

Minutes
CHINO BASIN WATERMASTER
JOINT APPROPRIATIVE & NON-AGRICULTURAL POOL MEETING
October 1, 2009

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 October 1, 2009 at 1:00 p.m.

APPROPRIATIVE POOL MEMBERS PRESENT

Ken Jeske, Chair	City of Ontario
Mark Kinsey	Monte Vista Water District
Robert DeLoach	Cucamonga Valley Water District
Mike McGraw	Fontana Water Company
Robert Young	Fontana Union Water Company
Charles Moorrees	San Antonio Water Company
Raul Garibay	City of Pomona
Ron Craig	City of Chino Hills
Dave Crosley	City of Chino
Robert Tock	Jurupa Community Services District
J. Arnold Rodriguez	Santa Ana River Water Company
Lonnie Curtis	City of Upland

NON-AGRICULTURAL POOL MEMBERS PRESENT

Kevin Sage	Vulcan Materials Company (Calmat Division)
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Watermaster Board Members Present

Michael Camacho	Inland Empire Utilities Agency
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Watermaster Staff Present

Kenneth R. Manning	Chief Executive Officer
Sheri Rojo	CFO/Asst. General Manager
Ben Pak	Senior Project Engineer
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

David De Jesus	Three Valleys Municipal Water District
Marty Zvirbulis	Cucamonga Valley Water District
Dave Batt	San Gabriel Valley Water Company
John Rossi	Western Municipal Water District
Josh Swift	Fontana Water Company
John Mura	City of Chino Hills
Eunice Ulloa	Chino Basin Water Conservation District

Chair Jeske called the Joint Appropriative and Non-Agricultural Pool Meeting to order at 1:04 p.m.

AGENDA - ADDITIONS/REORDER

No additions or reorders were made to the agenda.

I. CONSENT CALENDAR**A. MINUTES**

1. Minutes of the Joint Appropriative and Non-Agricultural Pool Meeting held September 3, 2009

B. FINANCIAL REPORTS

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

Motion by Zvirbulis, second by Tock, and by unanimous vote – Non-Ag concurred
Moved to approve Consent Calendar item A through B, as presented

II. BUSINESS ITEM**A. CHINO BASIN REPLENISHMENT**

Mr. Manning stated there is a letter from Fontana Water Company regarding the disposition of the 2,600 acre-feet of water reported in the Purchase and Sale Agreement in the meeting packet. The letter is requesting to change the usage of the 2,600 acre-feet from the original motion made by the Appropriative Pool by using it to reduce the Cumulative Unmet Replenishment Obligation (CURO). Mr. Manning stated staff is recommending keeping the original motion in place which was to dedicate the water to desalter replenishment which is in compliance with the Peace II Agreement. Mr. Manning reviewed the Purchase and Sale Agreement. A discussion regarding this matter and the reduction of the CURO ensued. Mr. Young commented on his request on behalf of Fontana Water Company. A discussion regarding safe yield, a storage and recovery program, and on the upcoming water auction ensued. It was noted this item will be tabled for 30 days for further discussion and possible Watermaster staff recommendations.

Motion by Kinsey, second by Motion by Zvirbulis, and by unanimous vote – Non-Ag concurred
Moved to table the item for 30 days, as presented

B. CHINO BASIN WATERMASTER 2009-2010 ASSESSMENT PACKAGE

Ms. Rojo stated there have been some exciting changes made to the 2009-2010 Assessment Package as a result of the Cumulative Unmet Replenishment Obligation (CURO). Ms. Rojo noted this package addresses the CURO and there is nothing related to Dry Year Yield. Ms. Rojo gave the Assessment Package presentation and Ms. Rojo reviewed the Phase I and Phase II debt in detail. A discussion regarding the debt service and increasing costs ensued. Ms. Rojo reviewed the separate spreadsheets in detail. A discussion regarding this item including the 2% loss calculation ensued.

Motion by Garibay, second by Motion by Tock, and by unanimous vote – Non-Ag concurred
Moved to approve the Chino Basin Watermaster 2009-2010 Assessment Package, as presented

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. Court Transition Process**

Counsel Fife stated a notice of reassignment was distributed on August 25, 2009 stating Judge Stanford Reichert has been appointed as the new judge for Chino Basin Watermaster starting on September 17, 2009. Counsel Fife stated he does not know much about the new judge. He will be presiding in the Chino Courthouse.

2. DYY/Storage Update

Counsel Fife stated this was put on the agenda because of the meetings that took place regarding moving ahead with discussions over what to do about the Dry Year Yield Expansion Program. Counsel Fife stated the result of the last meeting held was a desire by the group to resolve the accounting issues before anything else is addressed regarding this matter. Discussions are still ongoing with Metropolitan Water District (MWD) and a pre-meeting has been scheduled with Inland Empire Utilities Agency and Watermaster staff this afternoon prior to the meeting with MWD. Counsel Fife stated once the accounting issues are resolved staff will reconvene the group to discuss the broader issues.

C. CEO/STAFF REPORT1. Legislative Update

Mr. Manning offered comment on the Delta Package which was discussed in detail at the Strategic Planning Conference this week. Mr. Manning stated the governor is not going to call a special session of the legislature unless the legislature has come to an agreement. A discussion regarding this matter ensued.

2. Recharge Report

Mr. Manning stated the same report which was handed out last month is still the most current recharge spreadsheet due to the meeting date change. An updated one will be available at the next Advisory Committee meeting.

3. Auction Update

Mr. Manning stated the Water Auction Team is working very hard on making this a successful water auction. Mr. Manning noted there are potentially 125 bidders on a list; the list has been broken down into three categories according to the likelihood of being an actual bidder. With that breakdown it appears there are approximately 35 very good candidates. Mr. Lea is working on the auction daily. Mr. Manning stated the wide variety of publications the water auction has been in and noted the word is definitely out.

4. Strategic Planning Conference Recap

Mr. Manning stated the recent Strategic Planning Conference was excellent and noted he has received great reviews on the material content and presentation. Mr. Manning stated the notes that were taken in the large meeting room and the small meeting room and now being typed up and will be put into a logical order in a matrix. Staff is planning on handing out a draft matrix at the October 22, 2009 Watermaster Board meeting.

IV. INFORMATION1. 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

October 1, 2009	1:00 p.m.	Appropriative & Non-Agricultural Pool Meeting @ CBWM
October 8, 2009	9:00 a.m.	Agricultural Pool Meeting @ IEUA
October 15, 2009	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
October 15, 2009	9:00 a.m.	Advisory Committee Meeting @ CBWM
October 22, 2009	11:00 a.m.	Watermaster Board Meeting @ CBWM
October 22, 2009	1:00 p.m.	Recharge Master Plan Workshop @ CBWM
October 27, 2009	9:00 a.m.	GRCC Meeting @ CBWM
November 5, 2009	1:00 p.m.	Appropriative & Non-Agricultural Pool Meeting @ CBWM

November 12, 2009	9:00 a.m.	Agricultural Pool Meeting @ IEUA
November 19, 2009	8:00 a.m.	IUEA Dry Year Yield Meeting @ CBWM
November 19, 2009	9:00 a.m.	Advisory Committee Meeting @ CBWM
November 19, 2009	11:00 a.m.	Watermaster Board Meeting @ CBWM
December 3, 2009	1:00 p.m.	Appropriative & Non-Agricultural Pool Meeting @ CBWM
December 10, 2009	9:00 a.m.	Agricultural Pool Meeting @ IEUA
December 17, 2009	8:00 a.m.	IUEA 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

The Appropriative Pool and Non-Agricultural Pool meeting was dismissed by Chair Jeske at 2:08 p.m.

Secretary: _____

Minutes Approved: November 5, 2009