

Minutes
CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING
June 17, 2004

The Agricultural Pool Meeting was held at the offices of the Inland Empire Utilities Agency, 6075 Kimball Avenue, Chino, CA, on June 17, 2004 at 9:00 a.m.

Agricultural Pool Members Present

Nathan deBoom, Chair	Milk Producers Council
Glen Durrington	Crops
Jeff Pierson	Crops
Robert Feenstra	Dairy
John Huitsing	Dairy
Gene Koopman	Dairy
Robert Nobles, Jr.	State of California, California Institute for Men
Barbara Swanson	State of California, California Institute for Women
Wayne Davison	State of California, California Institute for Women

Watermaster Board Member Present

Paul Hofer	Crops
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Watermaster Staff Present

Sheri Rojo	Chief of Watermaster/Finance Manager
Gordon Treweek	Project Engineer
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

Watermaster Consultants Present

Joe LeClaire	Wildermuth Environmental, Inc.
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Others Present

Steve Lee	Space Center Mira Loma
Rich Atwater	Inland Empire Utilities Agency
Rick Rees	Geomatrix for CIM

Chair deBoom called the Agricultural Pool meeting to order at 9:05 a.m.

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Agricultural meeting held May 20, 2004

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of May 2004
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2003 through April 30, 2004
3. Treasurer's Report of Financial Affairs for the Period April 1 through April 30, 2004
4. Profit & Loss Budget vs. Actual July 2003 through April 2004

C. WATER TRANSACTION

1. Consider Approval for Transaction of Notice of Sale or Transfer from Cucamonga Valley Water District to Fontana Water Company in the Amount of 2,500 acre-feet; Date of Application: April 8, 2004
2. Consider Approval for Transaction of Notice of Sale or Transfer from The Nicholson Trust to Fontana Water Company in the Amount of 6,475 acre-feet; Date of Application: April 7, 2004
3. Consider Approval for Transaction of Notice of Sale or Transfer from The City of Chino to The City of Ontario in the Amount of 5,600 acre-feet; Date of Application: April 20,2004
4. Consider Approval for Transaction of Notice of Sale or Transfer from Cucamonga Valley Water District to Fontana Water Company in the amount of 2,500 acre-feet; Date of Application: May 14, 2004
5. Consider Approval for Transaction of Notice of Sale or Transfer from Jurupa Community Services District to The City of Ontario in the Amount of 3,000 acre-feet; Date of Application: April 20, 2004
6. Consider Approval for Transaction of Notice of Sale or Transfer from Santa Ana River Water Company to Jurupa Community Services District; Date of Application: May 12, 2004

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

D. COST OF LIVING ADJUSTMENT (COLA)

A brief discussion ensued regarding the 2.5% COLA which was included in the FY 2004-05 budget. It was asked that next year a study of this increase be done prior to presenting figures to the Committee.

Motion by Koopman, second by Feenstra, and by unanimous vote
Moved to approve Consent Calendar Item D, as presented

II. BUSINESS ITEMS

A. CONSIDER COOPERATIVE MONITORING AGREEMENT BETWEEN IEUA AND WATERMASTER FOR BASIN MONITORING ACTIVITIES

Ms. Rojo stated this recommendation was being brought to the Committee by unanimous approval by the Appropriative and Non-Agricultural Pools.

Motion by Koopman, second by Pierson, and by unanimous vote
Moved to approve the Cooperative Monitoring Agreement between IEUA and Watermaster for Basin Monitoring Activities, as presented

B. DRAFT RECHARGE OPERATING PLAN

Ms. Rojo acknowledged this was an informational item only and noted there was a minor change made at the Appropriative Pool which did not affect the Agricultural Pool and made no further comment.

C. REQUEST FOR ADDITIONAL DATA CONCERNING VOC PLUME FROM CHINO AIRPORT

Ms. Maurizio presented the request made by Tetra Tech for additional release of private well data for the area north and east of the Chino Airport. Ms. Maurizio suggested a letter be sent out certified mail; as previous requests had been, and be also signed by Nathan deBoom as a co-signatory. Ms. Maurizio reiterated this would be sanitized data with no well locations noted and will contain random well numbers to keep well information private. Several questions and concerns were presented and a lengthy discussion ensued. It was decided that Tetra Tech would not be given Watermaster assistance or permission to obtain private well data and noted Tetra Tech needed to contact the Regional Board for any information regarding well data collected by Watermaster.

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

Moved to not approve giving permission to Tetra Tech to petition private well owners for a release of well data and to inform them they can obtain this information through the Regional Board

D. DISCUSS ISSUES CONCERNING AGRICULTURAL POOL CREDIT AND TRANSFERS

Mr. Koopman directed the question if Cal Trans was a member of the Agricultural Pool to staff. Ms. Rojo stated she would need to look into that, although, while looking at the current list did not see Cal Trans listed. Mr. Koopman commented that according to his recollection the City of Ontario the last two years has asked for Agricultural credits, as far as the water that Cal Trans uses on various projects. Mr. Koopman acknowledged for some reason, unknown to him, they have not been granted those credits. Noting, if they are a member of the Ag Pool and can get the transfer accepted; the water company who is serving them will get a credit from the Ag Pool and this is not presently taking place. Mr. Koopman commented this is a win-win deal, and as an Ag Pool we need to set up a system that deals with these transfers noting these transfers are no different that the ones we are seeing on our consent calendar. Mr. Koopman noted these transfers need to come to the Ag Pool for approval for the reason that "the farmer" would get that reclaimed water at zero cost. Mr. Koopman expressed the need for details regarding the City of Ontario and Cal Trans. Mr. Koopman would like to propose some kind of a transfer fee on water transfers and would then place those monies into a special projects fund within the Ag Pool, to be used at their discretion. Counsel Lee was asked to present this idea at the next Attorney/Manager meeting for consideration for this transfer fee which can be used for manure removal, clean up, or some other worthy environmental cause. Mr. Feenstra interjected with a comment regarding the recent South Coast Air Quality Management District setting forth a new regulation on dairy farms for corral cleaning to be increased from twice a year to every 60 days in dry or wet weather. The South Coast Air Quality Management District estimates it will cost the dairy industry another \$3.5 million to meet these new obligations. Mr. Feenstra noted that between the South Coast Air Quality Management District and the Regional Board within a year all the live stock waste will have to be moved out, which will be a tremendous cost to the industry. Mr. Feenstra noted his support for the presented transfer fee and discussed working with IEUA also. Mr. Feenstra would like staff to sit down and work out the details to establish a transfer fee that would benefit the Ag Pool in a special fund. Counsel Lee agreed the proposed transfer fee makes sense, especially if these funds would be used to benefit the environment. The question of whether or not it was too late to present this at the Attorney/Manager meetings was presented. Counsel Lee felt the issues were concluded at these meetings, however, offered to present this item at the next meeting for feedback. Chair deBoom added he felt it was a win-win for all parties and if we increase the recycled water use in the basin we can potentially see a lot of money transferred to this Ag Pool and we need to definitely explore this possibility of getting money from this fee. A discussion ensued with regard to recycled water, farming, and drinking water. It was decided Chair deBoom and Frank Brommenschenkel would join Counsel Lee to give a brief presentation at the next Attorney/Manager meeting.

Chair deBoom decided no motion was need on this item.

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Attorney/Manager Meetings

Ms. Rojo noted that Counsel Fife was out of town and according to the recent Advisory and Non-Agricultural Pool meetings this item was progressing well and in the final stages.

2. Santa Ana River Application Process
Ms. Rojo stated that Counsel Fife commented at the recent Advisory and Non-Agricultural Pool meetings this item was moving forward.

B. STAFF REPORT

1. Update on the Draft Chino I and Chino II Desalter Projects Groundwater Monitoring and Mitigation Plan
Ms. Rojo informed the Committee members that Tom O'Neil was unable to attend this meeting today and was planning on giving a full presentation at the July Ag Pool meeting. It was asked when the cut off date is to submit comments on the Mitigation Plan. Ms. Rojo asked that all comments and questions be submitted to her at the Watermaster office. Ms. Rojo will compile all commentary and forward them to Mr. O'Neil so he may incorporate answers into his presentation in July.
2. MWD Refund for Water Sales from 2002/2003 of \$188,113.38
Ms. Rojo explained this item was for information purposes only and that the parties who actually had purchased water either from cyclic purchases or replenishment water purchases would receive a portion of this refund. Ms. Rojo noted on page 187 of the packet was a breakdown on who would receive a refund. It was noted there was some rounding differences from page 187 to page 188 for reference.
3. \$132,000 Reimbursement from MWD – Per The Dry Year Yield Funding Agreement
Ms. Rojo noted this item was for information purposes only and wanted to inform the Committee that Watermaster will be sending out a bill to Metropolitan Water District (MWD) soon. Ms. Rojo affirmed that according to the terms of the DYY funding agreement Watermaster is allowed to bill MWD \$132,000 a year as a management fee per the contract, noting due to inflation this figure will increase every year.
4. Update Regarding the Recharge Improvement Project
Mr. Treweek gave the Chino Basin Facilities Improvement Project March 2003 – March 2004 presentation. The discussion topics covered for the presentation was 1) Budget and Schedule, 2) Immediate Concerns, 3) On-Going Projects, and 4) Future Projects. Mr. Treweek reviewed construction budget statuses for Bid Package 1 through 7 for a total budget of \$32,000,000. An analysis of construction schedules was examined including excavation, connection, force main, pump station, monitoring, imported supply, and flexibility. Mr. Treweek discussed the immediate concern with regard to imported water recharge. A few questions were presented to Mr. Treweek with regard to recharge and a brief discussion ensued. The question of how deep is the clay lens in the College Heights Basin which is causing the water to divert to the Upland Basin was presented. Mr. Treweek noted the lenses were pretty extensive; URS Consultants have been hired to install monitoring wells to determine how far down they actually go, noting they clarified it is very deep. A brief discussion ensued regarding the Grove Basin.

IV. INFORMATION

1. Black & Veatch Technical Memorandum – Agricultural Land Conversion Study
Ms. Rojo noted this was included in the package as an information item only.

Ms. Rojo added an information item; stating Mr. Atwater put an article on the back table which was copied from the Los Angeles Times in this morning's paper titled, "AQMD Moves to Corral Cow Pollution" for the Committee members review.

V. POOL MEMBER COMMENTS

It was asked if the gentleman who obtained the patent had been calling Watermaster was presented to staff. Ms. Rojo stated that he had called and was directed to call Michael Fife noting he did not

ask any further questions to the Watermaster staff. Counsel Fife will update the Committee on this issue at the July meeting.

VI. OTHER BUSINESS

The question regarding Castaic asking to purchase water and the policy as far as any water leaving the basin needing to be replenished under the Judgment was presented to staff. Ms. Rojo offered to meet with Committee members to discuss this matter further.

A brief discussion ensued regarding Perchlorate regarding the UCI report which was released on June 15, 2004, and is also available on their web site in the water resource section.

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

No confidential session was held for this meeting.

VIII. FUTURE MEETINGS

June 9, 2004	9:00 a.m.	Attorney/Manager Meeting @ BB&K
June 10, 2004	3:00 p.m.	Appropriative & Non-Agricultural Pool Meeting
June 17, 2004	9:00 a.m.	Agricultural Pool Meeting @ IEUA
June 16, 2004	1:00 p.m.	MZ1 Technical Committee Meeting
June 24, 2004	9:00 a.m.	Advisory Committee Meeting
	11:00 a.m.	Watermaster Board Meeting

The Agricultural Meeting Adjourned at 10:20 a.m.

Secretary: _____

Minutes Approved: July 20, 2004