

Minutes
CHINO BASIN WATERMASTER
Appropriative Pool Meeting
May 15, 2003

A meeting of the Appropriative Pool was held at the offices of the Chino Basin Watermaster, 8632 Archibald Ave., Suite 109, Rancho Cucamonga, CA, on May 15, 2003 at 10:00 a.m.

APPROPRIATIVE POOL MEMBERS PRESENT

Ken Jeske, Chair	City of Ontario
Robert DeLoach, Vice-Chair	Cucamonga County Water District
Gerald Black	Fontana Union Water Company
Ron Craig	City of Chino Hills
Dave Crosley	City of Chino
Mark Kinsey	Monte Vista Water District
Mike McGraw	Fontana Water Company
Carole McGreevy	Jurupa Community Services District
Henry Pepper	City of Pomona
J. Arnold Rodriguez	Santa Ana River Water Company
Bill Stafford	Marygold Mutual Water District
Ray Wellington	San Antonio Water Company

Watermaster Consultants Present

Michael Fife	Hatch & Parent
Mark Wildermuth	Wildermuth Environmental, Inc.

Watermaster Staff Present

John Rossi	Chief Executive Officer
Sheri Rojo	Accounting/Office Manager
Mary Staula	Recording Secretary
Devonya Williams	

Others Present

Raul Garibay	City of Pomona
Rita Kurth	Cucamonga County Water District
Josephine Johnson	Monte Vista Water District
Jerry Thibeault	Regional Water Quality Control Board

Appropriative Pool Vice-Chair DeLoach called the meeting to order at 10:05 a.m.

Mr. Rossi reported that the Non-Agricultural Pool would not have representation at this meeting. This will be considered an Appropriative Pool Meeting and the members of the Non-Agricultural Pool will be requested to vote on today's agenda via ballot that will be sent out.

AGENDA - ADDITIONS/REORDER

None

I. CONSENT CALENDAR

A. FINANCIAL REPORTS

1. Cash Disbursement Report – April 2003

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

Motion by Rodriguez, second by Black, and by unanimous vote
Moved, to approve the Consent Calendar as presented.

II. BUSINESS ITEMS

A. WATER TRANSACTION

Sale or Transfer of Right to Produce Water in Storage from the City of Chino Hills to Monte Vista Water District in the amount of 2,700 acre-feet of water. (*Notice mailed April 25, 2003*)

Motion by Black, second by Jeske, and by unanimous vote
Moved, to recommend approval of the Sale or Transfer of Right to Produce Water in Storage from the City of Chino Hills to Monte Vista Water District in the amount of 2,700 acre-feet of water.

B. AMENDMENT NO. 7, CYCLIC STORAGE AGREEMENT

The pool members were asked to consider approving Amendment No. 7 to the Cyclic Storage Agreement with Metropolitan Water District (Met) to extend the terms existing in Amendment No. 6 to December 31, 2007. This account currently contains approximately 35,000 acre-feet of water. The seventh amendment specifies that additional water will not be placed into the cyclic storage account except with the written consent of Watermaster. If this Agreement is not renewed by December 31, 2007, Watermaster agreed to purchase the remaining amount of water in the Cyclic Storage Account at the replenishment rate. Because implementation of storage losses are anticipated in 2005, staff was asked to research whether losses would be applied to the Cyclic Storage Account.

Motion by Kinsey, second by Crosley for discussion

Additional discussion ensued. Mr. Rossi recommended this item be moved to the end of Business Items to allow staff a few minutes to look up the answer to a question concerning losses.

This item to be continued following Item II.E

C. MAXIMUM BENEFIT PROPOSAL/BASN PLAN AMENDMENT

Mr. Wildermuth provided an update on the Basin Plan Amendment process through the Regional Water Quality Control Board. The Maximum Benefit Proposal implements the concept that basin plan objectives change for nitrates and TDS, allowing for higher objectives to create a proactive basin-wide management program so that recycled water projects, stormwater projects, and imported water projects would not require individual mitigation. Mr. Wildermuth encouraged everyone to review the handout. Table 5-7a identifies the projects and requirements that must be implemented to demonstrate maximum benefit and provides compliance dates. No later than 2006 and every three years thereafter (to coincide with the Regional Board’s triennial review process), the Regional Board intends to review the status of the activities planned and executed by Watermaster and IEUA to demonstrate maximum benefit and justify continued implementation of the maximum benefit water quality objectives. In the event that the projects and actions specified in Table 5-7a are not implemented, the Regional Board will

require that the Watermaster and IEUA mitigate any effects of lowering of water quality resulting from the recharge of recycled water in the Chino North Management Zone and/or in the downstream Orange County Management Zone. Questions and discussion ensued.

Mr. Kinsey expressed that Monte Vista Water District (MVWD) has a concern as to whether the Maximum Beneficial Use Analysis is consistent in terms of allocating salt credits as agreed to in the Peace Agreement. MVWD's concerns were pursued. Realizing the importance of resolving the concerns at this level rather than at the Advisory Committee level, the members scheduled a Special Meeting of the Appropriative Pool on May 21, 12:30 p.m. at the City of Ontario on Bon View Avenue to continue discussing this matter. A recommendation, if any, will be made at that meeting.

Mr. Thibeault, Regional Water Quality Control Board (RWQCB), was in attendance to participate in the Basin Plan Amendment discussion. After the discussion, he said he had to leave. Mr. Jeske requested a moment of his time to express gratitude to the RWQCB for their help and expertise during a recent incident with Ontario's sewage system. The action recommended by a RWQCB staff member over the telephone was the same action recommended by their field crew upon arriving at the site. With everyone working together and in agreement, the incident was quickly brought under control. He also thanked Cucamonga County Water District, the City of Fontana, the City of Chino Hills, the City of Chino and the City of Upland for their help and for the quick response in assisting to achieve complete containment of the problem.

No action taken.

D. BALANCE OF RECHARGE & DISCHARGE IN ALL AREAS; DETERMINATION OF OPERATING STORAGE & SAFE STORAGE; AND THE CUMULATIVE IMPACT OF TRANSFERS

Mr. Rossi discussed last month the requirement in the Peace Agreement for staff to report back through the Watermaster process on calculations of recharge and discharge in all areas, operating storage and safe storage and the cumulative impact of transfers. Mr. Wildermuth said that in accordance with the Peace Agreement and Rules and Regulations, Watermaster has to report on these three items by July 1, 2003. He went over each of them individually and provided information for feedback to develop a recommendation for approval in June. He explained the use of the groundwater model in the future projection mode to estimate where recharge is occurring so recharge and discharge can be balanced appropriately. Part of the overall strategy is to think about proactive management activities that will affect the parameters discussed. Recharge of high quality water supplies to the Chino Basin is necessary to offset the quality effects of recycled water and to achieve an ambient water quality equal to or better than the maximum benefit TDS and nitrate-nitrogen water quality objectives. Mr. Rossi pointed out that Watermaster has opportunities now that it didn't have a couple of years ago with in-lieu water from the Dry Year Yield Program, forbearance water in the MZ-1 area, wet recharge, recycled water recharge, etc. This is a good time to look at active management activities as well as the modeling strategy.

Mr. Wildermuth recommended using the grandfather storage theory to calculate an estimate of operating storage. Safe storage equates to how much water can be stored in the basin safely without a material physical injury finding. A demonstration may be used to introduce water in increments to see how things go.

With regard to the cumulative impact of transfers, Mr. Wildermuth said he needs feedback from the appropriators and the agricultural producers with regard to the intent. The groundwater model was calibrated from 1989/90 to year 2000/01 and has the cumulative effect of transfers already in it. No impacts are anticipated in the future.

The members continued to discuss technical details pertaining to hydraulic control of the basin. This item will come back in June or July with a recommendation for action.

Action deferred to June or July.

E. PROPOSED FY 2003-04 WATERMASTER BUDGET

Staff presented the proposed FY 2003-04 Watermaster Budget for discussion. Mr. Rossi referred to the two-page summary budget on page 25. He reviewed the OBMP project line items in more detail and provided clarification on miscellaneous items as requested.

Mr. Rossi explained that the proposed budget would come back to the Pools for action in June. It was brought before the committees this month to allow the members time to review and comment.

No action taken required at this time.

Item B resumed.

B. AMENDMENT NO. 7, CYCLIC STORAGE AGREEMENT

Upon returning to this item, Mr. Rossi confirmed that the Cyclic Storage Agreement includes a provision for loss of storage and allows deductions to happen from the account.

Mr. Rossi explained the major differences between the existing Cyclic Storage Account and the new Met storage account as: 1) the cyclic account allows Watermaster to call for water as needed, and 2) the new storage account calls for Met to deliver water to storage when they need to. The new storage account allows for a significant benefit in deferred water costs when the water is delivered (i.e. the entire amount of water goes into storage at no cost and when taken out, Watermaster pays the rate less pumping which is reimbursed.) To highlight the replenishment concept and availability, Grace Chen gave a presentation during the IIRP for Met. She said that in five-ten years, interruptible water might be as low as 100,000 acre-feet or less per year. A benefit of the cyclic account is that in-lieu deliveries to agencies participating in Dry Year Yield can be deferred. The water is low cost and it provides the opportunity to leave more water in the ground.

Motion by Kinsey, second by Crosley, and by unanimous vote

Moved, to recommend approval of Amendment No. 7 to the Cyclic Storage Agreement, extending the term to December 31, 2007.

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

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

Counsel Fife said there was very little to report on this case. Counsel thought they would be seeing an appeal, however Chino Land & Water made a procedural mistake and the Appellate Court, on its own motion, dismissed their appeal. Now they will have to start over.

2. Watermaster's Santa Ana River Application

The four protests filed are in limbo until the State Board recognizes them.

Item added...

- 3. Watermaster filed a motion to approve the Groundwater Storage Program Funding Agreement, Watermaster's 25th Annual Report, OBMP Status Report Nos. 5 & 6, and Intervention into the Judgment by Niagara Bottling Company for Court Hearing on June 5, 2003, 1:30 p.m., Department R8.

B. CEO REPORT/UPDATES

- 1. Storage & Recovery Project Meeting Update
A meeting was held April 17 and staff was directed to work with Black & Veatch to finalize the engineering analysis for capital facilities necessary for a full storage & recovery program.
- 2. Water Quality Committee Update
The Committee will meet again on May 20 to finalize the scope for approval through the Watermaster process in June.
- 3. Recharge Improvement Project Update
This project is moving forward. Issues with the Army Corps of Engineers have been resolved and once permits are issued by the County resulting from 1601 permit conditions from Fish & Game, the contractor can proceed.
- 4. Groundwater Related Proposed Resolution
IEUA provided information on AB334 as a handout and requested the Watermaster agencies send letters indicating agreement to this legislation going forward.
- 5. ACWA Conference May 7, 8 & 9
Mr. Rossi spoke with Castaic and Orange County Water District at the conference. It appears Castaic is interested in working with Watermaster. On May 21, there will be a meeting on salt credits followed by a 2:00 p.m. meeting on Storage & Recovery at the City of Ontario offices on Bon View Avenue.
- 6. Other
On May 29, the Watermaster Board meeting will be held in the City of Ontario Council Chambers. Mr. Hannigan with the State Department of Water Resources, Mr. Nichols with the Environmental Protection Agency, and Mr. Katts with the State Water Resources Control Board have agreed to provide special presentations regarding their perspective on the QSA deal. Following their presentations and a short break, the regular meeting of the Watermaster Board will resume. Please note that the Advisory Committee meeting will be held at the offices of Watermaster that morning.

C. OTHER AGENCY REPORTS

None

IV. COMMITTEE MEMBER COMMENTS

None

V. OTHER BUSINESS

None

VI. FUTURE MEETINGS

May 29, 2003	10:00 a.m.	Advisory Committee Meeting @ Watermaster
	1:00 p.m.	Watermaster Board Meeting @ the City of Ontario, City Hall Counsel Chambers
June 12, 2003	10:00 a.m.	Joint Meeting of the Appropriative & Non-Agricultural Pools
	1:00 p.m.	Agricultural Pool Meeting
May 19, 2003	1:30 p.m.	AGWA

FUTURE EVENTS

May 20, 2003	1:00 p.m.	Water Quality Committee Meeting @ Watermaster
May 21, 2003	2:00 p.m.	Storage and Recovery Program @ the City of Ontario, 1425 S. Bon View, Ontario, CA (909) 395-2610

Chair Jeske adjourned the meeting at 11:55 a.m.

Secretary

Minutes Approved: July 10, 2003