

Minutes
CHINO BASIN WATERMASTER
JOINT APPROPRIATIVE & NON-AGRICULTURAL POOL MEETING
November 10, 2005

The Joint Appropriative and Non-Agricultural Pool Meeting were held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on November 10, 2005 at 9:00 a.m.

APPROPRIATIVE POOL MEMBERS PRESENT

Dave Crosley, Chair	City of Chino
Robert DeLoach	Cucamonga Valley Water District
Henry Pepper	City of Pomona
Ken Jeske	City of Ontario
J. Arnold Rodriguez	Santa Ana River Water Company
Bill Stafford	Marygold Mutual Water Company
Charles Moorrees	San Antonio Water Company
Mike Maestas	City of Chino Hills
Mark Kinsey	Monte Vista Water District
Rob Turner	City of Upland
Mike McGraw	Fontana Water Company

NON-AGRICULTURAL POOL MEMBERS PRESENT

Bob Bowcock	Vulcan Materials Company (Calmat Division)
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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	Hatch & Parent
Mark Wildermuth	Wildermuth Environmental Inc.

Others Present

Josephine Johnson	Monte Vista Water District
Justin Scott-Coe	Vulcan Materials Company (Calmat Division)
Chris Diggs	Fontana Water Company
Justin Brokaw	Marygold Mutual Water Company
Rosemary Hoerning	City of Upland

Chair Crosley called the meeting to order at 9:06 a.m.

AGENDA - ADDITIONS/REORDER

There were no additions or reorders made to the agenda.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Joint Appropriative and Non-Agricultural Pool Meeting held October 13, 2005

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of October 2005
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2005 through September 30, 2005
3. Treasurer's Report of Financial Affairs for the Period September 1, 2005 through September 30, 2005
4. Profit & Loss Budget vs. Actual July through September 2005

C. WATER TRANSACTION

1. Consider Approval for Transaction of Notice of Sale or Transfer – Monte Vista Water District has agreed to purchase from the City of Chino Hills a portion of the City's water in storage in the amount of 5,000 acre-feet. Date of application: October 18, 2005

Motion by DeLoach, second by Jeske, and by unanimous vote – Non-Ag concurred
Moved to approve Consent Calendar Items A through C, as presented

II. BUSINESS ITEMS

A. MATHIS & ASSOCIATES CONSULTANT AGREEMENT

Mr. Manning stated this item was on the agenda last month and after the Agricultural Pool meeting it was decided more information was needed before bringing this item to the Advisory Committee and the Watermaster Board; this item was pulled off the agenda for those two meetings. The item being presented today includes a revised contract that includes the indemnification clause and other minor adjustments which were requested. Staff is asking the approval of the revised contract to assist in personnel and strategic planning requirements.

Motion by DeLoach, second by Kinsey, and by unanimous vote – Non-Ag concurred
Moved to approve the Mathis & Associates consultant agreement, as presented

B. FISCAL YEAR 2005/2006 ASSESSMENT PACKAGE

Mr. Manning stated there was an Assessment Package Workshop held on November 2, 2005 that was well attended. At the workshop Ms. Rojo presented the new format and changes that were incorporated into the 2005/2006 Assessment Package. Ms. Rojo gave a presentation titled, "Assessment Package Fiscal Year Assessments 2005/2006 Based on 2004/2005 Production". It was noted that since the assessment package was finished, now would be the time to calculate the volume votes by pool. There was a question regarding the calculations relating to the allocation of volume votes for the appropriate pool and in particular, what types of Watermaster assessments should be eligible for volume vote consideration. Mr. Kinsey noted that the particulars included in this question should be addressed and asked that this item be agendaized at a future meeting. Mr. Manning stated this request is noted and staff will put together a detailed explanation and report back at a future meeting. Ms. Rojo noted that part of what staff wants to do is develop a budget package data base to tie both the budget and assessment package together. The development of a budget package database will allow integrated production and assessment/budget information which will generate and automate data required for other calculations such as, 1) Assessment fee summaries, 2) Fringe benefit rates, 3) Overhead rates, and 4) Labor budgeting by project. Ms. Rojo noted that due to some minor changes that came out of the workshop the data that was released at the workshop in the binders need to be replaced with the revised data. A new binder is available for all parties who were not at the workshop and new inserts are available for those who were at the workshop to replace the old information. Chair Crosley made an inquiry to the application of the 85/15 to the assignments to the overlying non-agricultural and asked if staff could look into that and bring a report back to the group. Mr. Manning stated that the two requests for information will be addressed at the next pool meeting. The committee members thanked staff and Ms. Rojo for a job well done on the assessment package.

Motion by DeLoach, second by Kinsey, and by unanimous vote – Non-Ag concurred
Moved to approve the FY 2005/06 Assessment Package, as presented

C. CALENDAR YEAR 2006 NON-MAJOR REP ELECTION

Mr. Manning stated this item is for the non-major rep elections and that every other two year cycle according to the judgment the minor reps have representation on the Watermaster Board. Mr. Manning noted that at the October meeting the Volume Vote was approved for the Appropriators and were listed in the agenda. Listed today are all of the non-major reps eligible to vote today.

Chair Crosley stated the floor is now open for nominations.

Mr. Kinsey nominated West End Consolidated Water Company and noted if there is more than one nominee a request for a volume vote will be needed. Mr. Moorrees seconded the nomination for West End Consolidated Water Company.

Mr. McGraw stated he had several written proxies to be taken into consideration for the volume vote. Mr. McGraw nominated Nicholson Trust. Mr. Rodriguez seconded the nomination for Nicholson Trust.

Chair Crosley stated since there were no more nominations the nominations were now closed Chair Crosley called out each non-minor rep from the list and requested their vote. After each party voted the votes were tallied and it was stated that Mr. Ken Willis from West End Consolidated Water Company won by volume vote.

<u>Minor Rep</u>	<u>Allocated Vote</u>
() Arrowhead Mountain Springs Water Company	0.51
() Inland Empire Utilities Agency	0.02
() Marygold Mutual Water Company	7.21
() Monte Vista Irrigation Company	8.44
() Niagara Bottling Company. LLC	4.86
() Nicholson Trust	0.04
() Norco, City of	3.17
() Santa Ana River Water Company	13.62
() San Antonio Water Company	17.50
() San Bernardino, County of (Shooting Park)	0.11
() Southern California Water Company	3.75
(X) West End Consolidated Water Company	10.21
() West Valley Water District	6.95

Mr. Bowcock nominated himself as the representative for the Non-Agricultural Pool representation on the Watermaster Board. Counsel Fife stated that according to the Non-Agricultural Pool Rules & Regulations there is a quorum of one and as a party of one this action will stand unless objected. There were no objections; Mr. Bob Bowcock will remain as the Non-Agricultural Pool representative on the Watermaster Board.

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Attorney-Manager Process

Counsel Fife stated Mr. Manning will discuss the upcoming Workshop under CEO/Staff Reports. Counsel Fife noted the anticipated process was to take the Peace II Agreement to the Watermaster Board, with the anticipation the Board will review it and forward it through the pools for public discussion, it was decided at the Board meeting that a separate workshop needed to be scheduled prior to the release of the document through the Watermaster process. This is the reason the agreement is not part of the agenda today.

Added:

Counsel Fife stated that an item regarding the issue of the reappointment of the Watermaster Board needs to be added for information only. Counsel Fife stated that it was discussed whether or not to bring the motion of reappointment of board through the pool process in November, however, with the board action deciding not to refer the Peace II Agreement through the process in November that decision made it necessary to hold December meetings and to bring this issue up at that time. Counsel Fife noted that the Board reappointment issue will be brought to the Pools, Advisory Committee, and the Watermaster Board at the December meetings.

B. CEO/STAFF REPORT

1. Peace II Workshop

Mr. Manning stated a Peace II Workshop is scheduled for November 17, 2005 from 8:00 a.m. to 12:00 p.m. and will be held at a facility close to the Chino Basin Watermaster offices in Rancho Cucamonga called Lions East on Baseline Avenue. When the notice is sent out a map with directions will be attached. This is an open meeting for all interested parties.

2. Recharge Activities Update

Mr. Manning stated this item was for Gordon Treweek to present, however, he is at a conference today so a brief overview will be given today and a full presentation will be given at the Advisory Committee and Watermaster Board meeting. Mr. Manning stated a notice was received by the PVPA regarding the San Antonio Channel in that the PVPA are not going to be taking water releases from the dam this winter, that will make water available to us, for a period of time, and staff is now making arrangements to take the water that comes down from that channel and diverting the good water into our facilities for our use. Mr. Manning reviewed, by basin, current water levels and noted that the actual numbers will be available at the Advisory and Board meeting. A question regarding the accounting of water was presented.

IV. INFORMATION

1. Newspaper Articles

No comment was made regarding this item.

V. POOL MEMBER COMMENTS

Mr. Bowcock stated the way the weighted vote was just taken needs to be discussed. After some discussion it was decided this item will be brought back as an agenda item for discussion at a future meeting.

VI. OTHER BUSINESS

No comment was made regarding this item.

VII. FUTURE MEETINGS

November 8, 2005	9:00 a.m.	GRCC Meeting
November 10, 2005	9:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
November 15, 2005	9:00 a.m.	Agricultural Pool Meeting @ IEUA
November 17, 2005	8:00 a.m.	Peace II Term Sheet Workshop @ Lions East
November 17, 2005	12:00 p.m.	Lunch @ CBWM
November 17, 2005	1:00 p.m.	Advisory Committee Meeting
November 17, 2005	2:00 p.m.	Watermaster Board Meeting
* December 6, 2005	9:00 a.m.	Agricultural Pool Meeting @ IEUA
* December 8, 2005	9:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
* December 15, 2005	9:00 a.m.	Advisory Committee Meeting

* December 15, 2005 11:00 a.m. Watermaster Board Meeting

* Note: These meetings are tentatively scheduled

The Joint Appropriative & Non-Agricultural Pool Meeting Adjourned at 10:00 a.m.

Secretary: _____

Minutes Approved: December 8, 2005