

Minutes
CHINO BASIN WATERMASTER
**ANNUAL MEETING OF THE
AGRICULTURAL POOL**
January 16, 2003

The Agricultural Pool meeting was held at the offices of the Chino Basin Watermaster, 8632 Archibald Ave., Suite 109, Rancho Cucamonga, CA, on January 16, 2003 at 1:00 p.m.

AGRICULTURAL POOL MEMBERS PRESENT

Robert DeBerard, Chair	Crops
Nathan deBoom	Dairy - Milk Producers Council
Joe Delgado	Boy's Republic
Glen Durrington	Crops
Jack Hagerman	State of California Institution for Men
Gene Koopman	Dairy - Milk Producers Council
Ron LaBrucherie	Dairy
Nathan Mackamul	State of California Institution for Women
Jeff Pierson	Crops

Watermaster Staff Present

John Rossi	Chief Executive Officer
Traci Stewart	Chief of Watermaster Services
Sheri Rojo	Finance Manager
Mary Staula	Recording Secretary/Administrative Assistant

Watermaster Consultants Present

Michael Fife	Hatch & Parent
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Others Present

Dan McKinney	Reid & Hellyer
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Chair DeBerard called the meeting to order at 1:15 p.m.

AGENDA - ADDITIONS/REORDER

None

I. ANNUAL ELECTIONS

A. Calendar-Year 2003 Agricultural Pool Members

Changes were made to the list of members and alternates for calendar year 2003:

Agricultural Pool Members

Crops:	Robert DeBerard Jeff Pierson
Dairy:	Robert Feenstra Nathan deBoom Glen Durrington Ron LaBrucherie
State:	Joe Delgado Jack Hagerman Marilyn Levin Nathan Mackamul

Alternates:

Don Galleano
John Huitsing
(to be determined)
Gene Koopman
(to be determined)
Syp Vander Dussen
Duffy Blau
Pete Hall
Peter Van Haam
Rob Kettle

B. Calendar year 2003 Agricultural Pool Officers

Motion by Koopman, second by deBoom, and by unanimous vote

Moved to elect Robert DeBerard to serve as Agricultural Pool Chair during calendar year 2003.

Motion by Koopman, second by Pierson, and by unanimous vote

Moved to elect Nathan deBoom as to serve as Agricultural Pool Vice-Chair during calendar year 2003.

Chair	<u>Robert DeBerard, Crops</u>
Vice-Chair	<u>Nathan deBoom, Dairy</u>
Secretary/Treasurer	<u>John Rossi, Watermaster Chief Executive Officer</u>

C. Calendar Year 2003 Advisory Committee Members & Officers

The membership of the Pool will also serve on the Advisory Committee. Based on the rotation sequence among the pools for Advisory Committee officers, the Agricultural Pool was asked to elect a representative to Chair the Advisory Committee during calendar year 2003:

Motion by Koopman, second by Pierson, and by unanimous vote

Moved to appoint Agricultural Pool Vice-Chair, Nathan deBoom, to serve as Advisory Committee Chair during calendar year 2003.

Chair	Agricultural Pool	<u>Nathan deBoom</u>
Vice-Chair	Non-Agricultural Pool	<u>N/A</u>
2 nd Vice-Chair	Appropriative Pool	<u>N/A</u>

D. Calendar Year 2003 Pool Representation on the Watermaster Board

On December 11, 2002, the State of California deferred its turn to serve on the Watermaster Board to calendar year 2004 and the members took unanimous action to continue the service of Geoffrey Vanden Heuvel and Paul Hofer on the Watermaster Board during calendar year 2003.

II. CONSENT CALENDAR

A. MINUTES

- Minutes of the Agricultural Pool Meeting held December 11, 2002.

B. FINANCIAL REPORTS

- Cash Disbursement Report - December 2002
- Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2002 through November 30, 2002
- Treasurer's Report of Financial Affairs for the Period November 1 through November 30, 2002
- 2002-03 Actual YTD Revenues and Expenses Compared with Adopted 2002-03 Budget

C. INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS FOR YEAR ENDED JUNE 30, 2002

D. NOTICE OF INTENT TO CHANGE OPERATING SAFE YIELD OF CHINO BASIN (pursuant to Judgment Exhibit 1 Paragraph 2(b))

Submitted annually as a placeholder

E. RESOLUTION 03-01, AUTHORIZING AND DESIGNATING SIGNATORIES OF DEPOSITORY AGREEMENTS, DEPOSITORY CARDS AND DEPOSITS, TRANSFERS AND WITHDRAWALS OF FUNDS

Submitted annually to authorize and designate signatories for financial transactions

F. WATER TRANSACTION

Lease of Water Production Rights from the City of Pomona to the Fontana Water Company in the amount of 2,500 acre-feet for fiscal year 2002-03 (Noticed December 11, 2002)

G. DRAFT TWENTY-FIFTH ANNUAL REPORT

Included separately for filing with the court by January 31, 2003

There were no comments or questions regarding the Consent Calendar items.

Motion by LeBrucherie, second by Hagerman, and by unanimous vote

Moved to approve Consent Calendar Items A through G, as presented.

III. BUSINESS ITEMS

A. MAXIMUM BENEFIT ANALYSIS

Mr. Rossi referenced the previously approved Risk Sciences contract to perform the Maximum Benefit Analysis, which included \$14,000 for administrative costs. However, the Santa Ana Watershed Project Authority (SAWPA) incurred additional costs while assisting with this effort. Staff requested an additional \$17,000 to pay the costs for SAWPA to attend meetings and assist with the presentation of the concept. Included in that amount is the annual \$2,000 for Watermaster participation in the TIN/TDS Task Force. The concept was presented to the Regional Water Quality Control Board (RWQCB) and received approval. Staff anticipates presentation of the concept to the State Board in April or May. Mr. Rossi discussed the resulting monetary value and associated recharge benefits and requested authorization to process SAWPA's invoice for additional administrative costs incurred.

Motion by LeBrucherie, second by Pierson, and by unanimous vote

Moved to approve payment of \$17,000 for administrative costs incurred by SAWPA while assisting Watermaster with the Maximum Benefit Analysis.

IV. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Attorney/Managers Meeting(s)

Counsel Fife reported that an Attorney/Managers Meeting has been scheduled for 1:00 p.m., January 29, at Watermaster. In addition to Items 2, 3 and 4 below, the Dry Year Yield Project will be discussed in detail at that meeting.

2. Colonies Project, Recharge Related Issues

The Regional Water Quality Control Board issued a Stop Work Order on the Colonies Project pending the issuance of a Waste Discharge Permit. The lawsuit filed by Cucamonga County Water District has been stayed to June 30, 2003 pending negotiations over the recharge issue. Watermaster General Legal Counsel is monitoring this matter and will advise staff of any updates.

3. Niagara Bottling Company

Niagara Bottling Company (Niagara) continues to produce approximately 300 to 400 acre-feet water per year from an on-site well but has never intervened into the Judgment. At Watermaster meetings held last December, Counsel Fife was asked to explore the most appropriate method to ensure that Niagara files a Petition in Intervention with Watermaster. Niagara has not attempted to work with Watermaster in this regard and their legal counsel has advised them that intervention is not necessary. Mr. Rossi provided copies of correspondence from Watermaster to Niagara, from Wayne Lemieux (Niagara's legal counsel) to Watermaster, and Hatch & Parent's response to Mr. Lemieux' letter.

4. Chino Land & Water, SBSC Case No. RCV 064284

Attorneys for Lewis Investment Company, LLC filed a Notice of Hearing of Demurrer; Demurrer; Memorandum of Points and Authorities in Support Thereof; Request for Judicial Notice; and Amended Proof of Service for hearing on February 6, 2003. Mr. Rossi felt this could bring Watermaster and all the parties back into the case. Watermaster General Legal Counsel will attend the hearing and provide an update at the February meetings.

B. CEO/STAFF REPORT

1. Watermaster Project Meeting Update

• **MZ1 Program**

The Technical Committee met last week and will meet again next week to review the budget and prioritize projects. Staff was asked to update Watermaster's Web Page to indicate Mr. Hagerman is a member of the Technical Committee.

• **MWD Dry Year Yield Program**

The Dry Year Yield Committee met this week. A Master Agreement has been developed between Chino Basin Watermaster, Inland Empire Utilities Agency and Metropolitan Water District. At the next meeting, they plan to discuss retail agreements, equitable allocation of funds, etc.

2. Watermaster Administrative Updates

• **Montclair Basins-Spreading (6500 AF)**

Mr. Rossi reported that the Watermaster has fulfilled its commitment to spread 6500 acre-feet of water in the Montclair Basin for FY 2002-03.

3. Other Updates

• **Senator Soto's Legislation**

A brief discussion ensued regarding Senator Soto's proposed SB34.

V. POOL MEMBER COMMENTS

None

VI. OTHER BUSINESS

Mr. Rossi reported that the Non-Agricultural Pool scheduled a special meeting at 9:30 a.m. on February 13, 2003 that will be added to the future meetings list.

VII. FUTURE MEETINGS

February 13, 2003	10:00 a.m.	Joint Meeting of the Non-Agricultural & Appropriative Pool
	1:00 p.m.	Agricultural Pool Meeting
February 27, 2003	10:00 a.m.	Advisory Committee Meeting
	1:00 p.m.	Watermaster Board Meeting

There being no further business to come before the Agricultural Pool, the meeting adjourned.

Secretary

Minutes Approved: April 10, 2003