

**Minutes**  
**CHINO BASIN WATERMASTER**  
**APPROPRIATIVE POOL MEETING**  
April 8, 2010

The Appropriative Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on April 8, 2010 at 1:00 p.m.

**APPROPRIATIVE POOL MEMBERS PRESENT WHO SIGNED IN**

Mark Kinsey, Chair	Monte Vista Water District
Ken Jeske	City of Ontario
Marty Zvirbulis	Cucamonga Valley Water District
Josh Swift	Fontana Water Company
Robert Young	Fontana Union Water Company
Charles Moorrees	San Antonio Water Company
Raul Garibay	City of Pomona
J. Arnold Rodriguez	Santa Ana River Water Company
Tom Harder	Jurupa Community Services District
Dave Crosley	City of Chino
Shaun Stone	City of Upland
Ben Lewis	Golden State Water Company

**Watermaster Staff Present**

Kenneth R. Manning	Chief Executive Officer
Ben Pak	Senior Project Engineer
Danielle Maurizio	Senior Engineer
Joe Joswiak	Chief Financial Officer
Sherri Lynne Molino	Recording Secretary

**Watermaster Consultants Present**

Michael Fife	Brownstein, Hyatt, Farber & Schreck
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**Others Present Who Signed In**

David DeJesus	Three Valleys Municipal Water District
Curtis Stubbings	Praxair
Kris Helm	Praxair
Bob Feenstra	Agricultural Pool – Dairy
Eunice Ulloa	Chino Basin Water Conservation District

Chair Kinsey called the Appropriative Pool Meeting to order at 1:02 p.m.

**AGENDA - ADDITIONS/REORDER**

Mr. Manning stated an adjusted package for the #5 Water Transactions was sent out due to a pagination error while copying. Mr. Manning explained the typographical error that was automatically kicked onto the financial cash disbursement report for February 2010; those entries are staff payroll journal entries.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Resubmitted Verbatim Minutes of the Joint Appropriative & Non-Agricultural Pool Meeting held February 4, 2010
2. Minutes of the Appropriative Pool Meeting held March 4, 2010
3. Minutes of the Special Appropriative Pool Meeting held March 25, 2010

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of February 2010
2. Watermaster Visa Check Detail for the month of February 2010
3. Combining Schedule for the Period July 1, 2009 through February 28, 2010
4. Treasurer's Report of Financial Affairs for the Period February 1, 2010 through February 28, 2010
5. Budget vs. Actual July 2009 through February 2010

**C. WATER TRANSACTION**

1. **Consider Approval for Notice of Sale or Transfer** – Jurupa Community Services District has agreed to purchase 1,200 acre-feet of water from Santa Ana River Water Company's annual production right, then any additional from storage. Date of Application: March 5, 2010
2. **Consider Approval for Notice of Sale or Transfer** – Cucamonga Valley Water District has agreed to lease 2,500 acre-feet of water from the City of Pomona's net underproduction, if any, with the remainder from Pomona's local storage account. The water is to be placed in Cucamonga Valley Water District's Excess Carryover account. Date of Application: February 22, 2010
3. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 5,085.000 acre-feet of water from the City of Chino. The transfer will be made first from Chino's net under-production in Fiscal Year 2009-10, with any remainder to be recaptured from storage. This transfer will solely offset Fontana Water Company's current Cumulative Unmet Replenishment Obligation (CURO). Date of Application: March 18, 2010
4. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 5,000.000 acre-feet of water from the Cucamonga Valley Water District (CVWD). The transfer will be made from CVWD's storage account. This transfer will solely offset Fontana Water Company's current Cumulative Unmet Replenishment Obligation (CURO). Date of Application: March 18, 2010
5. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 1,000.000 acre-feet of water from the Santa Ana River Water Company (SARWC). The transfer will be made first from SARWC's net under-production in Fiscal Year 2009-10, with any remainder to be recaptured from storage. Date of Application: March 3, 2010
6. **Consider Approval for Notice of Sale or Transfer** – On March 31, 2010, Watermaster received Consolidated Water Transfer Forms 3, 4, and 5 with Praxair, Inc. as the Transferor and the City of Ontario (as an Overlying Non-Agricultural party) as Transferee in the amount of 426.446 acre-feet--a permanent transfer of all but one acre-foot of its share of safe yield. Also to be transferred are all of Praxair's post-June 30, 2007 stored, carry-over and unpumped groundwater. Date of Application: March 31, 2010

It was noted after a lengthy discussion regarding item A1, resubmitted verbatim minutes of the Joint Appropriative & Non-Agricultural Pool meeting held February 4, 2010 will be tabled until the April meeting. A discussion regarding verbatim vs. summary minutes ensued. Mr. Manning stated at the Agricultural Pool meeting this morning, in their closed session, it was presented to the recording secretary that one of their action items was the request to have verbatim minutes done for all three of the Pools from this point forward. After a discussion it was noted the summary minute format is the preferred format for the Appropriative Pool.

*Motion by Young, second by Crosley, and by unanimous vote*

***Moved to approve Consent Calendar items A2, A3, B, and C, as presented***

**II. BUSINESS ITEMS****A. AGREEMENT TO FORM A TASK FORCE**

Mr. Manning stated both item IIA and IIB came to Watermaster from the Santa Ana Watershed Project Authority (SAWPA) as agreements that they would like Watermaster to sign and to work with them on. Mr. Manning noted this item is a discretionary item and staff is not sure whether this item should be up to Watermaster or Inland Empire Utilities Agency. Mr. Manning stated he feels the commensurate value to Watermaster or to the Chino Basin is not equal to what is being paid or what others are paying and discussions with SAWPA need to take place with this regard. Mr. Manning noted Watermaster is not contractually obligated to do this; this is a voluntary involvement in this program with SAWPA. A discussion regarding this item ensued.

**B. AMENDMENT NO. 1 TO AGREEMENT TO FORM A TASK FORCE**

Mr. Manning stated this item is to form a task force to conduct basin monitoring programs for nitrogen and TDS. Mr. Manning noted this is a program that Watermaster has been a part of for a number of years; however, SAWPA is the lead agency for this project. Mr. Manning stated Watermaster could do this type of work on their own while still meeting the requirements of Max Benefit. Mr. Manning commented on working in conjunction with SAWPA on this which seems to be a more cost effective approach than just working it solely. It was noted this is only a discussion item and will be brought back on the May agenda for approval with Watermaster staff's recommendation for approval.

**III. REPORTS/UPDATES**

**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**

1. Paragraph 31 Motion Update

Counsel Fife stated the hearing on April 2, 2010, did take place to discuss procedural matters with the court, and the outcome of that hearing is that the court hearing date was moved from April 16, 2010 to May 14, 2010 at 10:30 a.m. for the Paragraph 31 Motion. The court set a briefing schedule: Watermaster's brief is to be filed April 12, 2010, the Appropriative Pool or any Appropriative Pool member briefs will be due the following week on April 19, 2010, the Agricultural Pool or any Agricultural Pool member briefs will be due the following week on April 26, 2010, and lastly the Non-Agricultural Pool or any Non-Agricultural Pool member briefs will be due the following week on May 10, 2010. Watermaster is finalizing its brief which will be filed on Monday. A Watermaster Board closed session is scheduled for April 12, 2010 at 9:00 a.m. where staff and counsel will get the final approval to file the brief and the brief is expected to be filed that same day.

2. Database and Record Management

Counsel Fife stated this item has been discussed at the Advisory Committee and at the Watermaster Board meetings last month. This item is partially an outgrowth of the development of the new policy manual. During the preparation for some of the items for the policy manual, and for items related to the recent Non-Agricultural Pool case, it has come to staff's and counsel's attention that service lists and other items need to be gone through to make any necessary changes to names, addresses, or even additions or deletions to the Judgment. A discussion regarding this matter ensued, and it was noted changes to the Judgment will come through the Watermaster process; however, this will take several months to complete.

Added Comment:

Mr. Manning introduced Mr. Joe Joswiak as the new Watermaster CFO and offered a brief job history on Mr. Joswiak. Mr. Manning thanked Cucamonga Valley Water District for lending Todd Corbin to Watermaster as a part-time interim and he noted Mr. Corbin did a wonderful job on assisting Watermaster and Watermaster staff with financial items.

**C. CEO/STAFF REPORT**

1. Legislative Update

Mr. Manning stated there are a number of things going on in Sacramento right now; bills are being submitted and hearings are starting to be scheduled. Mr. Manning offered comment

on the LAO report which came out on groundwater; the report is titled "The Management of the State's Groundwater Resources". Mr. Manning noted many times the outcome of these kinds of reports translates into legislation. Mr. Manning discussed AB2304 and noted he is the chairman of the California Groundwater Coalition and they have been asked to co-sponsor that piece of legislation, along with the Groundwater Resource Association; comments have been provided on that bill.

2. Recharge Update

Mr. Manning stated a new report is available on the back table for March and noted it was a good month for storm water and recycled water capture. Mr. Manning reviewed the spreadsheet in detail.

3. Regional Board Complaint

Mr. Manning stated he received an email copy of the complaint that the Regional Board has filed with Inland Empire Utilities Agency (IEUA) and with Chino Basin Watermaster. That complaint states that Watermaster and IEUA, as the holders of the permit, are being fined because of the lack of progress on the digging of the wells for Hydraulic Control that are necessary on the southwest portion of the basin. A meeting is scheduled next week with Mr. Atwater to coordinate discussions on this activity. A follow up meeting with Mr. Thibeault is scheduled the following week to get clarity on what he feels is the issue and where we stand so that all are on the same page. Mr. Manning noted the full complaint is on the Watermaster ftp site. Mr. Manning stated in the email Mr. Thibeault made it very clear that Watermaster and IEUA staff are not the problem; it is the Chino Desalter Authority and they need to move this forward. Mr. Manning stated because Watermaster and IEUA are the permit holders, it is our responsibility to make sure this work gets done. A discussion regarding this matter and the cost of the fine ensued.

Added Comment:

Mr. Manning commented on the April issue of National Geographic which is all about water. It was noted the article is much better while reading it online because it has an interactive element with all the maps and diagrams which are discussed in the articles. Mr. Manning encouraged all to get a copy of this issue.

4. San Sevaive 5 Berm Improvements

Mr. Pak stated in December, 2009, the board of supervisors of San Bernardino County approved the formation of West End Conservation of Groundwater Resources. In an effort to increase the storm water capture, the technical work group was formed which includes San Bernardino County Park and Flood Control Districts, City of Rancho Cucamonga, City of Ontario, Chino Basin Watermaster, Chino Basin Water Conservation District, and Inland Empire Utilities Agency. Mr. Pak gave the presentation and noted the implementation schedule is a pretty aggressive schedule but everybody's working pretty closely trying to get completed by May. Mr. Manning stated he wanted to thank IEUA for the assistance on this project. A discussion regarding the project ensued.

**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**

Mr. Manning noted the next meeting is scheduled for May 6, 2010, which is the same time ACWA has their conference scheduled and inquired if the meeting date should be changed. A discussion ensued and it was noted a follow up conversation would need to take place.

The regular open Appropriative Pool meeting was convened to hold its confidential session at 1:30 p.m.

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

Chair Kinsey stated there were no reportable actions.

The closed session was convened at 2:10 p.m.

**VIII. FUTURE MEETINGS**

Thursday, April 8, 2010	8:00 a.m.	Non-Agricultural Pool Mtg. @ CBWM/Conference Call
Thursday, April 8, 2010	9:00 a.m.	Agricultural Pool Meeting @ IEUA
Thursday, April 8, 2010	1:00 p.m.	Appropriative Meeting @ CBWM
Thursday, April 15, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, April 15, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
Wednesday, April 21, 2010	9:00 a.m.	* RMP Half Day Workshop @ <b>Rancho Central Park</b>
Thursday, April 22, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM
Thursday, May 6, 2010	1:00 p.m.	Appropriative Meeting @ CBWM
Thursday, May 6, 2010	2:30 p.m.	Non-Agricultural Pool Meeting @ CBWM
Thursday, May 13, 2010	9:00 a.m.	Agricultural Pool Meeting @ IEUA
Wednesday May 19, 2010	9:00 a.m.	* RMP Half Day Workshop @ <b>Rancho Central Park</b>
Thursday, May 20, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, May 20, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, May 27, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM

**\* Recharge Master Plan (RMP) Workshop from 9:00 a.m. to Noon at Rancho Central Park  
11200 Base Line Road, Rancho Cucamonga**

The Appropriative Pool meeting was dismissed by Chair Kinsey at 2:11 p.m.

Secretary: \_\_\_\_\_

Minutes Approved: May 13, 2010