

Draft Minutes
CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING
July 20, 2004

The Agricultural Pool Meeting was held at the offices of the Inland Empire Utilities Agency, 6075 Kimball Avenue, Chino, CA, on July 20, 2004 at 9:00 a.m.

Agricultural Pool Members Present

Nathan deBoom, Chair	Milk Producers Council
Glen Durrington	Crops
Jeff Pierson	Crops
John Huitsing	Dairy
Pete Hettinga	Dairy
Pete Hall	State of California, California Institute for Men

Watermaster Staff Present

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

Watermaster Consultants Present

Michael Fife	Hatch & Parent
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Others Present

Steve Lee	Space Center Mira Loma
Rick Rees	Geomatrix for CIM

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

AGENDA - ADDITIONS/REORDER

No revisions were made to the Agenda.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Agricultural Pool meeting held June 17, 2004

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of June 2004
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2003 through May 31, 2004
3. Treasurer's Report of Financial Affairs for the Period May 1 through May 31, 2004
4. Profit & Loss Budget vs. Actual July 2003 through May 2004

C. WATER TRANSACTION

1. Consider Approval for Transaction of Notice of Sale or Transfer from West Valley Water District to Fontana Water Company in the amount of 500 acre-feet; Date of Application: May 27, 2004

Motion by Durrington, second by Pierson, and by unanimous vote
Moved to approve Consent Calendar Item C, as presented

II. BUSINESS ITEMS**A. CONSIDER DRAFT DRY YEAR YIELD OPERATING PLAN**

Ms. Rojo referred to this plan as a water accounting item and stated this was in the packet last month. There are still adjustments to be made, although, it will be tried up as the year proceeds because there is no water right now coming from Metropolitan Water District. Ms. Rojo commented that staff is working on this plan and will keep the committee members informed as adjustments are made. Ms. Rojo noted there was no action required on this item and no further comments were received.

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT****1. Attorney/Manager Meetings**

Counsel Fife stated the Attorney/Manager meetings progress and commented that there are some Agricultural Pool issues coming up out of the recent meetings. Counsel Fife stated that Counsel Lee should be the person to elaborate on the Ag Pool issues. The next meeting is not scheduled until next month, however noted all parties are working well together.

2. Santa Ana River Application Process

Counsel Fife informed the Committee members that this was the process initiated by Orange County Water District (OCWD) and Western Municipal Water District (Western) and San Bernardino Municipal Water District (Muni) in 1990 concerning applications to appropriate water from the Santa Ana River. Counsel Fife stated the current status of the process is that there are six applications in front of the State Water Resources Control Board for water from the Santa Ana River; Watermaster is one of those applications. Watermaster is applying for a permit to divert the storm water which we are diverting for our Recharge Master Plan. The main parties who really are looking to get a lot out of this process are OCWD and Western/Muni. Counsel Fife affirmed that OCWD has now put out a Draft Environmental Impact Report (EIR) on their application; Watermaster did comment on this EIR and our comments are available on the back table. Counsel Fife also mentioned that in the last couple weeks San Bernardino Valley Water Conservation District has also put out an EIR on their application. Watermaster's position in the whole process is that we are finished with our CEQA compliance because of our OBMP PEIR, which was completed in the year 2000, and the Findings of Consistency that covers our Recharge Master Plan.

3. Santa Ana Sucker Update

The Sucker has been listed under the endangered species act by the Fish and Wildlife Service who has been working on critical habitat; they have a draft rule designating Prado Basin as critical habitat for the Sucker. That rule will most likely be finalized and Prado will become critical habitat for the Sucker stated Counsel Fife. This ruling quite possibly will be challenged because of designations in other places on the Santa Ana River, particularly up stream; Western has a lot of concerns about some of the areas they have designated as critical habitat in the upper reaches of the Santa Ana River. They have designated some areas where the Sucker has never been sited noted Counsel. Counsel Fife stated that we have started talking to Fish and Wildlife Service ourselves to make sure that nothing we are doing in the Chino Basin will be interfered by the critical habitat designation. The initial thoughts by the Fish and Wildlife were that nothing we are doing would be impacted by it, although, we are entering into initial talks just to be clear and to insure the future will also not be impacted. The question of whether the Santa Ana River application processes effects the decisions regarding the Sucker was presented. Counsel Fife commented this was an excellent question, however, he has not heard anyone talking about that to date and is not sure the Fish and Wildlife Services have anything to do with that process. A discussion ensued regarding the Prado Basin.

4. June 24th Hearing

Counsel Fife commented on the Monte Vista hearing which was scheduled for June 24, although, because of the progress being made at the Attorney/Manager meetings they have agreed to move the hearing, which is now schedule for September 2, 2004.

Counsel Fife added that the Dry Year Yield Storage Agreement, which was the final step in the 100,000 acre-foot storage program, was also approved and is now finally complete and we are going to go on with the implementation of that project.

Added Comment:

Counsel Lee reminded the Committee members about the conversation that took place at the last Agricultural Pool meeting regarding submitting a proposal on water transfer credits. Counsel Lee stated that Nathan deBoom and his office worked together to create a proposal, submitted it to the appropriate people, and held a conference call with this regard. Counsel Lee noted they have had a chance to review the proposal and the one question or area of concern was regarding the cost of recycled water which actually exceeds the cost of replenishment water; meaning there is not a spread to tax. We are still looking at ways to create a fund for the farmers to encourage them and have the ability to tap into recycled water, which will take a little more effort. Counsel Lee has invited Frank Brommenschenkel to be involved with this endeavor, noting Frank took part in the recent conference call, and has a meeting with the City of Ontario tomorrow. Counsel Lee along with Mr. Brommenschenkel will update the Committee members hopefully as soon as the next Agricultural Pool meeting as to the outcome of their efforts.

B. STAFF REPORT

1. Update on Repairs to the Piezometer

Ms. Rojo commented briefly on the recent testing and repairs being performed at Ayala Park on the Piezometers. Ms. Rojo told the Committee that Mr. Wildermuth had all the technical details on this but was unable to attend today's meeting, although, was planning on attending both the Advisory Committee and Board meetings this coming Thursday and will be giving a full update at that time. Ms. Rojo offered a brief description of the repairs which were done. Ms. Rojo told the Committee that the good news was, the repairs were a success, and the Piezometers appear to be functioning correctly now.

2. Update on OC-59 Water Deliveries

Ms. Rojo explained that Watermaster had water coming into the College Heights Basin, as part of a demonstration project because this is the basin that was experiencing recharge difficulties due to water hitting a clay layer and then daylighting in the Upland Basin. Through cooperative effort with Orange County they allowed us to take on water even though we did not have any way of measuring how much water was theirs and how much was ours precisely. This was to be a two day test project and approximately five hours after the demonstration started MWD wanted to cut the water back water back. Since it is OCWD's connection, they are allowed first right of refusal to the water. Ms. Rojo stated it was a real combined effort and through numerous phone calls she was pleased to report the outcome was great in that Orange County Water District stood aside and allowed us to take in the water and finish our demonstration project. Ms. Rojo commented that Orange County was very accommodating and again this was a tremendous cooperative effort by all parties involved.

3. IEUA Partnership Funding Request

Ms. Rojo asked the Committee members to turn to page 39 of the packet which is a request from IEUA for a partnership for funding. This topic was in the packet for information only; to give the Committee a chance to review, give feed back, and then it will be brought back with a staff report and recommendation next month.

4. Update on the Draft Chino I and Chino II Desalter Projects Groundwater Monitoring and Mitigation Plan

Ms. Rojo explained Tom O'Neil had a scheduling conflict and was unable to attend the meeting today. Ms. Rojo noted she had left a few messages for Tom to inquire if he would be able to attend the meeting in August, however, had not heard back from him before the meeting today. The question of when he will be closing the door on comments was presented. Ms. Rojo commented she did not know the exact date for filing was for the mitigation plan but would find out and contact Nathan with that date. A brief discussion ensued with this regard.

IV. INFORMATION

1. San Diego County Water Authority Letter of Interest Regarding Water in Storage

Ms. Rojo informed the Committee members this was an informational item only for the Committee to review.

V. POOL MEMBER COMMENTS

Chair deBoom informed the Committee members that a recycling bill went through the Congress yesterday.

VI. OTHER BUSINESS

No comment was made regarding this item.

VIII. FUTURE MEETINGS

July 8, 2004	9:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
July 12, 2004	9:00 a.m.	CBFIP/GRCC Meeting
July 14, 2004	12:00 p.m.	Attorney/Manager Meeting @ BB&K
July 20, 2004	9:00 a.m.	Agricultural Pool Meeting @ IEUA
July 21, 2004	9:00 a.m.	MZ1 Technical Committee Meeting
July 22, 2004	9:00 a.m.	Advisory Committee Meeting
	11:00 a.m.	Watermaster Board Meeting

The Agricultural Meeting Adjourned at 9:28 a.m.

Secretary: _____

Minutes Approved: _____