

Minutes
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING

May 27, 2010

The Watermaster Board Meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on May 27, 2010 at 11:00 a.m.

WATERMASTER BOARD MEMBERS PRESENT

Ken Willis, Chair
Michael Camacho
Charles Field
Bob Kuhn
Robert Young
Bob Bowcock
Tom Haughey
Geoffrey Vanden Heuvel
Paul Hofer

West End Consolidated Water Company
Inland Empire Utilities Agency
Western Municipal Water District
Three Valleys Municipal Water District
Fontana Water Company
Vulcan Materials Company
City of Chino
Agricultural Pool
Agricultural Pool

WATERMASTER BOARD MEMBERS ABSENT

Michael Whitehead

Fontana Water Company

Watermaster Staff Present

Kenneth R. Manning
Joe Joswiak
Ben Pak
Danielle Maurizio
Sherri Lynne Molino

Chief Executive Officer
Chief Financial Officer
Senior Project Engineer
Senior Engineer
Recording Secretary

Watermaster Consultants Present

Scott Slater
Michael Fife
Mark Wildermuth

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

Others Present Who Signed In

Rich Atwater
Terry Catlin
Ryan Shaw
Chris Berch
Robert DeLoach
Mark Kinsey
David DeJesus
Rick Hansen
Steve Kennedy
Robert Young
Josh Swift
Steven G. Lee
Jennifer Novak
Jeff Pierson
Bob Feenstra
Ken Jeske
Raul Garibay
Dave Crosley

Inland Empire Utilities Agency
Inland Empire Utilities Agency
Inland Empire Utilities Agency
Inland Empire Utilities Agency
Cucamonga Valley Water District
Monte Vista Water District
Three Valleys Municipal Water District
Three Valleys Municipal Water District
Three Valleys Municipal Water District
Fontana Union Water Company
Fontana Water Company
Reid & Hellyer for the Agricultural Pool
State of California, Dept. of Justice, CIM
Ag Pool – Crops
Ag Pool - Dairy
City of Ontario
City of Pomona
City of Chino

Ben Lewis
Jack Safely
Ron Craig
Curtis Stubbings
Roger Han

Golden State Water Company
Western Municipal Water District
City of Chino Hills
Praxair
Praxair

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 April 22, 2010

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of March 2010
2. Watermaster Visa Check Detail for the month of March 2010
3. Combining Schedule for the Period July 1, 2009 through March 31, 2010
4. Treasurer's Report of Financial Affairs for the Period March 1, 2010 through March 31, 2010
5. Budget vs. Actual July 2009 through March 2010

C. BANK OF AMERICA

1. Bank of America Visa Request to Appoint Joe Joswiak, CFO as Authorized Agent at Chino Basin Watermaster with a Credit Limit of \$10,000.00 for the Visa Account No. XXXX-XXXX-XXXX-9341

D. 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

Motion by Kuhn, second by Haughey and by unanimous vote
Moved to approve items A and D, as presented

Motion by Camacho, second by Field and by majority vote – Bowcock voted no
Moved to approve items B and C, as presented

II. BUSINESS ITEMS

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

Consider Approval of Amendment No. 1 to Form a Task Force to Conduct a Basin Monitoring Program for Nitrogen and Total Dissolved Solids in the Santa Ana River Watershed (Basin Monitoring Program)

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

Moved to approve items amendment no. 1 to agreement to form a task force, as presented

B. **BUDGET TRANSFER**

Consider Budget Transfer Request T-10-05-01 relating to Watermaster Legal Fees, OBMP Engineering Services and MZ-1 Ground Level Monitoring

Motion by Camacho, second by Kuhn and by majority vote – Bowcock voted no

Moved to approve budget transfer T-10-05-01 relating to Watermaster legal fees, OBMP engineering services and MZ1 ground level monitoring, as presented

III. REPORTS/UPDATES

A. **WATERMASTER GENERAL LEGAL COUNSEL REPORT**

1. Paragraph 31 Motion
Counsel Slater gave report.
2. ACL Complaint
Counsel Slater gave report.
3. CDA Facilitation
Counsel Slater gave report.

B. **CEO/STAFF REPORT**

1. Legislative Update
Mr. Manning gave report.
2. Recharge Update
Mr. Manning gave report.
3. 2010-2011 Watermaster Budget
Mr. Joswiak gave report and gave presentation.
4. Agreement to Form a Task Force to Conduct the Annual Emerging Constituents Characterization Program for the Santa Ana River Watershed

Mr. Manning gave report.

- 5. Chino Creek Well Field Locations
Mr. Manning gave report.

IV. INFORMATION

- 1. Newspaper Articles
No comment was made regarding this item.

V. BOARD MEMBER COMMENTS

Mr. Bowcock requested recent Non-Agricultural Pool Volume Vote motion be reviewed.

VI. OTHER BUSINESS

No comment was made regarding this item.

The regular open Watermaster Board meeting was convened to hold its confidential session at 11:50 a.m.

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. Consideration of Settlement Agreement with RWQCB Regarding Administrative Civil Liability Complaint No. R8-2010-0013

The confidential session was convened at 12:56 p.m.

Counsel Slater gave the following report from the confidential session:

1 and 2 -- Approve Proposed Principles for Facilitating Phase III of the Chino Basin Desalters and associated Revised Schedule by unanimous vote.

3 -- Approve settlement agreement with RWQCB by majority vote, with 1 dissenting vote

VIII. FUTURE MEETINGS

Thursday, May 27, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM
Thursday, June 3, 2010	1:00 p.m.	Appropriative Pool Meeting @ CBWM
Thursday, June 3, 2010	2:30 p.m.	Non-Agricultural Pool Meeting @ CBWM
Thursday, June 10, 2010	9:00 a.m.	Agricultural Pool Meeting @ IEUA
Thursday, June 17, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, June 17, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
Friday, June 18, 2010	10:30 a.m.	CBWM Court Hearing @ Chino Court Room C1
Thursday, June 24, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM

The Watermaster Board meeting was dismissed by Chair Willis at 1:00 p.m.

Secretary: _____

IMPORTANT NOTE: There is no tape recording for this meeting due to mechanical complications.