

Minutes
CHINO BASIN WATERMASTER
ANNUAL WATERMASTER BOARD MEETING

January 26, 2006

The Watermaster Board Meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, California, on January 26, 2006 at 11:00 a.m.

WATERMASTER BOARD MEMBERS PRESENT

Ken Willis, 2006 Chair	West End Consolidated Water Company
Sandra Rose	Monte Vista Water District
Terry Catlin	Inland Empire Utilities Agency
Al Lopez	Western Municipal Water District
Bob Kuhn	Three Valleys Municipal Water District
Bob Bowcock	Vulcan Materials Company
Paul Hofer	Agricultural Pool, Crops
Paul Hamrick	Jurupa Community Services District
Geoffrey Vanden Heuvel	Agricultural Pool, Dairy

Watermaster Staff Present

Kenneth R. Manning	Chief Executive Officer
Gordon Treweek	Project Engineer
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

Watermaster Consultants Present

Scott Slater	Hatch & Parent
Michael Fife	Hatch & Parent
Mark Wildermuth	Wildermuth Environmental Inc.

Others Present

Robert Neufeld, 2005 Chair	Fontana Union Water Company
Bill Kruger	City of Chino Hills
Rosemary Hoerning	City of Upland
Justin Scott-Coe	Vulcan Materials Company
Ken Jeske	City of Ontario
Robert DeLoach	Cucamonga Valley Water District
Mike Maestas	City of Chino Hills
Mark Kinsey	Monte Vista Water District
Rich Atwater	Inland Empire Utilities Agency
Rick Hansen	Three Valleys Municipal Water District
Jeff Pierson	Ag Pool/Crops
Charles Moorrees	Santa Ana Water Company
Henry Pepper	City of Pomona
Carole McGreevy	Jurupa Community Services District
Dave Crosley	City of Chino

The Watermaster Board Meeting was called to order by Mr. Manning at 11:00 a.m.

PLEDGE OF ALLEGIANCE

AGENDA - ADDITIONS/REORDER

It was noted there will be an extended discussion on the legal items presented today.

PUBLIC COMMENTS

No public comments were received.

INTRODUCTIONS - CALENDAR YEAR 2006 WATERMASTER BOARD MEMBERS

John Anderson	Inland Empire Utilities Agency
Bob Bowcock	Non-Agricultural Pool (Vulcan Materials Company)
Paul Hamrick	Jurupa Community Services
Paul Hofer	Agricultural Pool (Crops)
Bob Kuhn	Three Valleys Municipal Water District
Al Lopez	Western Municipal Water District
Sandra Rose	Monte Vista Water District
Geoffrey Vanden Heuvel	Agricultural Pool (Dairy)
Ken Willis	West End Consolidated Water Company

RECOGNITION OF OUTGOING WATERMASTER BOARD MEMBERS

1. Mr. Robert Neufeld
Mr. Manning presented the former Watermaster Board Chair with a Commendation of Service award and thanked him for his service as the board chair and his tremendous efforts on behalf of the Chino Basin.
2. Mr. Bill Kruger
Mr. Manning presented Mr. Kruger with a Commendation of Service plaque and thanked him for all his efforts while servicing on the Watermaster Board.

I. CALENDAR YEAR 2006 OFFICERS – Action

A. ELECTION OF OFFICERS

1. Nominations will be heard for Watermaster Board Chair:

Mr. Lopez nominated Mr. Paul Hamrick for Board Chair and Mr. Hamrick seconded the nomination.

Ms. Rose nominated Mr. Ken Willis for Board Chair and Mr. Bowcock seconded the nomination

By majority vote it was decided Mr. Willis will be the 2006 Chair.

2. Nominations will be heard for Watermaster Board Vice-Chair:

Mr. Willis nominated Mr. Hamrick as Board Vice-Chair and Mr. Bowcock seconded the nomination.

By unanimous vote it was decided Mr. Hamrick will be the 2006 Vice-Chair

3. Nominations will be heard for Watermaster Board Secretary/Treasurer:

Mr. Vanden Heuvel nominated Ms. Sandra Rose as the Board Secretary/Treasurer and Mr. Bowcock seconded the nomination.

By unanimous vote it was decided Ms. Rose will be the 2006 Board Secretary/Treasurer

Mr. Manning turned the meeting over to the new Chair Mr. Willis.

II. CONSENT CALENDAR**A. MINUTES**

1. Minutes of the Watermaster Board Meeting held December 15, 2005

B. CHINO BASIN WATERMASTER INVESTMENT POLICY

Resolution 06-01 - Resolution of the Chino Basin Watermaster, San Bernardino County, California, re-authorizing the Watermaster's Investment Policy

C. LOCAL AGENCY INVESTMENT FUND

Resolution 06-02 – Resolution Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF)

D. ASSESSMENTS

Resolution 06-03 – Resolution of the Chino Basin Watermaster Levying Replenishment and Administrative Assessments for Fiscal Year 2005-2006

E. NOTICE OF INTENT

Annual Filing of Notice of Intent Regarding the Determination of Operating Safe Yield

Motion by Kuhn, second by Hamrick, and by majority vote and one abstention

Moved to approve Consent Calendar Items A through E, as presented

III. BUSINESS ITEMS**A. PROPOSAL FOR PROFESSIONAL ENGINEERING SUPPORT SERVICES FOR THE CHINO BASIN FACILITIES IMPROVEMENT PROJECT**

Mr. Manning stated Watermaster is in the process of working with our partners in the development of a number of improvements to the recharge facilities that have been improved over the last few years. One item that is going to be looked at is the area of earthen berms, the other area that we need assistance in is the area of Department of Safety of Dams in analyzing how staff can work with Flood Control and the Department of Safety of Dams to make sure we are maximizing the length of the time the water stays within the basins. Staff is seeking to hire a consultant to assist in these areas. The contract presented is for \$10,000 dollars and Mr. Manning noted he has a limit to sign contracts up to \$9,999.99. Mr. Manning stated even if this was not over his signatory limit it is important to bring these types of items to the Watermaster Board for approval and understanding.

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

Moved to approve the proposal to secure a professional engineering support service (Stantec) for the Chino Basin Facilities Improvement Project, as presented

B. BASIN OPERATIONS MANUAL

Mr. Manning stated the County Flood Control Department is looking for two things to occur before they will feel comfortable in relinquishing control of the basins during flood events and during non-flood events. The Operations Manual is one of those two items; the other was the introduction of operations of the SCADA system. The operations of SCADA are complete enough for them to feel comfortable that we can operate the basins from remote locations and not have a problem in a storm event. The Operations Manual is before the Advisory Committee now and has gone through the Pools with unanimous support; however a request from the Conservation District to change the motion that would be made to the Advisory Committee to change to motion to a receive and file rather than approve. The reason for this change is that they and we feel this is a document that will have a number of changes to it over the next few years as we operate and use it – making it a fluid document. Since there are policy statements contained in the Operations Manual, staff feels it important to review it periodically with the Watermaster. A brief discussion ensued with regard to the manual and its review process. Mr. Vanden Heuvel asked if a presentation can be given in the future on the workings of this document. Mr. Manning stated that a presentation will be scheduled in the next few months.

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

Moved to approve to Receive and File the Basin Operations Manual, as presented

C. MONTE VISTA WATER DISTRICT APPLICATION TO RECHARGE

Mr. Manning stated in November 2005 Monte Vista Water District (MVWD) sent to Watermaster an application for recharge by injection, up to 3,500 acre-feet in four wells which triggers, by Watermaster, an analysis of material physical injury. This request for material physical injury was forwarded to Wildermuth Environmental to do the analysis. In Wildermuth's analysis of this application it was concluded there is no material physical injury caused by this application. Staff's recommendation is based upon Wildermuth's findings. Mr. Manning noted there is a slight modification in the motion which is presented in the meeting package which alleviates the wording regarding the Regional Water Quality Control Board (RWQCB). Mr. Manning read how the new motion would read with the minor change and noted MVWD will enter into an agreement with Chino Basin Watermaster and Inland Empire Utilities Agency (IEUA). The permit required for this recharge application would be covered by the Watermaster/IEUA permit for recharge of imported and recycled water, whereby MVWD will forego going through the RWQCB and working through the Maximum Benefits Permits with IEUA. A question regarding the decision to forego the RWQCB was presented. Mr. Wildermuth stated that MVWD submitted their application along with the large document that is included in the meeting packet which led Wildermuth Environmental to its review. Mr. Wildermuth noted this is a very small project in and amongst wells that are owned and operated by MVWD. This project avoids 3,500 acre-feet of spreading somewhere else in the basin. Based on those findings and other criteria there are no subsidence issues, water quality issues and this project does assist in the implementation of the Optimum Basin Management Plan (OBMP). The conclusion is there is no material physical injury and implementation of this project supports the OBMP. Mr. Manning stated that staff is pleased that this approach is going to be tested by MVWD on their well field. The opportunity to run this test case at MVWD actually is a benefit to the basin by allowing us to learn a lot about recharge by injection which could assist us in the future; this test will be watched very closely. A discussion ensued with regard to the structure of the permit and the timing of the test. A question regarding monitoring/check in capabilities was presented. Mr. Wildermuth stated the monitoring/check in process will be covered in the monitoring program resulting from the permit requirements, which is the reason that permits expire and also have monitoring/check in requirements. It was noted that Mr. Kinsey stated at the Appropriate Pool meeting that he has no problem with some sort of monitoring programs and that will be made part of the permit and/or agreement. A discussion ensued with regard to the Regional Board's interest in this permit. Counsel Slater offered comment on the legal aspects of permitting. Mr. Wildermuth discussed the historical events for obtaining permits and noted the Regional Board is supportive of our permitting process. Mr. Manning stated there are two places in which this will come back through the Watermaster process, one as the permit is being developed and second is on the renewals of the permit.

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

Moved to approve the Monte Vista Water District's application to recharge a maximum of 3,500 acre-feet/yr of treated State Water Project water by injection at its wells 1, 4, 30 and 32 subject to entering into an agreement with the Watermaster and Inland Empire Utilities Agency whereby MVWD's recharge would be covered in the Watermaster/IEUA permit for the recharge of imported and recycled water and to have the permitting process come through the Watermaster process, as presented

IV. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. Board Reappointment Motion**

Counsel Slater stated at the December 2005 Watermaster Board meeting counsel was directed to file a motion seeking the reappointment of the nine member board. There were revisions to that original motion that were suggested and approved at the Board meeting; there is a copy of the motion available on the back table. The hearing for this motion is scheduled for February 9, 2006 at 2:00 p.m. Counsel Slater stated that subsequently the Special Referee has filed a report of comments on Watermaster's motion for reappointment which was filed two weeks prior. The Special Referee's comments are available on the back table. Since this document was just received a few days ago, Watermaster counsel has not had time to get formal direction from the Board as to how we should respond to the report and is seeking that direction now. In anticipation of the Watermaster Board meeting today, counsel has started to draft a response and a copy of that draft response is on the back table for review. The Advisory Committee discussed the Special Referee's report at length and stated by unanimous decision they wanted the Watermaster Board to be made aware that they want a request for more time to respond to her comments be filed with the court. Counsel Slater stated that the Special Referee's motion stated three main items, 1) listed complaints, 2) required additional information on items, and 3) interpreted our motion for reappointment as a two year term instead of a five year term. Counsel Slater stated that in reviewing the perceived information and noting that the Special Referee did not acknowledge all the good work that has been accomplished there are three options the Board can take. Counsel Slater noted the date to file a response in four days from today. The options are as follows 1) accept the report as is, accepting the two year term and schedule the two demanded workshops (one in three months and one in six months), 2) ask for a continuance due to the fact it is impossible for all the interested agencies to review this document at such a late date, take it to their boards and interested parties, and have sufficient time to respond, and 3) amend the motion to clarify that the request is for a five year term, request a possible 30 day extension for review, and recitation of the correct view about Watermaster's accomplishments over the past five years. A long-lasting discussion ensued with regard to this issue by all directors of the board, counsel, and Watermaster staff. It was noted that a unified voice needed to be heard and changes needed to be made to the draft response. It was decided that the changes discussed at today's meeting would be incorporated into the response. A conference call with both the Advisory Committee members and Watermaster Board members would take place on Monday, January 30, 2006 at 8:00 a.m. to review the response prior to the court hearing. Counsel stated the revised document would be transmitted as quickly as possible to allow time for digestion.

Motion by Kuhn, second by Hamrick, and by unanimous vote

Moved to approve filing an amended motion to clarify the reappointment of the nine member board is for a five year term, ask the court for a possible 30 day extension, and note corrections to the view about Watermaster's accomplishments over the past five years.

2. Peace II Process

Counsel Slater stated counsel and Wildermuth Environmental continues to prepare the responses to the questions that were put forward in the two workshops and it is anticipated those responses will be completed shortly. After the responses are presented, it will be decided what steps are needed in moving the process forward to completion.

B. ENGINEERS REPORT

Mr. Manning noted the first item on the CEO/Staff Report section is the Engineers Report section which will become a regular agenda item from now on. This will give our engineers a chance to keep the parties up to date on technical activities. Mr. Wildermuth stated that he is diligently working on the Peace II Technical Report which is formulated out of the questions and comments received at the workshops, emails, and conversations. It is anticipated the report will be completed soon. Mr. Wildermuth stated that last summer Wildermuth Environmental completed its analysis of the accumulative effect of transfers and the balance of recharge and discharge, which needs to be done every two years on odd years. This will be brought through the Watermaster process for approval.

C. CEO/STAFF REPORT1. Ontario International Airport Data Request

Mr. Manning offered comment on the history of the Ontario International Airports Potentially Responsible Parties (PRP's) issue. In July, the Regional Water Quality Control Board (RWQCB) sent six PRP's draft clean up and abatement orders on the Ontario International Airport plume. There have been two subsequent meetings held with those PRP's; the first meeting was an introduction meeting where information was shared about the evidence that led those organizations to be at the table and the second meeting was to discuss potential solutions. Staff was pleased with the PRP's reactions at the meetings, it was thought by discussions at the second meeting that the PRP's had held individual meetings prior to the main meeting. At the last meeting they did make a request to Watermaster to supply them with data that the RWQCB and others were relying on that would show that they were in fact responsible for the pollution. Much of that data was in our agricultural well area which required special authorization from the Agricultural Pool to seek well release information. Staff has not received 100% of the release cards to date; however, enough were received in a wide enough area to move forward with the PRP's request of data.

2. Water Activity Update

Mr. Manning stated we have experienced one storm this season and along with that storm Watermaster is doing some recharge of State Water Project water off the Metropolitan delivery system. Mr. Treweek noted last year was the first year that we had most CBFIP facilities in place which recharged approximately 18,000 acre-feet of storm water and about 12,000 acre-feet of imported water for a total around 30,000 acre-feet. This year Watermaster set a goal of approximately 50,000 acre-feet consisting of 20,000 acre-feet of storm water, 28,000 acre-feet of imported water, and 3,000 acre-feet of recycled water; this is an ambitious goal. As for the six month report, approximately 1,000 acre-feet of recycled water, 3,000 acre-feet of storm water, and 16,000 acre-feet of imported water for a total of 20,000 acre-feet has been recharged within the first six months of this year. We are looking to capture over the remaining six months about 30,000 acre-feet; a good portion of that amount will be imported water unless the storms pick up. Mr. Manning stated during the next several months staff will keep the parties apprised of all water activities.

V. INFORMATION1. Newspaper Articles

No comment was made regarding this item.

2. NWRA Election Results

No comment was made regarding this item.

3. AGWA Hydrologic, Environmental and Legislative Challenges to Southern California's Present and Future Managed Aquifer Recharge Programs Monday, February 6, 2006

No comment was made regarding this item.

- 4. Integrated Resource Management Business Disclosure
No comment was made regarding this item.

VI. BOARD MEMBER COMMENTS

It was decided since there were unresolved motion issues, a conference call pending, and a court hearing date of February 9, 2006, this meeting will not be adjourned today and will be continued to Thursday, February 16, 2006 at 1:00 p.m.

VII. OTHER BUSINESS

Ms. Rose stated she was glad to be a part of this board and looked forward to getting to know each director and all the interesting aspects of our water issues. Mr. Vanden Heuvel thanked Mr. Neufeld for all of his hard work and his continued efforts that he knows he will make on behalf of the Chino Basin. Mr. Kuhn stated that he is excited to work with Ms. Rose and Mr. Willis and welcomed them to the Chino Basin Watermaster process. Mr. Willis thanked the parties present for the confidence in him to elect him as chair and offered a brief narrative on his vast work in public relations and his past and present water expertise.

VIII. FUTURE MEETINGS

January 25, 2006	1:00 p.m.	MZ1 Technical Committee Meeting
January 26, 2006	9:00 a.m.	Annual Advisory Committee Meeting
January 26, 2006	11:00 a.m.	Annual Watermaster Board Meeting
February 9, 2006	9:00 a.m.	Joint Appropriative & Non-Ag Pool Meeting
February 21, 2006	9:00 a.m.	Agricultural Pool Meeting @ IEUA
February 23, 2006	9:00 a.m.	Advisory Committee Meeting
February 23, 2006	11:00 a.m.	Watermaster Board Meeting

The Annual Watermaster Board Meeting is continued to Thursday, February 16, 2006 at 1:00 p.m.

Secretary: _____

Minutes Approved: February 23, 2006