

Minutes
CHINO BASIN WATERMASTER
JOINT APPROPRIATIVE & NON-AGRICULTURAL POOL MEETING
April 10, 2008

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 April 10, 2008 at 10:00 a.m.

APPROPRIATIVE POOL MEMBERS PRESENT

Ken Jeske, Vice-Chair	City of Ontario
Robert Tock	Jurupa Community Services District
Raul Garibay	City of Pomona
Robert DeLoach	Cucamonga Valley Water District
Dave Crosley	City of Chino
Ron Craig	RBF Consulting for City of Chino Hills
Mike McGraw	Fontana Water Company
Robert Young	Fontana Union Water Company
Mark Kinsey	Monte Vista Water District
Charles Moorrees	San Antonio Water Company

NON-AGRICULTURAL POOL MEMBERS PRESENT

Kevin Sage	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
Janine Wilson	Recording Secretary

Watermaster Consultants Present

Michael Fife	Brownstein, Hyatt, Farber & Schreck
Mark Wildermuth	Wildermuth Environmental Inc.

Others Present

Sandra Rose	Monte Vista Water District
Eunice Ulloa	Chino Basin Water Conservation District
David DeJesus	Three Valleys Municipal Water District

Vice-Chair Jeske called the Joint Appropriative and Non-Agricultural Pool Meeting to order at 10:02 a.m.

AGENDA - ADDITIONS/REORDER

No additions or reorders were made to the agenda.

I. ELECTIONS - ACTION

A. Calendar Year 2008 Appropriative Pool Officers

Nominations will be heard to replace the vacated Appropriative Pool Chair position which will serve during the remaining calendar year 2008.

Motion by Moorrees, second by Crosley to nominate Ken Jeske as Appropriative Pool Chair, and by unanimous vote

Moved to approve the new chair position, as presented

Chair Ken Jeske, City of Ontario

Motion by Kinsey, second by DeLoach to nominate Robert Tock as Appropriative Pool Vice-Chair, and by unanimous vote

Moved to approve the new vice-chair position, as presented

Vice-Chair Robert Tock, Jurupa Community Services District

I. CONSENT CALENDAR

A. MINUTES

- 1. Minutes of the Joint Appropriative & Non-Agricultural Pool Meeting held March 13, 2008

B. FINANCIAL REPORTS

- 1. Cash Disbursements for the month of March 2008
- 2. Watermaster Visa Check Detail
- 3. Combining Schedule for the Period July 1, 2007 through February 29, 2008
- 4. Treasurer's Report of Financial Affairs for the Period February 1, 2008 through February 29, 2008
- 5. Budget vs. Actual July 2007 through January 2008

C. WATER TRANSACTION

- 1. **Consider Approval for Notice of Sale or Transfer** – The Cucamonga Valley Water District has an agreement with West Valley Water District, formerly known as West San Bernardino County Water District, whereby Cucamonga Valley Water District will purchase 500 acre-feet of West valley Water District's stored Chino Basin groundwater.
Date of Application: March 13, 2008

Motion by Moorrees, second by Bowcock, and by unanimous vote – Non-Ag concurred
Moved to approve Consent Calendar Item A, B, and C1, as presented

Motion by Kinsey, second by Craig, and by unanimous vote – Non-Ag concurred
Moved to add KCO, LLC ("KOLL") Intervention to the agenda, as presented

ADDED:

KCO, LLC ("KOLL") INTERVENTION

A discussion ensued with regard to the intervention. Chair Jeske commented and responded to questions regarding the Koll intervention.

Motion by McGraw, second by Craig, and by unanimous vote – Non-Ag concurred
Moved to approve KCO, LLC ("KOLL") to become a member of the Overlying Non-Agricultural Pool, as presented

II. BUSINESS ITEMS

A. NON-AGRICULTURAL WATER SALE

No comment was made regarding this item.

B. PROPOSED BUDGET TRANSFER REQUEST

Mr. Manning stated this item was presented last month and at that Appropriative and Non-Agricultural Pool meeting staff was directed to hold the item over until a conversation could be held between members of the Appropriative Pool and the Agricultural Pool. That meeting did take place and no recommendation was received as a result of that meeting. A motion was made at the March Agricultural Pool which designated \$50,000 for the budget transfer. Since that meeting staff has reviewed the Agricultural Pool Legal and Technical invoices that have been submitted to Watermaster and have analyzed them going forward to the end of the year and staff believes \$35,000 is an appropriate amount to seek approval for a budget transfer at this time. A discussion ensued with regard to this matter.

Motion by McGraw, second by Craig, and by unanimous vote – Non-Ag concurred

Moved to approve the budget transfer request in the amount of \$35,000 for the Agricultural Pool legal and technical expenses, as presented

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. Hanson Aggregates**

Counsel Fife stated this item is regarding the discharge of silt into the Lower Day Basin. A complaint has been filed by Chino Basin Watermaster and served on Hanson Aggregates. A mediation session was held last week which did not produce a settlement. A case management conference is scheduled for April 18, 2008. A discussion regarding this item ensued.

2. Peace II Signatures

Counsel Fife requested the parties who have not yet signed the Peace II documents which are on the Chino Basin Watermaster web site to please do so as quickly as possible.

Added Comment:

Counsel Fife stated Monte Vista Water District filed a response to Watermaster's previous filings. The response has not been reviewed by counsel yet and is available on the back table for review. Mr. Kinsey offered comment on the response. A discussion regarding Mr. Kinsey's comments ensued.

B. ENGINEERING UPDATES**1. Engineering Update**

Mr. Wildermuth stated a report on the Hydraulic Control Monitoring Program is being sent to the Regional Board next week. A meeting took place with the Regional Board last week regarding changing the monitoring program which will reduce the scope of work and costs substantially. After the report is received and reviewed by the Regional Board, a formal report will be sent to them requesting a change in our current program. The proposal will be sent through the Watermaster process prior to it going to the Regional Board.

Wildermuth Environmental has been working on the test well sites for the Chino Creek Well Field and that work is almost concluded.

With regard to the compliance with the December 21, 2007 court order on the technical issues; conditions subsequent no. 3 was filed on April 3, 2008 and no comments have been received from the Special Referee. Conditions subsequent no. 5 is a mandate to provide to the court an outline that shows the scope of the Recharge Master Plan. There was a meeting held on March 28, 2008 of the stakeholder group to start putting that plan together. Since that meeting a very substantive outline of that report has been prepared. Conditions subsequent no. 6 is a requirement to report on the development of the standards and criteria of which Hydraulic Control can be measured and assessed. As a result of the

second meeting with the Regional Board last week a Strawman is being developed which contains two parts.

C. FINANCIAL REPORT

1. Financial Update

Ms. Rojo stated a Budget Ad-Hoc Committee meeting was held recently and the participants included board members and pool members. The budget categories were reviewed and discussed for the next fiscal year. The scheduling of work, and who performs what tasks and the budgeted costs of the categories was reviewed in detail. It was noted that Watermaster appeared to be on task and that another meeting does not need to be scheduled. The Watermaster Budget Workshop has been scheduled for April 29, 2008 at 10:00 a.m.

D. CEO/STAFF REPORT

1. Legislative Update

No comment was made regarding this item.

2. Recharge Update

Mr. Treweek stated this winter Kennedy Jenks completed the Phase II design process. Watermaster received two bid packages. The first was for berm heightening and hardening to increase the capacity at four basins and also to strengthen the internal berms. The second package was for two new turnouts CB14 and CB20 and associated pipelines. The received bids are 20 to 25% below the engineers estimate which will free up money out of the overall bid package for other work.

Mr. Treweek stated the recharge update is on the back table including recharge numbers through the month of March. A discussion ensued with regard to recharge.

3. May Appropriative and Non-Agricultural Pool Meeting

Mr. Manning informed the committee members that the scheduled May meeting date falls on the day that many parties will be at the ACWA conference. Mr. Manning inquired if the committee members wanted to postpone the meeting one week meaning the next meeting would be held on May 15, 2008 instead of May 8, 2008. It was noted the committee members wanted to reschedule that meeting to May 15, 2008.

*Motion by DeLoach, second by McGraw, and by unanimous vote – Non-Ag concurred
Moved to approve moving the next Appropriative and Non-Agricultural Pool meeting to Thursday, May 15, 2008 at 10:00 a.m., as presented*

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

April 10, 2008	10:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
April 15, 2008	9:00 a.m.	Agricultural Pool Meeting @ IEUA
April 16, 2008	9:00 a.m.	GRCC Meeting
April 24, 2008	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
April 24, 2007	9:00 a.m.	Advisory Committee Meeting
April 24, 2007	11:00 a.m.	Watermaster Board Meeting

The Joint Appropriative and Non-Agricultural Pool meeting was dismissed by Chair Jeske at 11:02 a.m.

Secretary: _____

Minutes Approved May 15, 2008