

Minutes
CHINO BASIN WATERMASTER
ADJOURNED MEETING OF THE AGRICULTURAL POOL
February 25, 2003

The Adjourned meeting of the Agricultural Pool was held at the offices of the Chino Basin Watermaster, 8632 Archibald Ave., Suite 109, Rancho Cucamonga, CA, on February 25, 2003 at 1:00 p.m.

AGRICULTURAL POOL MEMBERS PRESENT

Robert DeBerard, Chair	Crops
Nathan deBoom, Vice-Chair	Dairy - Milk Producers Council
Glen Durrington	Crops
Jack Hagerman	State of California Institution for Men
John Huitsing	Crops
Gene Koopman	Dairy - Milk Producers Council
Ron LaBrucherie	Dairy

Watermaster Board Members Present

Paul Hofer	Crops
Geoffrey Vanden Heuvel	Dairy

Watermaster Consultants Present

Michael Fife	Hatch & Parent
Dan McKinney, Special Counsel	Reid & Hellyer

Watermaster Staff Present

John Rossi	Chief Executive Officer
Sheri Rojo	Accountant/Office Manager
Devonya Williams	Recording Secretary

Chair DeBerard called the meeting to order at 1:10 p.m.

AGENDA - ADDITIONS/REORDER

None

I. CONSENT CALENDAR

A. FINANCIAL REPORTS

1. Cash Disbursement Report – January 2003
2. Combining Schedule Of Revenue, Expenses And Changes In Working Capital For The Period July 1, 2002 through December 31, 2002
3. Treasurer's Report of Financial Affairs For The Period December 1, through December 31, 2002
4. 2002-03 Actual YTD Revenues And Expenses Compared With Adopted 2002-03 Budget

Mr. Koopman inquired about the late payments to Inland Empire Utilities Agency. Mr. Rossi provided a brief explanation.

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

Moved to approve Consent Calendar Items A.1 through 4, as presented.

II. BUSINESS ITEMS

A. DISCUSSION OF STORMWATER RECHARGE BENEFIT

Mr. Rossi updated the Agricultural Pool with regard to new yield anticipated over and above the recapture of stormwater upon completion of recharge basin improvements. The new yield will be allocated to the Appropriative Pool in accordance with the Peace Agreement. On February 13, Mr. Wildermuth gave a detailed presentation explaining the options for accounting for the new yield, but he was unable to attend today’s meeting. Mr. Rossi explained that basically one of two methods for accounting new yield would be used. With instrumentation, they will be able to capture the amount coming into and leaving the basin and the difference will be what is recharged into the ground. They can either accrue the actual water recharged on an annual basis or look at recharge averages on a much longer term. Recharge is estimated at approximately 18,000 to 19,000 acre-feet per year. Additional information will be presented at the meetings in March.

B. CONSIDER APPROVAL OF DRY YEAR YIELD PROJECT AGREEMENT

Mr. Rossi reminded the members that the Dry Year Yield Project with MWD would bring in \$9 million in Proposition 13 funds from DWR and about \$18.5 million MWD funds. MWD provided \$1.6 million in advance for CEQA requirements, meeting DWR requirements and receiving the appropriate permits by December 2002. Construction funds will be provided to IEUA for the six appropriators who are building ION exchange wellhead treatment plants and new wells. The concept is that MWD would store up to 100,000 acre-feet water into the Chino Basin and 25,000 acre-feet can be recharged into the ground annually during wet or normal years. In-lieu is the preferred method for recharge. MWD can call for up to 33,000 acre-feet water during dry years. The cash flow benefits are significant. Mr. Rossi reviewed the numerous different costs/benefits. The term of the Agreement is 25 years with an option for renewal. The deadline for completing construction of facilities is March 2008.

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

Moved, to recommend the Advisory Committee approve the Dry Year Yield Project Agreement with MWD.

C. CONSIDER IMPLEMENTATION OF MZ1 MONITORING WORK PLAN

The Interim Plan for the Management of Subsidence called for the formation of a Technical Committee. The Technical Committee has met several times and developed a Work Plan that is before the committee today for consideration. The Work Plan contemplates several elements of a comprehensive study to collect data over a two-year period. At the end of the two-year period, a long-term plan can be supported. Mr. Rossi recommended the Work Plan be implemented with savings realized in the Watermaster’s overall budget. He said a \$120,000 increase in the MZ1 budget is needed to move forward.

Motion by Kooperman, second by La Brucherie, and by unanimous vote

Moved, to recommend approval to move forward with implementing the MZ1 Monitoring Work Plan.

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Chino Land & Water SBSC Case No. RCV 06484

General Legal Council Fife reported that claims filed by Chino Land & Water against Lewis Investment Company, naming Chino Basin Watermaster and members of the Appropriative Pool and the Non-Agricultural Pool as defendants, were dismissed by the Court. As a result, Chino Land & Water has indicated they may appeal the decision. They have until March 6 to file an appeal.

2. Attorney/Managers Meeting(s)

General Legal Counsel Fife said an Attorney/Managers Meeting is scheduled for February 26, 2003 at 1:30 p.m.

3. Niagara Water Company Well Production

Hatch & Parent is currently drafting a complaint against Niagara Water Company for unauthorized well production for review at the February 26 Attorney/Managers Meeting.

B. CEO/STAFF REPORT

1. Update regarding Fees and Charges related to the SCIWP funded projects (attachment)

With regard to the State increasing fees associated with Proposition 13 funds, SAWPA is seeking additional SCIWP funding in order to continue allocating monies at the level required to proceed with approved projects.

2. Status Update regarding Recharge Improvement Project

Mr. Rossi reported that engineering bids estimate between \$5 and \$7 million will be required for Phase I Recharge Improvement Project.

3. Discussion regarding SB34 Legislation

Mr. Rossi plans to continue working on the objectives in the Optimum Basin Management Program (OBMP) to refine the detail of water quality perspectives as they relate to the SB34 legislation. Some organizations have expressed a strong interest in pursuing perchlorate water evaluations outside of the water quality authorities. A lengthy discussion ensued. When concepts are developed, they will be reported back to the committees for discussion.

IV. COMMITTEE MEMBER COMMENTS

Chair DeBerard requested introduction of the new Recording Secretary. Mr. Rossi introduced Devonya Williams, followed by the Agricultural Pool members introducing themselves.

V. OTHER BUSINESS

None

VI. FUTURE MEETINGS

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

Secretary

Minutes Approved: April 10, 2003