.

Mr. Vanden Heuvel stated he hears stuff about the RWQCB eventually dealing with this and it brings him back to what happened with the other plume. Mr. Vanden Heuvel stated risk needs to be a part of that calculus and this needs to be dealt with in a quick manner.

A discussion regarding plumes, and the RWQCB ensued.

Mr. Kavounas stated he did hear from Mr. Berchtold that the RWQCB is looking at issuing an order to the county by the end of this year, to require a remedial action plan to be prepared by the county. If the RWQCB does that, their requirement has a sixty-day time limit that the county has to comply with.

Mr. Pierson stated if the RWQCB does that will that trigger the insurance companies to react for the county. Mr. Kavounas stated that does not. Mr. Pierson stated then we are then back in the same position where the county is going to try and stall as long as possible. Mr. Pierson stated in our inaction at the Watermaster Board level, will have the CDA look at this whole situation, and probably take a different course of action which could put us in a different court. Mr. Pierson stated there are multiple baskets of risk that he hopes everybody addresses because we could spend just as much money in a federal court action trying to defend our position, as the risk associated with the other two courses.

Chair Feenstra stated he wants to make it clear to all the attendees, this Committee was nice and allow this process to go on regarding the plume, and we know the history, and it is not a nice history; to not allow the clean-up of something that has been serious for all of us to deal with, and now to have all these delays is exhausting. Chair Feenstra stated representatives will be here for the Advisory Committee meeting and the Watermaster Board meeting.

A lengthy discussion regarding this matter and the RWQCB ensued.

Mr. Kavounas thanked the Committee for their concerns and comments.

B. WATERMASTER FISCAL YEAR 2013-2014 PROPOSED BUDGET

Mr. Kavounas stated this item is for the FY 2013/2014 budget. This was presented to the Appropriative Pool and the Non-Agricultural Pool and there were a couple differentiating points; however, both Pools recommended approving the budget with minor differences between them. Mr. Kavounas stated he will have Mr. Joswiak give the presentation and then he will explain the differences between the two Pools. Mr. Kavounas stated there were two very good budget workshops and Watermaster has had better response than ever before from Brownstein in explaining Legal Counsel's scope of work and anticipated level of effort, and staff has enhanced the level of detail presented in the engineering budget which includes Wildermuth Environmental

Inc. budget. Mr. Kavounas noted the engineering budget is slightly lower because of some savings in monitoring costs.

Chair Feenstra asked that Mr. Joswiak give a condensed version of the budget presentation.

Mr. Kavounas stated in terms of the actions taken by the other Pools, at the second budget workshop a couple members of the Appropriative Pool asked if staff would come back to them with an estimated cost for Dr. Sunding to update his report that calculates the cost and benefits of OBMP; all the efforts undertaken from the Peace I and Peace II Agreements. Staff has done that and that cost is approximately \$50,000 and the Appropriative Pool agreed with adding that on to the budget which is not included in the budget presented. Mr. Kavounas stated the Non-Agricultural Pool said they do not want to pay for it, but are comfortable if the Appropriative Pool wants to. Staff believes this is a reasonable request and Watermaster thinks this will add value so staff recommended it be done. Mr. Kavounas stated staff has contacted Dr. David Sunding and he is available this summer to perform this task. Mr. Kavounas stated staff is looking for direction on this matter. Mr. Kavounas stated the second item is included in this budget which is a financial approach that is being recommended to pay off the CalPERS Side Fund. This is an item that first came up in November 2012 and the auditors came back and recommended this action for a Side Fund that was created for the Watermaster out of necessity and if it gets approved to pay it off it will save a lot of money in interest. Mr. Joswiak stated interest over time is \$121,000 and the total payments is \$246,000, and the interest rate that CalPERS is charging Watermaster is 7.5%; staff is looking for a motion on this item also and to have the authority to pay this off.

Mr. Kavounas stated the Appropriative Pool represents a collection of cities and water districts, and each has their own perspective on compensation. Mr. Kavounas stated under the GM Report, he will describe the Personnel Committees' recommendations, as he did with the Appropriative Pool. The Appropriative Pool was comfortable with approving the budget with one exception, and they have incorporated that in their action. Mr. Kavounas stated their motion was to move the budget forward to the Advisory Committee with a commitment on the removal of the proposed broadening of pay schedules, and the addition of \$50,000 to update the Sunding report; and to authorize payoff of the CalPERS Side Fund. Mr. Kavounas stated the broad range adjustments that they would like to have excluded to the Watermaster budget translates to about \$95,000 to \$100,000 for potential expense on salaries and is something that would have to be replaced for a salary study, at some point, it was staff's recommendation that we are a small organization that we shouldn't have to spend time and money doing salary surveys; the conclusion was to not go along with that staff recommendation.

Chair Feenstra stated he was on the Personnel Committee meeting and this was discussed in great detail and it was taken very seriously when they made that recommendation. Chair Feenstra asked for the bottom line for this budget for reserves. Mr. Joswiak stated we are calculating 10% for administrative and 30% for OBMP.

Mr. Hall asked about the slide that states that production went up and then decreased because of the drought or was that because of population increase. Mr. Kavounas offered comment on drought and the numbers dropping to the tune of a 20% drop in demand.

Chair Feenstra offered comment on water conservation and the economy.

Mr. Koopman stated he went to the Appropriative Pool meeting this morning and budget discussions went on and on, so he finally left after three in and a half hours; the meeting turned into a workshop and they really should have gone to the workshops to have their voices heard. The concerns being addressed at that meeting were on labor costs and discretionary funds for engineering, including seeking a description of what discretionary funds are. Mr. Koopman stated what he heard was to stop all the Personnel Committee recommendations and to take them back to the Personnel Committee, and Mr. Kavounas told them he could take the \$95,000

out of the budget. Mr. Koopman stated it was his understanding that the Appropriative Pool turned that offer down and are diverting the items back to the Personnel Committee. Mr. Kavounas stated the Appropriative Pool did approve reducing the budget by \$95,000 and they wanted it to go back to the Personnel Committee to give them feedback on all the Committee members concerns and comments made today.

Mr. Durrington inquired if that includes reclaimed water. Mr. Kavounas stated this is only groundwater production. Mr. Koopman stated what Mr. Durrington means is, does that include reclaimed water to replace Agricultural Pool because of pumping. Ms. Maurizio stated those are the numbers that you see in the Assessment Package. Ms. Maurizio stated when it comes to a voluntary agreement; it would be included in those numbers. Mr. Koopman offered comment on the Historical Production and Budget slide regarding water rights.

Mr. Pierson stated from 2003 or 2005 forward whether it is pumped or whether it is a shared agreement with a water appropriator, it looks like we are in a fairly static position. Mr. Pierson discussed land use conversion. Mr. Pierson stated based on the Sunding Report, what is the ultimate conclusion when that report is made, and the final report is in front of us; what will that tell us. Mr. Kavounas stated the original Sunding Report said, based on these assumptions, here is the cost of the investment you are about to make and here is the benefit from that investment that the parties should expect to get back. Mr. Kavounas stated redoing the Sunding Report is going to entail going back and saying those assumptions were made at the beginning, as to how much water gets pumped, how water is priced, and how much recycled water can as a result get recharged into the basin; how do those assumptions turn out over time. A discussion regarding the Sunding Report ensued.

Chair Feenstra offered comment on the budget workshops and the Personnel Committee meeting. Chair Feenstra stated he agrees with the General Manager in not having repetition and to hold workshops and committee meetings, and lastly to go with those recommendations as discussed during those workshops/meetings.

Mr. Hofer inquired if the complete budget is online. Ms. Joswiak stated it is on the Watermaster FTP site and there are some copies of the presentation at the recording secretary's desk. Mr. Hofer inquired about the interest on the Side Fund. Mr. Joswiak stated yes the interest is compounded. Mr. Kavounas stated he recommends the recommendation in the staff letter. A discussion regarding the motion ensued.

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

Moved to approve the 2013/2014 proposed budget with the addition of the \$50,000 to update the Sunding Report, and the clarification that the \$50,000 is to be paid only by the Appropriative Pool; and to authorize payoff of the CalPERS Side Fund, as presented

C. OVERLYING (AGRICULTURAL) POOL MOTION TO MODIFY FEBRUARY 19, 1998 RULING APPOINTING NINE-MEMBER WATERMASTER BOARD

Ms. Egoscue stated this is the Agricultural Pool's agenda item as directed by this Pool's counsel and with the assistance from Counsel Herrema. This is to present a proposed motion. This motion does have some dates that need to be filled in and it still needs a declaration from Mr. Feenstra. This will ask the Court to conform their proposed order on the Board membership to what the Agricultural Pool's pattern and practices have been for the last ten years. Ms. Egoscue noted this information is in the meeting packet starting on page 171. Ms. Egoscue stated she can report what occurred at the other two Pool meetings this morning. Ms. Egoscue stated this item was presented to both the Appropriative Pool and Non-Agricultural Pool this morning. The Non-Agricultural Pool had no comment. At the Appropriative Pool meeting there was feedback from only one individual member in which they stated that the Appropriative Pool

might want to also consider requesting this similar treatment from the Court. After the meeting that individual approached her and said that if a modification was made to the motion that said that the Agricultural Pool alternates could not also serve on the Advisory Committee, they would then be alright with the motion. Ms. Egoscue asked Counsel Herrema for comment. Counsel Herrema stated had no further comment.

Mr. Pierson stated this Pool should be held at the same standard as the other Overlying Non-Agricultural Pool is held at and there should be no difference. If the Non-Agricultural Pool has the ability to have a member on the Advisory Committee, that a member should also be able to serve as alternate; however, he believes the Non-Agricultural Pool representative is allowed to serve as a full Board member. A discussion regarding this matter ensued.

Mr. Koopman offered comment the comments made by the individual at the Appropriate Pool meeting today. Mr. Koopman stated this is something the Agricultural Pool needs to do. Mr. Koopman noted that Mr. Geoffrey Vanden Heuvel had a small minor comment that he did shared with him prior to this meeting.

Motion by Vanden Heuvel, second by Koopman, and by unanimous vote

Moved to approve requesting an order of the Court modifying the 1998 ruling to allow members of the Overlying (Agricultural) Pool serving as members of the Overlying (Agricultural Pool) Committee or the Advisory Committee to concurrently serve as representative of the Pool on the Watermaster Board, as presented

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. CalPERS Appeal

Counsel Herrema stated he has one report which is out of the Watermaster Board's closed session which was held on April 19, 2013. At that time the Watermaster Board took action to direct legal counsel to appeal a CalPERS determination that related to pension benefit of Mr. Desi Alvarez who was the former CEO of Watermaster. CalPERS made a determination in February that Mr. Alvarez's pension benefit, for which he applied, should not be based on his contracted salary that he was paid while he was at Watermaster. The basis for that determination was that CalPERS has interpreted a regulation that was enacted midway through Mr. Alvarez's tenure here, regarding how pay rates are to be publically made available, and CalPERS has interpreted to say that his pay rate while he was here at Watermaster did not comply with part of that regulation and therefore they will not use his Watermaster salary for the basis of his pension benefit. Counsel Herrema stated Mr. Alvarez has appealed that determination and Watermaster Board directed legal counsel to appeal that as well. The basis for Watermaster's appeal is that same regulation, while it dictates the manner in which pay rates will be publically be made available, it also states that if a pay rate was not made publically in that manner that CalPERS has the discretion to look at the totality of the circumstances in determining what the pay rate was. Watermaster paid Mr. Alvarez the contracted salary, and paid to CalPERS the employer contribution on that salary, and reported every month what that salary was to CalPERS. On that basis Watermaster is intending to uphold its portion of its contract with Mr. Alvarez ensuring to every extent possible he can be paid his pension benefits. Counsel Herrema stated a copy of the appeal can be made available. The next steps are that CalPERS will take a look at the appeals and determine whether to change his recommendation or to go forward with an administrative hearing. Counsel Herrema stated CalPERS has indicated because of all the CalPERS activity that is going on right now in evaluating pension benefit claims, that they have a fairly long timeframe and a long queue in getting to hearings so it could be several months before we hear back from them on their decision.

A. ENGINEERING REPORT

1. State of the Basin Part II Presentation

It was noted this item will come back again in June.

B. GM REPORT

1. Personnel Committee Recommendations

Mr. Kavounas stated this committee has already voted on this; however at the last Personnel Committee meeting a lot was discussed regarding personnel payment matters. Mr. Kavounas stated staff is looking at this because of the need to care for the employees here at WM. This will be brought back. The same staffing level in the next year and there might be another field staff person coming on board next year because WM is not prepared to handle the anticipated workload for the RMPU. Chair Feenstra stated in a previous conversation with Mr. Kavounas, he suggested to hire a part-time person instead of a full-time employee.

2. CBWM Prior Compensation Schedules

Mr. Kavounas stated in light of the CalPERS issue that Watermaster staff felt it would be very prudent to have publically adopted and available for review the 2011/2012 and 2012/2013 salary matrices that are in effect at Watermaster. Mr. Kavounas stated a lot of the personnel items at Watermaster have really not followed any sort of public process, public review, adoption in an open setting, or anything like that. Mr. Kavounas stated what staff is going to be bringing to the Watermaster Board is what is shown on pages 197 and 198 for existing salaries and the Board will be asked to adopt those in open session.

C. AGRICULTURAL POOL LEGAL REPORT

No comment was made.

D. OLD BUSINESS

No comment was made.

IV. INFORMATION

1. Cash Disbursements for April 2013

No comment was made.

V. POOL MEMBER COMMENTS

No comment was made.

VI. OTHER BUSINESS

No comment was made.

VII. 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.

VIII. FUTURE MEETINGS AT WATERMASTER

Thursday, May 9, 2013	9:00 a.m.	Appropriative Pool Meeting
Thursday, May 9, 2013	11:00 a.m.	Non-Agricultural Pool Conference Call Meeting
Thursday, May 9, 2013	1:30 p.m.	Agricultural Pool Meeting
Thursday, May 16, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, May 16, 2013	9:00 a.m.	Advisory Committee Meeting
Thursday, May 16, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
Thursday, May 23, 2013	11:00 a.m.	Watermaster Board Meeting
Tuesday, May 28, 2013	9:00 a.m.	GRCC Meeting

Chair Feenstra adjourned the Agricultural Pool meeting at 2:53 p.m.

Secretary: _____

Minutes Approved: June 13, 2013