

Minutes
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING

June 28, 2012

The Watermaster Board Meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on June 28, 2012 at 11:00 a.m.

WATERMASTER BOARD MEMBERS PRESENT

Bob Kuhn, Chair
Jim Curatalo
Paula Lantz
Terry Catlin
Bob Bowcock
Charles Field
Bill Kruger
Paul Hofer
Geoffrey Vanden Heuvel

Three Valleys Municipal Water District
Fontana Union Water Company
City of Pomona
Inland Empire Utilities Agency
Vulcan Materials Company (Calmat Division)
Western Municipal Water District
City of Chino Hills
Agricultural Pool
Agricultural Pool

WATERMASTER BOARD MEMBERS ABSENT

Steve Elie

Inland Empire Utilities Agency

Watermaster Staff Present

Ken Jeske
Danielle Maurizio
Joseph Joswiak
Sherri Molino

Interim CEO
Senior Engineer
Chief Financial Officer
Recording Secretary

Watermaster Consultants Present

Scott Slater
Mark Wildermuth

Brownstein, Hyatt, Farber & Schreck
Wildermuth Environmental Inc.

Others Present

Jeff Pierson
Bob Feenstra
Brian Geye
Mark Kinsey
Sandra Rose
Art Kidman
David DeJesus
Jo Lynne Russo-Pereyra
John Bosler
Raul Garibay
Dave Crosley
Rosemary Hoerning
Scott Burton
Ron Craig
Mike Maestas
Sheri Rojo
Brian Dickinson
Eunice Ulloa
Jack Safely

Ag Pool – Crops
Ag Pool – Dairy
Auto Club Speedway
Monte Vista Water District
Monte Vista Water District
McCormick, Kidman & Behrens
Three Valleys Municipal Water District
Cucamonga Valley Water District
Cucamonga Valley Water District
City of Pomona
City of Chino
City of Upland
City of Ontario
City of Chino Hills
City of Chino Hills
Fontana Water Company
Chino Desalter Authority
Chino Basin Conservation District
Western Municipal Water District

Tom Harder
Ben Lewis
Rick Rees

Jurupa Community Services District
Golden State Water Company
Amec

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

PLEDGE OF ALLEGIANCE

AGENDA - ADDITIONS/REORDER

There were no additions or reorders made to the agenda.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Watermaster Board Meeting held May 24, 2012

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of April 2012
2. Watermaster VISA Check Detail for the month of April 2012
3. Combining Schedule for the Period July 1, 2011 through April 30, 2012
4. Treasurer's Report of Financial Affairs for the Period April 1, 2012 through April 30, 2012
5. Budget vs. Actual Report for the Period July 1, 2011 through April 30, 2012

C. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from the City of Ontario. The transfer will be made first from the City of Ontario's Excess Carryover Account. Date of Application: March 26, 2012
2. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 169.944 acre-feet of water from Cucamonga Valley Water District. The transfer will be made from Cucamonga Valley Water District's under-production in Fiscal Year 2011-12, then any additional from storage. Date of Application: March 26, 2012
3. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 16.394 acre-feet of water from Ontario City Non-Ag. The transfer will be made from Ontario City Non-Ag's Local Storage Account. Date of Application: March 26, 2012

Motion by Curatalo, second by Catlin, and by unanimous vote

Moved to approve Consent Calendar items A through C, as presented

II. REPORTS/UPDATES

A. LEGAL REPORT

1. Day Creek and San Sevaine Recharge Permit Time Extensions
Counsel Slater stated this item is still at the staff level and there is nothing new to report on; we are still expecting a positive result.
2. Filings for the Recharge Master Plan Status Report and Motion for Order After Hearing on the Motion For Approval of the Watermaster Resolution 2010-04
Counsel Slater stated these orders were presented to the court in a timely fashion and executed by the court and were concluded without opposition.
3. Santa Ana Sucker Fish Update
Counsel Slater stated a confidential memorandum was distributed to the Watermaster Board members that contained a legal strategy and the underlying basis for our recommendation. Counsel Slater stated the case is proceeding and the plaintiffs that are involved in the case, we believe, adequately represent collectively Watermaster's interest, and there is no point, need, or requirement for Watermaster to directly expend funds to carry forward itself with the same result; the recommendation is still just to monitor this case.

Added Item:

4. Counsel Slater stated with the ongoing action between California Steel Industries (CSI) and Aqua Capital Management (ACM) over a question of legal title and implications under an agreement; that case has been progressing in another court room and it was previously reported that Watermaster did not need to be involved in that case and that it was a monitoring action only. Counsel Slater stated this case has now found its way into our courtroom where CSI has asked for a declaration determination from Judge Reichert concerning earlier orders that they made; counsel will monitor this case and it is set for a July 20, 2012 hearing. Counsel Slater stated Watermaster has no interest or stake in the outcome of that case and it is just to be monitored to make sure nothing imprudent occurs.

B. CEO REPORT1. Recharge and Storage Planning Progress

Mr. Jeske stated this item is for the status and progress on recharge and storage planning. Mr. Jeske stated there were a few meetings with this regard cancelled which allowed more time to gather information and put together some strawman proposals and then put together a list of options. Mr. Jeske stated there has been no slowdown in the process; the break in meetings just gave staff and consultants time to put items together for the parties to work on. Mr. Jeske stated the next meeting will be on July 19, 2012 following the Advisory Committee meeting and there is a lengthy agenda for that meeting set, the parties have been provided the agenda and the call for projects. Mr. Jeske stated staff is not looking for full length proposal on engineering projects; staff is only looking for ideas. Mr. Jeske stated further reports will be given as progress is made.

III. INFORMATION1. Cash Disbursements for May 2012

No comment was made.

IV. BOARD MEMBER COMMENTS

Mr. Field stated he has some very good news to report on today. Mr. Field reported on the \$51M grant approved by the Department of Health for additional work needed for the Desalter project and he read the press release in its entirety.

V. OTHER BUSINESS

No comment was made.

The regular open Watermaster Board meeting was convened to hold its confidential session at 11:12 a.m.

VI. 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. CEO/General Manager/Personnel Matters

The confidential session concluded at 1:08 p.m.

ACTION: It decided mutually to extend Mr. Ken Jeske's contract as Interim CEO for another 60 days.

VII. FUTURE MEETINGS AT WATERMASTER

Thursday, June 21, 2012	10:00 a.m.	CB RMPU Steering Comm. and Storage Mtg.
* Thursday, June 28, 2012	10:00 a.m.	Advisory Committee Meeting
Thursday, June 28, 2012	11:00 a.m.	Watermaster Board Meeting
Thursday, July 7, 2012	10:00 a.m.	CB RMPU Steering Comm. and Storage Mtg.
Thursday, July 12, 2012	9:00 a.m.	Appropriative Pool Meeting

Thursday, July 12, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Mtg.
Thursday, July 12, 2012	1:30 p.m.	Agricultural Pool Meeting
Thursday, July 19, 2012	8:00 a.m.	IEUA DYY Meeting
Thursday, July 19, 2012	9:00 a.m.	Advisory Committee Meeting
Thursday, July 19, 2012	10:00 a.m.	CB RMPU Steering Comm. and Storage Mtg.
Thursday, July 26, 2012	11:00 a.m.	Watermaster Board Meeting

*** Please note the rescheduled Advisory Committee Meeting date and time**

Chair Kuhn adjourned the Watermaster Board meeting at 1:09 p.m.

Secretary: _____

Minutes Approved: July 26, 2012