

Minutes
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING

December 17, 2009

The Watermaster Board Meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on December 17, 2009 at 11:00 a.m.

WATERMASTER BOARD MEMBERS PRESENT

Ken Willis, Chair
Michael Camacho
Charles Field
Bob Kuhn
Michael Whitehead
Bob Bowcock
Jim Curatalo
Geoffrey Vanden Heuvel
Paul Hofer

City of Upland
Inland Empire Utilities Agency
Western Municipal Water District
Three Valleys Municipal Water District
Fontana Water Company
Vulcan Materials Company
Cucamonga Valley Water District
Agricultural Pool
Agricultural Pool

Watermaster Staff Present

Kenneth R. Manning
Sheri Rojo
Ben Pak
Danielle Maurizio
Sherri Lynne Molino

Chief Executive Officer
CFO/Asst. General Manager
Senior Project Engineer
Senior Engineer
Recording Secretary

Watermaster Consultants Present

Michael Fife
Mark Wildermuth
Andy Malone

Brownstein, Hyatt, Farber & Schreck
Wildermuth Environmental Inc.
Wildermuth Environmental Inc.

Others Present

Bill Kruger
Terry Catlin
Jack Safely
Ken Jeske
Ron Craig
Gil Aldaco
Marty Zvirbulis
Raul Garibay
Tom Harder
Charles Moorrees
Robert Young
Josh Swift
Jeff Pierson
Bob Feenstra
Jennifer Novak
David DeJesus
Eunice Ulloa
Martha Davis

City of Chino Hills
Inland Empire Utilities Agency
Western Municipal Water District
City of Ontario
City of Chino Hills
City of Chino
Cucamonga Valley Water District
City of Pomona
Jurupa Community Services District
San Antonio Water Company
Fontana Union Water Company
Fontana Water Company
Ag Pool – Crops
Dairy
State of California, Dept. of Justice, CIM
Three Valleys Municipal Water District
Chino Basin Water Conservation District
Inland Empire Utilities Agency

Chair Willis called the Watermaster Board meeting to order at 11:00 a.m.

PLEDGE OF ALLEGIANCE**AGENDA - ADDITIONS/REORDER**

No additions or reorders were made to the agenda.

I. CONSENT CALENDAR**A. MINUTES**

1. Minutes of the Watermaster Board Meeting held November 19, 2009

B. FINANCIAL REPORTS

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

C. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** - Chino Basin Watermaster will purchase 21.215 acre-feet of water from Aqua Capital Management to offset the Assessment Year 2008-09 replenishment obligation. Watermaster will purchase the water at \$321.76 per acre-foot, which is the Assessment Year 2008-09 replenishment rate collected, plus accumulated interest. The transfer will be made from Aqua Capital Management's net under-production in Fiscal Year 2009-10.
Date of Application: September 18, 2009
2. **Consider Approval for Notice of Sale or Transfer** - Monte Vista Water District is purchasing 5.188 acre-feet of water from the San Antonio Water Company. This purchase is made first from San Antonio's net underproduction, if any, in Fiscal Year 2009-10, with any remainder to be recaptured from storage. Date of Application: October 8, 2009

Motion by Willis, second by Camacho, and by unanimous vote

Moved to approve consent calendar items A through C, as presented

II. BUSINESS ITEM**A. 2010 Community Outreach Campaign**

Mr. Manning stated this item has been unanimously approved by the Pools and the Advisory Committee. Mr. Manning stated this is the 4th year of participating in this program with a number of other parties and commented on the importance of this year's message. Mr. Manning noted this item is included in the approved 2009/2010 budget. A discussion regarding this item ensued.

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

Moved to approve expenditure of \$10,000 for participation in the joint Chino Basin Public Outreach Campaign for 2010, as presented

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. December 11, 2009 Hearing**

Counsel Fife stated a hearing on December 11, 2009 took place and noted no decisions made by Judge Reichert. Judge Reichert stated at that hearing, the purpose of the hearing was to introduce himself to counsel, staff, and the parties and to get an idea as to what will be coming to court over the next few months. Counsel Fife stated the new judge appears to be very interested in our case and noted Judge Reichert was Judge Gunn's research attorney in 2000 when the Peace Agreement was being formulated which means he has knowledge about the Chino Basin Watermaster case. Counsel Fife stated there is a Recharge Master Plan hearing scheduled for Friday, September 24, 2010. Judge Reichert

indicated at the December hearing that due to his calendar being mainly devoted to criminal and other cases, Friday afternoons appear to be the best day and time to schedule CBWM hearings.

Added Comment:

Counsel Fife stated there is a map of the Santa Ana Sucker Critical Habitat Re-Proposed 2009 area on the back table which proposes to expand the designation of the critical habitat for the sucker. This notice was published in the federal register on December 9, 2009, and the notice is long and was not printed for distribution. Counsel Fife reviewed the map in detail. Counsel Fife noted comments are due by February 8, 2010 and counsel is encouraging CBWM to comment. Counsel Fife stated he has heard there are going to be extensive comments coming from a coalition of parties who could be seriously affected by the proposed expansion area for critical habitat

B. WATERMASTER FINANCIAL REPORT

1. Financial Update

Ms. Rojo stated at the last ACWA Conference which she recently attended there was an interesting presentation given about the CalPERS rates and their status following the poor investment returns of the past year. Ms. Rojo briefly reviewed the items discussed at the conference including impacts attributed to payroll increases, benefit improvements, and investment returns in light of the current economy.

C. ENGINEERING REPORT

1. State of the Basin Report

Mr. Malone stated the Final 2008 State of the Basin Report is now available on the Wildermuth Environmental and the Chino Basin Watermaster website and ftp sites. Mr. Malone noted this report is done every other year and is court ordered. The report describes the progress of OBMP programs and the physical state of the basin. Mr. Malone gave a presentation on the highlights of the final report. A lengthy discussion regarding the report and the issue of subsidence ensued.

D. CEO/STAFF REPORT

1. Legislative Update

Mr. Manning commented on the upcoming bond measure and gave a detailed description of the bond. Mr. Manning noted there is some interesting information regarding legislative issues on the back table which was handed out at the recent ACWA conference.

2. Recharge Report

Mr. Manning stated the most current recharge report is on the back table. Mr. Manning reviewed the report.

3. Scheduled Board Changes for 2010

Mr. Manning stated a copy of the court approved rotation schedule for representatives to the Watermaster is on the back table. Mr. Manning reviewed the changes that will come up in 2010.

4. Manning 4th Annual Holiday Gathering

Mr. Manning stated his annual holiday gathering is tonight and hopes all parties will be attending.

IV. INFORMATION

1. Newspaper Articles

No comment was made regarding this item.

V. BOARD MEMBER COMMENTS

Mr. Curatalo thanked the members of the Watermaster Board and the Watermaster staff for a great two years while serving on the board.

VI. OTHER BUSINESS

No comment was made regarding this item.

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Pursuant to Article 2.6 of the Watermaster Rules & Regulations, a Confidential Session may be held during the Watermaster committee meeting for the purpose of discussion and possible action.

- 1. Chino Airport

No confidential session was called.

VIII. FUTURE MEETINGS

| | | |
|-------------------|------------|---|
| December 16, 2009 | 10:00 a.m. | Water Quality Committee Meeting @ CBWM |
| December 17, 2009 | 8:00 a.m. | IEUA 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 |
| December 17, 2009 | 1:00 p.m. | Recharge Master Plan Workshop @ CBWM |
| January 7, 2010 | 1:00 p.m. | Annual Non-Agricultural Pool Elections @ CBWM |
| January 7, 2010 | 1:05 p.m. | Annual Appropriative Pool Elections @ CBWM |
| January 7, 2010 | 1:15 p.m. | Annual Joint Appropriative & Non-Ag Pool Meeting @ CBWM |
| January 14, 2010 | 9:00 a.m. | Annual Agricultural Pool Meeting @ IEUA |
| January 21, 2010 | 8:00 a.m. | IEUA Dry Year Yield Meeting @ CBWM |
| January 21, 2010 | 9:00 a.m. | Annual Advisory Committee Meeting @ CBWM |
| January 26, 2010 | 9:00 a.m. | GRCC Meeting @ CBWM |
| January 28, 2010 | 11:00 a.m. | Annual Watermaster Board Meeting @ CBWM |

The Watermaster Board meeting was dismissed by Chair Willis at 11:40 a.m.

Secretary: _____

Minutes Approved: January 28, 2010