

Minutes
CHINO BASIN WATERMASTER
BOARD MEETING
April 28, 2005

The Watermaster Board Meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, California, on April 28, 2005 at 11:00 a.m.

WATERMASTER BOARD MEMBERS PRESENT

Robert Neufeld, Chair	Fontana Union Water Company
John Anderson	Inland Empire Utilities Agency
Paul Hamrick	Jurupa Community Services District
Al Lopez	Western Municipal Water District
Robert Kuhn	Three Valleys Municipal Water District
Bob Bowcock	Vulcan Materials Company
Paul Hofer	Agricultural Pool, Crops
Bill Kruger	City of Chino Hills
Geoffrey Vanden Heuvel	Agricultural Pool

Watermaster Staff Present

Kenneth R. Manning	Chief Executive Officer
Sheri Rojo	Finance Manager
Gordon Treweek	Project Engineer
Danielle Maurizio	Senior Engineer
Sherri Lynne Molino	Recording Secretary

Watermaster Consultants Present

Michael Fife	Hatch & Parent
Mark Wildermuth	Wildermuth Environmental Inc.

Others Present

Terry Catlin	Inland Empire Utilities Agency
Raul Garibay	City of Pomona
Robert DeLoach	Cucamonga Valley Water District
David De Jesus	Three Valleys Municipal Water District
Paul Deutsch	GE – Geomatrix
Dave Crosley	City of Ontario
Carole McGreevy	Jurupa Community Services District
John Rossi	Western Municipal Water District
Barrett Kehl	Chino Basin Water Conservation District
Henry Pepper	City of Pomona
Ken Jeske	City of Ontario

The Watermaster Board Meeting was called to order by Chair Neufeld at 11:02 a.m.

PLEDGE OF ALLEGIANCE

AGENDA - ADDITIONS/REORDER

Chair Neufeld stated there was an item to be discussed in a confidential session and asked that a motion be made to add the confidential session to the calendar.

Motion by Kuhn, second by Bowcock, and by unanimous vote
Moved to approve adding a closed session to the agenda

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Watermaster Board Meeting held March 24, 2005

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of March 2005
2. Combining Schedule of Revenue, Expenses and Changes in Working Capital for the Period July 1, 2004 through February 28, 2005
3. Treasurer's Report of Financial Affairs for the Period February 1, 2005 through February 28, 2005
4. Profit & Loss Budget vs. Actual July 2004 through February 2005

Motion by Kruger, second by Bowcock, and by unanimous vote
Moved to approve Consent Calendar Items A through B, as presented

II. BUSINESS ITEMS

A. EDISON PROPERTY CONVERSION

Mr. Manning stated this item was discussed at one of the recent Attorney-Manager meetings. At that meeting the discussion focused on the letter in which the City of Ontario had requested that Watermaster sign regarding allowing the conversion for the former Sunkist property, referred to as the Edison property located, within conversion area one. Staff found that the interpretation was consistent with how staff was working with the property. At the Attorney-Manager meeting it was also felt that this request and information was correct and recommended this item be taken through the Watermaster process for approval. Mr. Manning noted that at the recent Appropriators meeting there were discussions as to whether or not this letter was the appropriate vehicle in which to make this statement and it appeared that it was an either/or that the action could be taken to provide assurance through the minutes or by the signing of the letter. The City of Ontario would like to have the presented letter on file because this property is slightly different in that it is a piece of property that is owned by a member of the overlying Non-Agricultural Pool which is different than most of the properties located within conversion area one. It was noted that there was a request from an appropriator requesting a letter of clarification and there is no problem with that issue, however, there are some language issues regarding water rights that need to be addressed. Mr. Manning stated that at the Advisory Committee Mr. Jeske noted there were two issues stated in the letter, one being the determination of whether or not the area is eligible for conversion and the second is really an issue for the overlying Non- Agricultural producer. It was noted that at the Advisory Committee meeting Mr. Bowcock stated it does not appear to do any harm to the Non-Ag overlyer so the language is benign and can be removed if necessary.

Motion by Hamrick, second by Anderson, and by unanimous vote
Moved to approve to respond to the appropriators request to provide a letter that Watermaster has determined that it is eligible for Agricultural conversion and that filing pursuant to the Judgment will be dully considered, as presented

B. FORBEARANCE PROGRAM

Mr. Manning noted that the Forbearance Agreement is a voluntary agreement which was initially set for three years that allows those who participate an opportunity to forbear production within Management Zone 1 (MZ1). It has come to staff's attention that we are now at the end of that three year agreement, however, it is necessary to do additional studies and the request has been made to continue the Forbearance Agreement for one more year. This action would allow that additional year be added onto the agreement and to allow time for additional studies within the MZ1 area.

Motion by Vanden Heuvel, second by Kruger, and by unanimous vote

Moved to approve the continuance of the Forbearance Program for another year, as presented

C. FIELD SERVICES CONTRACT

Mr. Manning commented that this item is part of the ongoing transition of the field staff and the way Watermaster has been conducting business. Mr. Manning reminded the committee members that it was decided at a previous meeting hiring an additional employee hired. Those steps have all been set in place and this contract allows for the final step for the field staff to implement the transaction so that there is a clear understanding of exactly what Wildermuth Environmental will be doing with the employees will be doing work for Watermaster.

Mr. Manning states that this recommendation comes with unanimous approved from the Pools and Advisory Committee and staff recommends approval from the Board at this time.

Motion by Vanden Heuvel, second by Kuhn, and by unanimous vote

Moved to approve the Field Services Contract, as presented

D. STATUS REPORT NO. 12 AND STATUS REPORT NO. 13

Mr. Manning stated this item was presented and was asked to be pulled at the April Watermaster Board meeting for the purposes of allowing a longer review time. Mr. Manning states that this recommendation comes with unanimous approval from the Pools and Advisory Committee and staff recommends approval from the Board at this time.

Motion by Kuhn, second by Bowcock, and by unanimous vote

Moved to approve Status Report No. 12 and Status Report No. 13, as presented

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Attorney-Manager Meetings

Counsel Fife noted the next Attorney-Manager meeting is to be held today at 1:00 p.m. at the Cucamonga Valley Water District's office. Materials have been distributed for this meeting and counsel noted he has copies if any party needs them prior to the meeting.

2. Santa Ana River Application Process

Counsel Fife stated there have been some withdrawals of the protests from both the US Forest Service and East Valley Water District. This leaves Watermaster's application protested by the Department of Fish and Game, which is a very generic protest. The protest from Cucamonga Valley Water District is being worked on. All this recent activity came up due to Orange County Water District and Western Municipal Water District indicated a desire to go to hearing on their applications in the first quarter of 2006.

3. North Gualala Litigation Amicus
Counsel Fife stated the North Gualala case is going to be appealed. This could potentially cause the Chino Basin problems if we receive an appellate court decision that said that the State Board has permitting jurisdiction over groundwater pumping that could conceivably have an impact on a surface water body. Nothing has been filed or scheduled to date and counsel will keep the committee members apprised on this case. A discussion ensued with regard to this litigation.
4. Pending Legislation
Counsel Fife stated that there a few bills being watched presently and noted that assembly bill 1453 was discussed at length at the pool meetings. No new action has occurred on 1453 since those meetings and the language of that bill still causes some concern. Senate Bill 773 and SB 371 deal with injection into a groundwater aquifer and have been recently amended. SB 773 concerns injection of drinking water and SB 371 concerns injection of recycled water, both are intended to make it easier to do those activities.

Added Comment:

Counsel Fife reminded the committee members that there has been a special MZ1 "Special Referee" meeting scheduled for Wednesday, May 25, 2005 at 10:30 a.m. at the Chino Basin Watermaster office.

B. CEO/STAFF REPORT

1. Budget Workshop Update
Mr. Manning noted that the budget workshop is scheduled for Monday, May 2, at noon and lunch will be served. The budget has been made available as of last week on the CBWM ftp site. The workshop is not the only opportunity to ask questions and noted that Sheri Rojo and he would be available for questions prior and after that workshop. A lot of work has gone into the preparation of this budget and this workshop will allow parties to review the budget in detail.
2. Storm Report Review
Mr. Manning stated this item is for update purposes only and with the exception of the storm last night, through storm event #10 14,560 acre-feet of storm water has been captured, which is a significant amount. In our discussions with Inland Empire Utilities Agency, Flood Control, and the Conversation District staff has learned a lot during this storm season about how our basins operate. These storms were a blessing and a challenge all at the same time; a blessing in that there was a lot of water captured and a challenge because taking all this free water means this water would be of a lesser quality. There are also some maintenance issues that have been discussed and that will need to have money spent on refurbishing the basins so that they are capable of taking MET deliveries in the next few months. Watermaster is very pleased with almost 15,000 acre-feet of water captured and this was a very good test for the system overall. A discussion ensued with regard to new yield for this year.
3. Replenishment Obligation Update
Mr. Manning noted our obligation through the last deliveries of imported water that we have taken from MET; there are approximately 2,440 acre-feet still obligated for MZ1. This amount is now less due to the recent storm; however, those numbers are not yet available. Outside the MZ1 area there is approximately 11,713 acre-feet of remaining obligation. This item was meant to keep the parties advised of our replenishment progress. A discussion ensued with regard to the amount of water in storage. Mr.

Manning stated that at the Advisory committee meeting it was presented that there was a beneficial storage presentation that is available and that the Advisory Committee asked that the presentation be given at the Appropriative Pool meeting in June.

4. Turner Basin Renovation Test

Mr. Manning noted that Mr. Vanden Heuvel had introduced this sub-contractor to Watermaster and felt that they had some technology that could benefit the Watermaster's recharge basins. The sub-contractor has a business where they use a suction system and divers who clean ponds and lakes at golf courses and marinas. Scuba Duba felt they had some technology that could be utilized in cleaning out the recharge basins in the event staff wanted to keep the basins wet, which is a long term goal of Watermasters'. Turner 3 was used as a demonstration/test site over a five day period; over that period they went through a lot of changes and calibrating of their equipment. What they found was multiple layers of very fine clay. Their biggest challenge was trying to break up that fine layer so it could be then sucked up into their equipment and removed from the basin floor. By the time the test was concluded, their analysis was that their equipment could be modified to perform this kind of work and are working on a revised proposal to execute this task. The original proposal was discarded due to cost. The test was interesting and this concept needed to be presented to the committee members on an initial basis because discussions will open up at a later date as to where this type of technology might be used noting this technology is not applicable to all the basins. At some point in the future a different test might be required using their technology after it is modified again. Mr. Treweek, who worked very closely with Scuba Duba, noted that he wishes to explore other options before committing to this type of project 100%. Mr. Treweek spoke on what is being done in the Orange County basins and noted that their basins are much larger than ours, however, there is much to learn from what they are presently doing as well as in other regions like Tucson Arizona. This test was to see if keeping the basins wet year round was even feasible to be able to consider the services offered by this sub-contractor; there were some reservations, although this company seems confident they can make it happen; staff will keep the committee members updated.

5. MZ3 Water Quality Update

Mr. Treweek noted that Watermaster has started to move ahead with the water quality monitoring program for Management Zone 3 (MZ3); Wildermuth is taking samples from approximately 18 wells and then there are 2 additional wells being tested, these are the renovated wells (MP2 and KOFS). Staff wants to receive the first of four surveys that will be done over the course of the year and from that first survey staff feels that data will show where the next two new wells will be installed which will be in between where the old Kaiser plume had been identified and the Jurupa Community Services intake wells. This was awarded the \$250,000 dollar grant through IEUA from DWR towards the construction of one of those two potential wells. Samples will begin this week and things are in place to receive results for the next Water Quality meeting in May.

IV. INFORMATION

1. Status Report No. 12

This item was discussed and action was taken in the Business Item section.

2. Status Report No. 13

This item was discussed and action was taken in the Business Item section.

3. Newspaper Articles

Mr. Manning stated these articles that are placed in the meeting package are relevant to the happenings in the Chino Basin and are for information purposes only.

V. BOARD MEMBER COMMENTS

Mr. Vanden Heuvel wished Mr. Kehl well on his new position at Inland Empire Utilities Agency and noted that he would be missed at the Water Conservation District; however, it would be their loss and our gain. The Water Conservation will be looking for a new person for Mr. Kehls position.

Mr. Anderson stated that the reception held last night to introduce Dennis Underwood, the new CEO/GM for Metropolitan Water District and thanked all who attended. Mr. Anderson also noted how well the recent Agricultural tour went which was put on by Inland Empire Utilities Agency.

Mr. Manning stated that he also felt the tour went well and was very informative and interesting. The tour of the Yuma Desalter was especially interesting. It was a great trip overall and everyone had a good time.

VI. OTHER BUSINESS

No comment was made regarding this item.

At 12:15 p.m. the open Watermaster Board meeting was adjourned and the confidential session convened.

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

At 12:30 p.m. the confidential session was adjourned and the Watermaster Board meeting convened.

Chair Neufeld asked Mr. Manning to state the outcome of one of the closed Board discussions. Mr. Manning stated that Ms. Rojo will conduct the June Watermaster Board meeting in his absence.

VIII. FUTURE MEETINGS

April 28, 2005	9:00 a.m.	Advisory Committee Meeting
April 28, 2005	11:00 a.m.	Watermaster Board Meeting
April 28, 2005	1:00 p.m.	Attorney-Manager Meeting @ CVWD
May 02, 2005	9:00 a.m.	GRCC Meeting
May 02, 2005	12:00 p.m.	Budget Workshop
May 12, 2005	9:00 a.m.	Appropriative & Non-Agricultural Pool Meeting
May 17, 2005	9:00 a.m.	Agricultural Pool Meeting @ IEUA
May 18, 2005	9:00 a.m.	MZ1-Meeting
May 24, 2005	9:00 a.m.	Water Quality Meeting
May 25, 2005	10:30 a.m.	MZ1 Special Referee Workshop
May 26, 2005	9:00 a.m.	Advisory Committee Meeting
May 26, 2005	11:00 a.m.	Watermaster Board Meeting

The Watermaster Board Meeting Adjourned at 12:32 p.m.

Secretary: _____

Minutes Approved: May 26, 2005