

Minutes
CHINO BASIN WATERMASTER
JOINT APPROPRIATIVE & NON-AGRICULTURAL POOL MEETING
July 12, 2007

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 July 12, 2007 at 10:00 a.m.

APPROPRIATIVE POOL MEMBERS PRESENT

Raul Garibay, Chair	City of Pomona
Marty Zvirbulis	Cucamonga Valley Water District
Dave Crosley	City of Chino
Mark Kinsey	Monte Vista Water District
Mike McGraw	Fontana Water Company
Ken Jeske	City of Ontario
J. Arnold Rodriguez	Santa Ana River Water Company

NON-AGRICULTURAL POOL MEMBERS PRESENT

Kevin Sage	Vulcan Materials Company (Calmat Division)
------------	--

Watermaster Board Members Present

Sandra Rose	Monte Vista Water District
-------------	----------------------------

Watermaster Staff Present

Kenneth R. Manning	Chief Executive Officer
Sheri Rojo	CFO/Asst. General Manager
Gordon Treweek	Project Engineer
Sherri Lynne Molino	Recording Secretary

Watermaster Consultants Present

Michael Fife	Hatch & Parent
Andy Malone	Wildermuth Environmental Inc.
Joe LeClaire	Wildermuth Environmental Inc.

Others Present

David De Jesus	Three Valleys Municipal Water District
----------------	--

Chair Garibay called the joint Appropriative and Non-Agricultural Pool meeting to order at 10:00 a.m.

AGENDA - ADDITIONS/REORDER

Mr. Manning noted an item will be added to the Engineering reporting section regarding the Balance of Recharge and Discharge; that report will be given by Andy Malone.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Joint Appropriative and Non-Agricultural Pool Meeting held June 14, 2007

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of June 2007
2. Watermaster Visa Check Detail
3. Combining Schedule for the Period July 1, 2006 through May 31, 2007

4. Treasurer's Report of Financial Affairs for the Period April 1, 2007 through May 31, 2007
5. Profit & Loss Budget vs. Actual July 2006 through May 2007

Mr. Kinsey inquired about several checks for item No. 2 in the Financial Reports section and these checks descriptions were discussed in detail.

C. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – The lease of 3,500 acre-feet, to be taken first from the fiscal year 2006/2007 allocation from the City of Pomona's net underproduction, if any, with any remainder from Pomona's local storage account in the Chino Basin, to be transferred to the Cucamonga Valley Water District storage account. Date of Application: June 7, 2007
2. **Consider Approval for Notice of Sale or Transfer** – The City of Pomona has agreed to purchase from the City of Upland a portion of Upland's water in storage in the amount of 893 acre-feet for fiscal year 2006/2007. Date of Application: June 7, 2007
3. **Consider Approval for Notice of Sale or Transfer** – The Santa Ana River Water Company lease and assigned Jurupa Community Services District the quantity of 2,000 acre-feet of corresponding annual production right fiscal year 2006/2007. Date of Application: June 28, 2007

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

Item D. was pulled from the Consent Calendar:

D. INTERVENTION – This item was pulled off the Consent Calendar

The intervention into Chino Basin Watermaster as an Agricultural Pool Party will be brought back on the August agenda.

Mr. Crosley inquired as to what amount of water this party has historically used. Mr. Manning stated approximately 2 acre-feet per year. A lengthy discussion ensued with regard to this item. Mr. Manning stated it is staff's recommendation to leave this party in the Agricultural Pool. It was noted this item would be brought back for future for action/discussion with additional information as can be put together for the committee members to make a decision.

II. BUSINESS ITEMS

A. Volume Vote – Non-Agricultural Pool Only

Mr. Manning stated the revised volume vote was presented to the Appropriative Pool last month and was approved unanimously. Watermaster Staff is asking the Non-Agricultural Pool approve the same method that the Appropriative Pool approved so staff only has one calculation built into the database.

Motion by Kevin Sage

Moved to approve aligning the Volume Vote with the Appropriative Pools Volume Vote, as presented

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Micro-Economic Analysis Update

Counsel Fife stated Dr. Sunding is moving ahead with the Economic Analysis and appears to be on schedule to complete his report by August. Dr. Sunding is speaking on a fairly frequent basis to the other economic consultants hired by the other parties.

2. MZ1 Court Submittal Update

Counsel Fife stated the Watermaster Board approved filing the MZ1 pleading which was in the meeting packet last month. One of the board members, Mr. Vanden Heuvel, did request that in addition to the pleading that Watermaster recap the costs that Watermaster has expended on subsidence including the extensometers, engineering, other consultant time and Watermaster staff time. It was suggested it would be helpful in the pleading to add a foot note to give the court an indication about how much money the parties have spent on subsidence. Staff is compiling that information presently which is why the pleading has not yet been filed with the court. Once the data is compiled, counsel will file the pleading with the court; a court date is unknown at this time. Counsel Fife stated Watermaster has been ordered by the court, in the last court order, to set a hearing date in November on all of the Peace II documentation. Counsel Fife noted with regard to the November date, counsel was directed by the court to have all of the Peace II documentation up for approval in November. This time frame was shown on the "timeline" schedule which was provided to all board members. Mr. Kinsey inquired if Mr. Vanden Heuvel's comments were included in the action taken by the board. Mr. Manning stated it was part of the motion. Counsel Fife stated it is not a substantive change and does not change any of the positions being taken in the pleading; it is just another point that supports the arguments that are made.

Chair Garibay inquired as to the status of the City of Chino Hills with regard to the MZ1 issue. Counsel Fife stated the City of Chino Hills was going to present some sort of suggestion for a Water Supply Plan for them in order to comply with the Guidance Criteria. Counsel Fife stated staff has asked the City of Chino Hills to provide a proposal and their staff has indicated they will be providing a proposal; this is only for the Water Supply Plan. Counsel Fife stated the MZ1 Long Term Plan was approved by the Pools, Advisory Committee, and the Watermaster Board and that is what will be going to the court which does not involve or include the Alternate Water Supply Plan.

B. ENGINEERING REPORT

1. Water Quality/Plume Updates

Mr. LeClaire stated he would be giving an update on the activities of the Ontario International Airport and the Chino Airport VOC plumes. Mr. LeClaire stated with regard to the Ontario Airport plume in May, 2007, the companies submitted the well installation and sampling work plan and Watermaster prepared comments to be submitted to the Regional Board which should be sent to them this week. In June, Geo Trans initiated work towards securing property access to install the four proposed monitoring wells and began developing plans and technical specifications for drilling and well construction. Access and permit packages will be submitted in July, 2007. Mr. LeClaire reviewed a detailed map of both VOC plumes. Mr. LeClaire stated with regard to the Chino plume, Tetra Tech initiated an offsite plume characterization in early 2007. Watermaster needs to move forward with sighting and drilling of test wells for future desalter wells to achieve hydraulic control. Watermaster and the County are working on a cost-sharing agreement for a well field and treatment facilities to cleanup VOC contamination and also achieve hydraulic control. A brief discussion ensued with regard to the two VOC plumes and Agricultural wells. Mr. Jeske inquired to a statement made by Mr. LeClaire regarding Deer Creek. Mr. LeClaire stated staff is recommending sampling going up further or adding a subsequent well in the Deer Creek area. Mr. Crosley inquired into the location of the wells for the purposes of testing hypothesis related to the source of the contaminants and asked what consideration is being given to locating some century wells between the leading edge of the VOC plume and the CDA production wells. Mr. LeClaire stated staff has not yet considered that Mr. LeClaire went on to report that the PRP's are trying to disprove whether they are responsible for the contamination. Mr. Manning stated locating century wells would be the next logical step for us to better job of understanding when the CDA wells would be receiving VOC's. A lengthy discussion ensued with regard to this matter.

Added: Balance of Recharge and Discharge Report

2. Balance of Recharge and Discharge

Mr. Manning stated the Peace Agreement calls for the report of Balance of Recharge and Discharge to be previewed or be available in July every other year. Mr. Malone is here today and is one of the people working on the report to give an update on the status of that report. Mr. Malone stated the reason why the report is not ready because the model is going to be calibrated in August and at that point in time Wildermuth staff will be performing the model runs to evaluate the balance of recharge and discharge. Mr. Malone stated it should be out in the September/October time frame. Part of this report is a recommendation on the Supplemental Recharge Water Plan; this is new information that will be distributed in the State of the Basin Report which should be coming out soon. Mr. Malone reviewed a change in storage map in detail from 2003 to 2006. A discussion ensued with regard to Mr. Malone's report.

C. CEO/STAFF REPORT

1. Legislative Update

Mr. Manning stated at the hearing on SB 1002, a desire to add "no regrets" Delta projects to the bill was expressed and asked if the author would be willing to do that and bring the bill back to the Assembly of Water, Parks, and Wildlife if necessary. Senator Perata said yes, and further, that he is continuing to work with the administration and Senators Machado, Margett, Steinberg and Cogdill on further amendments. It is a work in progress.

Mr. Manning stated ACWA is opposed to section 83002 which directs \$200 million to groundwater management and clean-up efforts. Further, ACWA opposes the allocation of \$15 million to develop a plan for re-operating the state's water supply and flood control systems that will optimize the use of existing facilities and groundwater storage capacity. The California Groundwater Coalition strongly supports the funding provided for by SB 1002, which will assist local groundwater agencies and public water suppliers to better manage and improve the quality and reliability of our state's local groundwater resources. These investments are entirely consistent with the provisions of Proposition 84, and, are essential to promote conjunctive use of groundwater storage capacity to improve overall water supply and flood system operation.

Mr. Manning stated Metropolitan Water District Legislature Budget Conference Committee had their final meeting and the conference report would be sent to the floor of the Assembly and Senate later this week. It does seem that the budget zeroed out appropriators from Proposition 84. Currently, the budget has passed its statutory deadline of July 1, 2007. SCWC has opposed SB 1002 because the bill emphasizes a statutory obligation to re-operate existing reservoirs and groundwater storage facilities with the assumption that re-operating will result in greater efficiency and certainty.

2. Recharge Update

Mr. Manning stated the Chino Basin has recharged approximately 200 acre-feet of urban runoff and 12 acre-feet of recycled water last month and the monthly report is available on the back table.

3. Desalter Expansion Update

Mr. Manning stated Mr. Meyerhofer will be giving a full report at the Advisory Committee and Watermaster Board meeting regarding the progress on the Desalter Expansion later this month.

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

July 12, 2007	10:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
July 17, 2007	9:00 a.m.	Agricultural Pool Meeting @ IEUA
July 24, 2007	9:00 a.m.	GRCC Meeting
July 26, 2007	9:00 a.m.	Advisory Committee Meeting
July 26, 2007	11:00 a.m.	Watermaster Board Meeting

The Appropriative and Non-Agricultural Pool committee meeting was dismissed at 10:50 a.m.

Secretary: _____

Minutes Approved August 15, 2007