

**Minutes**  
**CHINO BASIN WATERMASTER**  
**NON-AGRICULTURAL POOL MEETING**  
December 11, 2008

The Non-Agricultural Pool Meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on December 11, 2008 at 3:00 p.m.

**NON-AGRICULTURAL POOL MEMBERS PRESENT**

Kevin Sage, Vice-Chair	Vulcan Materials Company (Calmat Division)
Mohamed El Amamy	City of Ontario

**Watermaster Staff Present**

Kenneth R. Manning	Chief Executive Officer
Sheri Rojo	CFO/Asst. General Manager
Sherri Lynne Molino	Recording Secretary

Vice-Chair Sage called the Non-Agricultural Pool Meeting to order at 3:10 p.m.

**AGENDA - ADDITIONS/REORDER**

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Joint Appropriative & Non-Agricultural Pool Meeting held November 18, 2008

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of November 2008
2. Watermaster Visa Check Detail
3. Combining Schedule for the Period July 1, 2008 through October 31, 2008
4. Treasurer's Report of Financial Affairs for the Period October 1, 2008 through October 31, 2008
5. Budget vs. Actual July 2008 through October 2008

*Motion by El Amamy, second by Sage, and by unanimous vote*

***Moved to approve Consent Calendar Items A through B, as presented***

**II. BUSINESS ITEMS**

**A. MOU COOPERATIVE EFFORTS FOR MONITORING PROGRAMS BETWEEN THE INLAND EMPIRE UTILITIES AGENCY AND THE CHINO BASIN WATERMASTER – BRIGHT LINE APPROACH**

Mr. Manning stated the original MOU for monitoring programs between Inland Empire Utilities Agency and Chino Basin Watermaster has been revised and a Bright Line agreement was formed and both IEUA and Watermaster has been working under the basis of the Bright Line Agreement since January 2008. This will be an amendment to the original MOU and the agencies will no longer be operating under a verbal agreement but will be using the presented MOU. Mr. Manning stated both parties will be working together in funding the capital projects as part of this agreement.

*Motion by El Amamy, second by Sage, and by unanimous vote*

***Moved to approve the Memorandum of Understanding for Cooperative Efforts for Monitoring Programs between Inland Empire Utilities Agency and the Chino Basin Watermaster Bright Line approach dated December 17, 2008, as presented***

**B. PUBLIC INFORMATION COST SHARING AGREEMENT WITH INLAND EMPIRE UTILITIES AGENCY FOR 2009 COMMUNITY OUTREACH CAMPAIGN**

Mr. Manning stated this is an item Watermaster has been working on with Inland Empire Utilities Agency since 2005. In 2005, IEUA and Watermaster had discussions with the Daily Bulletin regarding developing a public information program that assist our agencies in dealing with issues that would arise; a proactive approach on recycled water, water reliability issues, scarcity outages, and other water related topics. The idea was to purchase a volume of ad space within the newspaper at a reduced cost. This ad campaign was very successful in the past years. Watermaster has been a contributor of \$10,000 and this is the amount staff is recommending at this time for another 12-month ad campaign. This will also include an on-line campaign.

*Motion by El Amamy, second by Sage, and by unanimous vote*

***Moved to approve Cost Sharing Agreement with Inland Empire Utilities Agency for the 2009 community outreach campaign with the Daily Bulletin in the amount of \$10,000, as presented***

**C. CONDITION SUBSEQUENT NO. 5**

Mr. Manning stated this item is a follow through on the second phase of Condition Subsequent No. 5. Included on the back table is a draft legal document that would be filed with the court and a copy of a new schedule that Wildermuth Environmental has put together. Watermaster is required as the first update to Condition Subsequent No. 5, and by the end of the year to submit to the court this update along with the new schedule. At the upcoming hearing on February 2<sup>nd</sup> and 3<sup>rd</sup> the court has asked that Watermaster make a presentation on the physical solution. Mr. Manning stated there is a draft pleading on the back table in order to begin receiving comments from the parties. This is a only on Condition Subsequent No. 5 and it will be revised prior to filing it with the court by January 1, 2009.

*Motion by El Amamy, second by Sage, and by unanimous vote*

***Moved to approve January 1, 2009 progress report on Watermaster's Recharge Master Plan Update pursuant to Condition Subsequent 5 including the four submitted tables, as presented***

**D. AGRICULTURAL POOL REALLOCATION PROCEDURE**

Mr. Manning stated pursuant to its stipulation with Monte Vista Water District dated April 25, 2008, Watermaster committed to include in its submittal to Condition Subsequent No. 8, a comprehensive analysis and explanation of how and whether Watermaster will calculate replenishment obligations, in light of the model's predicted safe yield decline over time. The Stipulation further required Watermaster to produce certain information regarding an expected future range of Agricultural Pool production prior to July 1, 2008. Watermaster produced this information and at the June 26, 2008 Appropriative Pool meeting, the Appropriative Pool decided to convene a subcommittee to discuss the development of a procedure to respond to this information. At the August 6, 2008 meeting of this subcommittee, staff and legal counsel were asked to put together information for consideration by the subcommittee members. Staff and legal counsel were asked to memorialize a proposed resolution of the method of allocation of water in the event of a reduction in Safe Yield, and to create spreadsheets that document the results of a range of other methods. On September 8, 2008, Watermaster distributed these materials to the subcommittee and requested comments. Mr. Manning stated the recommendation provided comes from the sub-committees decision and it was noted two parties were in opposition to the sub-committees recommendation; the City of Chino and Jurupa Community Services District.

*Motion by El Amamy, second by Sage, and by unanimous vote*

***Moved to approve the procedures as described in the memorandum and instruct counsel to include a description of these procedures in the filing to be made in compliance with Condition Subsequent No. 8, as presented***

**E. WATERMASTER PURCHASE AND SALE AGREEMENT – PROPOSED PRICE FLOOR AUCTION**

Mr. Manning stated staff is looking for direction to move forward with this endeavor. Mr. Manning stated there is a detailed staff report provided in the meeting packet and this item has been presented to this committee previously. Mr. Manning stated the water that is being presented for auction is Watermaster's and staff needs to only issue specific notices with regard to its intention. Under the Purchase and Sale Agreement it must forward the requisite notice within two years of the Peace II process. Mr. Manning offered comment on what an auction process and how it might take place if the members agree to proceed in this manner. Mr. Manning stated with the approval of the recommendations as stated in the staff report and in Mr. Manning's report, this is not the last time this pool will have a chance to review this item. Providing direction to move forward gives staffs a chance to stay with the schedule that was outlined.

*Motion by El Amamy, second by Sage, and by unanimous vote*

***Moved to proceed with the auction proposal for the Non-Agricultural Pool Water, as presented***

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

1. February 2, 2009 Hearing  
No comment was made regarding this item.
2. Condition Subsequent No. 7 Pleading  
No comment was made regarding this item.

**B. ENGINEERING REPORT**

1. Oral Progress Report on Engineering Activities November 2008  
No comment was made regarding this item.
2. Progress Report on the AB303 Grant ASR Pilot Project in MZ1  
No comment was made regarding this item.

**C. CEO/STAFF REPORT**

1. Legislative Update  
No comment was made regarding this item.
2. Recharge Update  
No comment was made regarding this item.
3. California Groundwater Coalition (CGC)  
No comment was made regarding this item.

**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**

December 11, 2008	10:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
December 16, 2008	9:00 a.m.	Agricultural Pool Meeting @ IEUA
December 12, 2008	9:00 a.m.	IEUA Dry Year Yield Meeting @ IEUA
December 18, 2008	9:00 a.m.	Advisory Committee Meeting
December 18, 2008	11:00 a.m.	Watermaster Board Meeting
January 8, 2009	9:30 a.m.	Annual Non-Agricultural Pool Elections
January 8, 2009	9:45 a.m.	Annual Appropriative Pool Elections
January 8, 2009	10:00 a.m.	Annual Joint Appropriative & Non-Agricultural Pool Meeting
January 20, 2009	9:00 a.m.	Annual Agricultural Pool Meeting @ IEUA
January 22, 2009	9:00 a.m.	Annual Advisory Committee Meeting
January 22, 2009	11:00 a.m.	Annual Watermaster Board Meeting

The Non-Agricultural Pool meeting was dismissed by Vice-Chair Sage at 3:16 p.m.

Secretary: \_\_\_\_\_

Minutes Approved: January 8, 2009