

Minutes
CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING
September 30, 2004

The Advisory Committee Meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, California, on September 30, 2004 at 9:00 a.m.

ADVISORY COMMITTEE MEMBERS PRESENT

Appropriative Pool

Ken Jeske, Chair	City of Ontario
Nathan deBoom	Milk Producers Council
Robert DeLoach	Cucamonga Valley Water District
Mark Kinsey	Monte Vista Water Company
Dave Crosley	City of Chino
Ray Wellington	San Antonio Water Company
J. Arnold Rodriguez	Santa Ana River Water Company
Mike Maestas	City of Chino Hills
Raul Garibay	City of Pomona

Agricultural Pool

Robert Nobles Jr.	State of California Institute for Men
John Huitsing	Crops

Non-Agricultural Pool

Bob Bowcock	Vulcan Materials Company (Calmat Division)
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Watermaster Board Member Present

Terry Catlin	Inland Empire Utilities Agency
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Watermaster Staff Present

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

Watermaster Consultants Present

Michael Fife	Hatch & Parent
Andy Malone	Wildermuth Environmental Inc.

Others Present

Tom Love	Inland Empire Utilities Agency
Dave Hill	Inland Empire Utilities Agency
Bill Stafford	Marygold Mutual Water Company
Rick Rees	Geomatrix Consultants, Inc.
Rita Kurth	Cucamonga Valley Water District
Barrett Kehl	Chino Basin Water Conservation District
John Rossi	Western Municipal Water District

The Advisory Committee meeting was called to order by Chair Jeske at 9:05 a.m.

AGENDA - ADDITIONS/REORDER

Chair Jeske asked that Section III Reports/Updates item C number 1, letters d and e, be placed first on the agenda due to a lack of quorum.

Chair Jeske placed this item first on the Agenda.

C. METROPOLITAN WATER DISTRICT MEMBER AGENCY REPORT

1) INLAND EMPIRE UTILITIES AGENCY

d. Southern California Water Quality Planning Project – Martha Davis (oral)

Ms. Davis discussed the Southern California Regional Drinking Water Quality Plan that Inland Empire Utilities Agency (IEUA) is participating in and is being funded through CALFED. This project is being led by the California Drinking Water Quality Strategy Group (Strategy Group) which comes out of the Metropolitan Water District of Southern California, in partnership with the Southern California Water Dialogue and the Mono Lake Committee. The proposed drinking water quality regional plan will build upon six representative “case studies” of southland water agencies. The Chino Basin/IEUA planning effort will be led by the Cucamonga Valley Water District. Ms. Davis states that the Chino Basin/IEUA study is an outstanding opportunity to develop a comprehensive assessment of the drinking water quality challenges within the region and to identify priorities for water quality improvements that would qualify for additional funding through State and Federal funding sources. Ms. Davis continued to review the final work plan, which is due in November 2004, and what the expected documents to be produced through the study would include. Ms. Davis stated that Mr. Neufeld is the key lead person on this project. A copy of the draft work plan is available on the back table. Chair Jeske inquired if this project has a work schedule. Ms. Davis stated that it did and the draft of the regional plan is due in May of 2005; this will be a fast tracked project. The consultant that will be working with the strategy group and pulling together the information will be CH@M HILL.

e. Proposition 50 Grant Funding Status Report – Martha Davis (oral)

Ms. Davis reported on the grant funding and the concerns dealing with the water conservation grant application which had been used by the Department of Water Resources; this is the bond money for prop 50, Chapter 7 funds. The two concerns that were raised about the released application are, 1) the substance in terms of the impact in our area and whether or not projects coming out of the Chino Basin would actually qualify for the Chapter 7 funds, and 2) the process issue which has had several concerns. Ms. Davis stated there was a very strong push back to CALFED and the Department of Water Resources requesting that they pull back the Water Conservation grant application on the basis they needed to have a properly publicly reviewed draft; it has been pulled back and is being rewritten and re-circulated for public review. The draft will be reviewed by the CALFED Bay Delta Authority as it is required. It is anticipated the final revised and approved grant application will be available in October with a deadline for grant applications for water conservation projects in either December or January. The program has been delayed a few months, however, the message overall that came from the water community and environmental community was that it was very important that there be a transparent public review process for these grant applications for the bond funding. Ms. Davis reviewed some of the guidelines for Chapter 8 and noted if anyone is looking to see those written comments she will make them available. A discussion ensued with regards to prop 50, Chapter 7 and Chapter 8 funding.

Chair Jeske noted a full quorum was present and that the agenda will proceed as originally agendized.

I. CONSENT CALENDAR

A. MINUTES

- 1. Minutes of the Advisory Committee Meeting held on August 26, 2004

B. FINANCIAL REPORTS

- 1. Cash Disbursements for the month of August 2004
- 2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2004 through July 31, 2004
- 3. Treasurer’s Report of Financial Affairs for the Period July 1 through July 31, 2004
- 4. Profit & Loss Budget vs. Actual July 2004

C. NOTICE OF CONRAD & ASSOCIATES, LLP TO PERFORM FISCAL YEAR 2003-04 FINANCIAL STATEMENTS AUDIT

Motion by Kinsey, second by DeLoach, and by unanimous vote
Moved to approve Consent Calendar Items A through C, as presented

II. BUSINESS ITEMS

A. CONSIDER FIRST AMENDMENT TO PEACE AGREEMENT AND WATERMASTER RESOLUTION 2004-__

Counsel Fife stated we are asking for a motion to recommend to the Board that the Board adopt Resolution no. 04-03 committing Watermaster to proceed in accordance with the Peace Agreement as amended. Counsel Fife mentioned that on the back table there is the draft pleading and if the Board adopts the Resolution and instructs counsel to file the First Amendment and the Resolution with the court we would propose to do that within approximately the next week or so. The pleading is out and available for comments; subject to those comments these two items would be filed after the Watermaster Boards approval today in a timely manner. The question of the different timings of other Board meetings to approve the First Amendment and how this would effect the court date if all the signatures and approvals had not been acquired was presented. Counsel Fife stated he was aware that some agencies would not have the First Amendment approved prior to the court date and counsel would be providing the court with a list of which agencies still needed to take this item to their Boards. Counsel Fife noted that we are not asking to approve the Amendment itself; we would be asking the court to order Watermaster to now proceed in accordance with the Peace Agreement as amended. At the time we went to the court in the year 2000 we also did not have all the signatures on the Peace Agreement and the court issued a conditional order ordering Watermaster to proceed in accordance with the Peace Agreement subject to all of the signatures being received. Once all of the signatures were obtained which was complete in approximately 30-60 days we went back to court to report on status of signatures. A discussion ensued regarding the original signing of the Peace Agreement. Ms. Russell from the Jurupa Community Services District was asked by Carol McGreevy to go on record regarding the letter Jurupa submitted on September 8, 2004 concerning the method of calculation of allocation of storm water regarding this item. A discussion ensued with regard to any modifications being made to the First Amendment and Counsel Fife noted there were not modifications made.

Motion by Wellington, second by DeLoach, and by unanimous vote
Moved to approve forwarding the recommendation to the Watermaster Board to adopt a Resolution to comply with the First Amendment to the Peace Agreement, as presented

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**1. September 2, 2004 Hearing

Counsel Fife commented the hearing on September 2, 2004 did take place; this was the scheduled hearing for Monte Vista's salt credit motion. The hearing was continued until October 14, 2004 and since we will be filing the First Amendment and the Resolution next week the hearing will take the form of a status report.

2. Castaic Lake Water Agency Meetings

Counsel Fife stated at the beginning of September several meetings with Castaic Lake took place concerning a proposal to sell a certain amount of water that is currently in storage to them and then to also continue discussions with them concerning a storage account in the Chino Basin. Counsel Fife noted these meetings were reported on at the Attorney/Manager meetings; there was some discussion at those meetings about whether this was a deal that the producers were comfortable with. We are continuing that internal discussion before we meet again with Castaic; we have not had any communications with Castaic since the report was given at the last Attorney/Manger meeting. A question was presented to Counsel regarding a report by Black & Veatch on that particular project. Counsel Fife noted he did not know the status of their technical work; it was thought that the information they were gathering for that was the same information for the Hydraulic Control project. Counsel Fife noted that he would address this inquiry further in his next report item.

3. Attorney/Manager Meetings

Counsel Fife stated the next Attorney/Manager meeting was scheduled for October 7, 2004 and that meeting was going to be a technical meeting to discuss a report that Mark Wildermuth was putting out concerning Hydraulic Control. The precursor to complete that technical work was getting the water supply plans from the producers and Black & Veatch and it is now understood that there has been some difficulties gathering that information causing Black & Veatch to go back and calculate some revisions to the technical information they were getting. The work is not complete nor will it be ready for presentation in time for the scheduled meeting so that meeting on October 7 will be rescheduled; an email canceling that meeting will be forthcoming. It was noted there is also an Attorney/Managers meeting on the calendar for October 20 and Counsel Fife commented that the technical meeting might take place on that date, however, would not know definitely until he spoke with Mark Wildermuth on the progress of gathered technical information.

B. STAFF REPORT1. Update on Pilot Project at IEUA for Composting and Other Related Studies

Ms. Rojo informed the Committee members that Rich Atwater wanted an update given on this topic and asked Tom Love from Inland Empire Utilities Agency (IEUA) to provide that update in Rich's absence. Mr. Love noted the ground breaking of the new composting facility will be held on October 8, on 6th Street in Rancho Cucamonga for the joint compost facility that IEUA is doing with the LA County Sanitation Districts. The pilot project came about from new FDA rulings on composting which will put restrictions on a lot of the diaries on their abilities to use their existing composters. The 11/33 rules will compound the problems of being able to get the materials composted and out of the regions so the options are limited. IEUA has been working with other agencies on putting together a pilot project to come up with lower tech/cost alternatives to enhance the farms ability to remove the material out of the area. We have received some funding from various sources, IEUA has provided funding, and several others to get this program off the ground; we would appreciate Watermaster's support in this endeavor also. The removal of this material from the Chino Basin does also have some water quality benefits.

- 2. Update on the Cleanup and Abatement Orders
Mr. Malone gave a brief update on the five orders which are being worked on. Mr. Malone noted that three out of those five are in process and in preparation at the Regional Board and the remaining two are still in process and review at the Regional Board.

- 4. Update on Subsidence Monitoring Program
Mr. Malone commented that a detailed update was given at each pool meeting, however, noted we are still in the process of a two month long pumping test that should end at the end of October. Mr. Malone stated the basic objective of this pumping test is to draw down water levels far enough to initiate this inelastic compaction. We are not there yet and we continuing to pump, noting we are drawing down levels approximately 20 feet further than last year. We want to define the bottom of our groundwater reservoir at which we initiate inelastic compaction and collect valuable data which then can be used in our groundwater flow and subsidence models and help us in the development of our long term management plan which is due to the court in July 2005.

Ms. Rojo mentioned the meeting dates for October and noted the upcoming Groundwater Quality Conference was taking place on the same date the next Advisory Committee meeting was scheduled. Ms. Rojo polled the Advisory members and noted by way of discussion that the meeting for October 28 will remain on the calendar as scheduled.

- 5. “Think Environment Week” Flyer
Ms. Rojo stated that Mr. Kuhn had suggested Watermaster placing an ad in the newspaper for “Think Environment Week” and noted the ad for Ontario came out today and looked really nice. Mr. Manning confirmed that Mr. Kuhn at the last Board meeting had asked that the staff gather some information about potentially developing economy of scale in developing some ongoing advertising/educational pieces regarding getting out this message. Mr. Manning stated he has spoke to newspapers, individuals, and Rich Atwater and all are interested in exploring this endeavor. This proposal will try and build a number of these kinds of advertisements together to achieve some economy of scale and this item will be brought back with more details at future Board meetings.

This item was taken out of order by Chair Jeske

C. METROPOLITAN WATER DISTRICT MEMBER AGENCY REPORT

1) INLAND EMPIRE UTILITIES AGENCY

- a. Rialto Pipeline Shutdown – Task Force Update – Tom Love (oral)
Mr. Love noted that Rich Atwater is coordinating with other Metropolitan Water District (MWD) agency managers on installing the isolation valves on the Rialto Pipeline and also working with the San Gabriel Valley Municipal Water District on emergency inner connections on the Azusa pipeline. Rich does have a scheduled meeting with the staff at MWD next week to discuss the isolation valves specifically. Mr. Love stated that he had met with other staff members at MWD earlier this week regarding Fontana Water Company’s new water connection to the pipeline, which is scheduled to be done at the same time as the shutdown in early February. Mr. Love noted that when they create that connection either Fontana or MWD will construct that turn out so they will not have an additional shutdown just to construct the turn out.

- b. MWD Status Report – Tom Love (oral)
Mr. Love commented that Rich is working hard with other MWD member managers on the MWD proposal to increase the replenishment rate. IEUA has been working with MWD staff and other agencies to convince MWD that rate increase is not an appropriate step to take. Rich has been boldly stating that the rate should actually be lowered from the current rate; five dollars less than the current rate. Mr. Love stated that IEUA’s hope is to get MWD’s staff to listen to the rational and to focus on the

importance of being able to deliver off peak, when available, for storage in the basins in Southern California. Mr. Love noted the majority of the MWD member agency managers are supportive of keeping the replenishment rate where it is or lower than it currently is.

- c. College Heights Project Status Report – Tom Love (oral)
 Mr. Love said that he has received a proposal from the GEO Technical consultant URS to do some additional borings and investigation of the College Heights seepage; we have met with them and we have asked them to refine that scope of work. Mr. Love noted that we scaled back the scope of work and we are going to take more time to evaluate the situation per Mark Wildermuth’s suggestion. Mr. Love stated it was a good idea to install additional monitoring wells but rather than trying to a quick seepage test by putting imported water into those basins over a relatively short period of time, we want to take our time and take a look the overall performance of the College Heights and the Upland Basins. Mr. Love commented that as a reminder the College Heights Basins were never intended to capture storm water; their intent is for imported water and recycled water only. We will capture local storm water in the Upland Basin with the City of Upland’s improvements there. We will use that opportunity plus getting some imported water in the Upland Basin to observe these monitoring wells over a longer period of time, develop a better database so we will have a better analysis to come up with the operational parameters were are trying to establish for the operations in the College Heights Basins. Mr. Love noted this item will be coming back with a more detailed report in about a month.
- d. Southern California Water Quality Planning Project – Martha Davis (oral)
 This item was taken out of order by Chair Jeske and was presented prior to the Consent Calendar.
- e. Proposition 50 Grant Funding Status Report – Martha Davis (oral)
 This item was taken out of order by Chair Jeske and was presented prior to the Consent Calendar.
- f. Water Resources Report (handout)
 No comment was made regarding this item.
- g. Water Conservation Status Report
 No comment was made regarding this item.
- h. Recycled Water Program
 No comment was made regarding this item.
- i. Chino Basin Facilities Improvement Project
 No comment was made regarding this item.
- j. State/Federal Legislation
 Mr. Love commented on the Baca bill being approved in congress for groundwater clean up in the Inland Empire. Ms. Davis affirmed that Senator Feinstein has been in touch with Congressmen Baca about his bill. Ms. Davis noted that as this bill has passed through the House of Representatives bit still has to acquire senate approval. Senator Feinstein has already made a commitment to work with Congressmen Baca on the approval, which is excellent news. Ms. Davis stated that Senator Feinstein has been extremely helpful in getting funding for Perchlorate clean up projects.

- k. Public Relations
No comment was made regarding this item.

2) WESTERN MUNICIPAL WATER DISTRICT

a. Relevant Activities – John Rossi (oral)

Mr. Rossi handed to the Committee members a Western Municipal Water District packet. Mr. Rossi noted this packet contained background information; on the right side is information on the Riverside-Corona Feeder project and on the back page is a map. Mr. Rossi stated that he had an opportunity to speak at the recent Attorney/Manager meeting about this project. Mr. Rossi mentioned at Western's recent Board meeting it was discussed that Western Municipal Water District should be as involved with Chino Basin Watermaster as the Inland Empire Utilities Agency is. Mr. Rossi noted that he will be taking to his Board next week a couple hundred thousand dollar study on integrated water resources plan to look at things that have not been done at Western before. Mr. Rossi stated there are a lot of mutual benefit issues to discuss. Mr. Rossi gave a detailed description of what the Riverside-Corona Feeder project entailed. This new integrated water resource plan will take a look at several issues. Chair Jeske gave some insight on the provided map and the Corona Feeder and commented that there could someday be a potential to put one gigantic loop system together. A brief discussion ensued in regards to a potential pipeline. Mr. Rossi lastly commented on the recent property tax issues that we are now facing. A brief discussion ensued regarding property tax issues.

3) THREE VALLEYS MUNICIPAL WATER DISTRICT

a. Relevant Activities – Rick Hansen (oral)

No comment was made regarding this item.

IV. INFORMATION

- 1. August 2004 Shutdown Workgroup
No comment was made regarding this item.
- 2. Drought Proof the Chino Basin
No comment was made regarding this item.
- 3. Newspaper Clippings
No comment was made regarding this item.

V. COMMITTEE MEMBER COMMENTS

No comment was made regarding this item.

VI. OTHER BUSINESS

Counsel Fife requested to report on an additional information item to Chair Jeske. The Basin Plan Amendment was up for workshop at the State Resources Control Board on September 8 and it was placed on their consent calendar for their meeting this morning; and it was approved.

VII. FUTURE MEETINGS

September 30, 2004	9:00 a.m.	Advisory Committee Meeting
September 30, 2004	11:00 a.m.	Watermaster Board Meeting
October 14, 2004	9:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
October 18, 2004	1:30 p.m.	AGWA Meeting
October 19, 2004	9:00 a.m.	Agricultural Pool Meeting @ IEUA
October 28, 2004	9:00 a.m.	Advisory Committee Meeting
October 28, 2004	11:00 a.m.	Watermaster Board Meeting

The Advisory Committee Meeting Adjourned at 9:55 a.m.

Secretary: _____

Minutes Approved: October 28, 2004