

Minutes
CHINO BASIN WATERMASTER
JOINT APPROPRIATIVE & NON-AGRICULTURAL POOL MEETING
October 13, 2005

The Joint Appropriative and Non-Agricultural Pool Meeting were held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on October 13, 2005 at 9:00 a.m.

APPROPRIATIVE POOL MEMBERS PRESENT

Dave Crosley, Chair	City of Chino
Robert DeLoach	Cucamonga Valley Water District
Raul Garibay	City of Pomona
Ken Jeske	City of Ontario
J. Arnold Rodriguez	Santa Ana River Water Company
Bill Stafford	Marygold Mutual Water Company
Charles Moorrees	San Antonio Water Company
Mike Maestas	City of Chino Hills
Mark Kinsey	Monte Vista Water District
Rob Turner	City of Upland
Chris Diggs	Fontana Water Company
Gerald J. Black	Fontana Union Water Company

NON-AGRICULTURAL POOL MEMBERS PRESENT

Justin Scott-Coe	Vulcan Materials Company (Calmat Division)
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Watermaster Staff Present

Kenneth R. Manning	Chief Executive Officer
Sheri Rojo	CFO/Asst. General Manager
Gordon Treweek	Project Engineer
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

Watermaster Consultants Present

Michael Fife	Hatch & Parent
Mark Wildermuth	Wildermuth Environmental Inc.

Others Present

Josephine Johnson	Monte Vista Water District
David DeJesus	Three Valleys Municipal Water District

Chair Crosley called the meeting to order at 9:03 a.m.

AGENDA - ADDITIONS/REORDER

There were no additions or reorders made to the agenda.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Joint Appropriative and Non-Agricultural Pool Meeting held September 8, 2005

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of September 2005
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2005 through August 31, 2005
3. Treasurer's Report of Financial Affairs for the Period July 1, 2005 through August 31, 2005
4. Profit & Loss Budget vs. Actual August 2005

C. WATER TRANSACTION

1. Consider Approval for Transaction of Notice of Sale or Transfer – The City of Pomona has agreed to purchase water in storage from the City of Upland of 1,000 acre-feet. Date of application: October 5, 2005

D. VOLUME VOTE

Motion by Kinsey, second by DeLoach, and by unanimous vote – Non-Ag concurred
Moved to approve Consent Calendar Items A through D, as presented

At 9:12 a.m. the open Appropriative and Non-Agricultural Pools meeting was adjourned and the confidential session convened.

At 9:30 a.m. the confidential session was adjourned and the open Appropriative and Non-Agricultural Pools meeting reconvened.

II. BUSINESS ITEMS

A. MATHIS & ASSOCIATES CONSULTANT AGREEMENT

Mr. Manning stated that Mathis & Associates is a firm who has worked for a number of cities and water districts throughout the State of California. During the course of the C.E.O.'s goal setting process, two items were discussed; one item was to engage in researching for outside services regarding personnel matters and the other item was to form a strategic planning process. One company who provides services in both of these areas was Mathis & Associates. The contract which is provided in the package today is for that company to undertake both of these subjects for the Chino Basin Watermaster. Mr. Manning noted this is a budgeted item and staff is recommending the contract for Mathis & Associates be moved for approval and to be submitted to the Advisory and Watermaster Board. Mr. Manning stated he is aware of some date and location concerns regarding the Strategic Planning meeting and that aspect is not part of this motion. Mr. Jeske commented on the notice which was sent out for the upcoming retreat and noted this planned event is outside our area and asked that the time and location for this event be re-evaluated. Mr. Jeske stated he was part of the Personnel Committee and is on board with their decision to hire an outside party to pull together the Pools, Advisory Committee, and the Watermaster Board for an outside strategic planning workshop, noting that the time and location needs revisiting. Mr. Kinsey concurred with the received comments and added the contract needs to include identification and indemnification provisions. A lengthy discussion ensued with regard to the contract and the strategic planning meeting. Mr. Manning noted that all parties will be invited to the strategic planning conference. Additional planning discussions regarding the conference will be needed, however, that discussion does not affect the need for a motion for the Mathis & Associates contract. Mr. Jeske offered comment and noted it seemed that this would be the first of several workshops needed to bring all parties on board with the planning for the Chino Basin's future.

Motion by Jeske, second by DeLoach, and by unanimous vote – Non-Ag concurred
Moved to approve the Mathis & Associate Consulting Agreement with the removal of the words "in the desert" in the area of Projects # 2 and a re-evaluation of the time and location for the Strategic Planning Conference, as presented

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**1. Attorney-Manager

Counsel Fife stated the Attorney-Manager process continues and a conference call is scheduled for today at 2:00 p.m. Materials for the conference call have been distributed. Counsel and staff are hoping for a final product by the end of today to bring to the board in a few weeks to obtain approval to move it forward through the Watermaster process.

2. September 22, 2005 Hearing

Counsel Fife stated this item is regarding the Ex Parte hearing which was held after the last Watermaster Board meeting. The order from that hearing is available on the back table. Counsel has now scheduled with the court a hearing for February 9, 2006 at 2:00 p.m. for the court reconsider reappointment of the nine member board. Counsel Fife noted that Watermaster's usual holiday schedule is to not have meetings in the month of December, however, if the hearing is going to be at the beginning of February that means any motion filed by Watermaster will have to be filed 30 days in advance, meaning by January 9, and if no December meetings are going to take place all paperwork must be passed through the Pools, Advisory Committee, and Watermaster Board in November. It was noted that if December meetings are needed, staff and counsel will accommodate that request.

B. CEO/STAFF REPORT1. Basin Re-Operation/HCMP Update

Mr. Wildermuth gave the presentation "Summary of Provisional Hydraulic Control Modeling Results" to the committee members. An analysis of the calculations of potential replenishment obligation was reviewed in detail. Alternative desalter II expansion scenarios by Western Municipal Water District were examined and the decrease in annual Santa Ana River discharge at Prado Dam was reviewed and discussed. Mr. Wildermuth stated that discharge from Chino North to the Santa Ana River is very small for all post OBMP pumping and replenishment scenarios. Several maps regarding groundwater and geology were observed. Mr. Wildermuth looked at the revised table regarding reduced replenishment costs and increased power costs for pumping and replenishment plans. The change in storage attributable to forgiving the replenishment obligation of the desalters through 2030 was reviewed in detail. Engineering to be completed include, 1) finalizing series of simulations based on term sheet for Watermaster and others, 2) finalizing simulations to estimate loss from storage with/without desalters, 3) development of Hydraulic Control Operating Plan, and 4) draft report completed in mid November. A discussion ensued with regard to the presentation.

2. Water Quality Update

Mr. Wildermuth gave the presentation "Annual Report of Santa Ana River Water Quality" to the committee members. A review of the background was given and it was noted the 2004 Basin Plan Amendment contains several requirements for ongoing monitoring and reporting. Pursuant to the Amendment, certain participants are required to conduct the following investigations: a) recomputation of ambient water quality for the period 1984 to 2003, b) preparation of an annual report of Santa Ana River Water Quality, and c) demonstration of nitrogen loss in Reach 3 of the Santa Ana River. Mr. Wildermuth reviewed what data collection efforts are needed by individual parties. The location of non-tributary discharges and surface water sampling stations map was reviewed in detail. A brief analysis was given on the Santa Ana River Reach 2 and Reach 3. Mr. Wildermuth offered conclusions for 2004 and noted the results of these monitoring programs indicate the water quality of Santa Ana River is in compliance with basin plan objectives. It was noted that the Basin Plan Amendment required monitoring and analyses and the background and objectives in the December 2004 Basin Plan Amendment were evaluated. Nitrogen loss monitoring was chemically broken down and calculated nitrogen

loss coefficients for the Santa Ana River were presented. Mr. Wildermuth provided a summary for this presentation and a brief discussion ensued.

- 3. Assessment Package Workshop – October 20, 2005
Mr. Manning noted the Assessment Package Workshop has been scheduled for October 20, 2005 at 9:00 a.m. provided all water activity reports are returned in time to prepare for this workshop.
- 5. Watermaster Minor Rep Elections for 2006
Mr. Manning stated that the 2006 elections will include a minor rep on the Watermaster Board and elections will be held in November for the January start date. It was noted starting on page 31 in the meeting packet on the Allocation of Volume Vote pages there are asterisks next to each party who is a minor rep. for those who are in question as to who the minor reps are.
- 6. November meeting schedule
Mr. Manning noted due to the Thanksgiving holiday the Advisory Committee and Watermaster Board meetings will be moved up one week to November 17, 2005 and to please adjust your calendars to reflect this new date.

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

No comment was made regarding this item.

VII. FUTURE MEETINGS

October 13, 2005	9:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
October 18, 2005	9:00 a.m.	Agricultural Pool Meeting @ IEUA
October 18, 2005	9:00 a.m.	GRCC Meeting
October 20, 2005	9:00 a.m.	Assessment Package Workshop
October 27, 2005	9:00 a.m.	Advisory Committee Meeting
October 27, 2005	11:00 a.m.	Watermaster Board Meeting
November 10, 2005	9:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
November 15, 2005	9:00 a.m.	Agricultural Pool Meeting @ IEUA
* November 17, 2005	9:00 a.m.	Advisory Committee Meeting
* November 17, 2005	11:00 a.m.	Watermaster Board Meeting

* Note: meeting is one week early due to Thanksgiving

The Joint Appropriative & Non-Agricultural Pool Meeting Adjourned at 10:30 a.m.

Secretary: _____

Minutes Approved: November 10, 2005

