

Minutes
CHINO BASIN WATERMASTER
JOINT APPROPRIATIVE & NON-AGRICULTURAL
POOL MEETING
October 14, 2004

The Joint Appropriative and Non-Agricultural Pool Meeting were held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on October 14, 2004 at 9:00 a.m.

APPROPRIATIVE POOL MEMBERS PRESENT

Mike Maestas, Chair	City of Chino Hills
Dave Crosley	City of Chino
Ray Wellington	San Antonio Water Company
Raul Garibay	City of Pomona
Mohamed El-Amamy	City of Ontario
Mike Maestas	City of Chino Hills
Rita Kurth	Cucamonga Valley Water District
James Bryson	Fontana Water Company
Mark Kinsey	Monte Vista Water District
J. Arnold Rodriguez	Santa Ana River Water Company

NON-AGRICULTURAL POOL MEMBERS PRESENT

Justin M. Scott-Coe	Vulcan Materials Company (Calmat Division)
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Watermaster Staff Present

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

Watermaster Consultants Present

Michael Fife	Hatch & Parent
Mark Wildermuth	Wildermuth Environmental Inc.

Others Present

Henry Pepper	City of Pomona
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Chair Maestas called the meeting to order at 9:05 a.m.

AGENDA - ADDITIONS/REORDER

Mr. Manning referenced the staff report on page 37 and noted that a sentence regarding the clay layer for College Heights was cut off in the packet and a revised copy of that status report is available at the back table and inquired if it should be read now or wait for when it is presented under Business Items. Chair Maestas stated that Mr. Manning could read the sentence at the appropriate time when the College Heights item is addressed on the agenda under Business Items.

Motion by El-Amamy, second by Garibay, and by unanimous vote

Moved to approve reading the missing sentence at the time Business Items are presented on the agenda

I. CONSENT CALENDAR

A. MINUTES

- 1. Minutes of the Joint Appropriative & Non-Agricultural Pool Meeting held on September 9, 2004

B. FINANCIAL REPORTS

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

C. WATER TRANSACTION

- 1. Consider Approval for Transaction of Notice of Sale or Transfer from City of Pomona to Monte Vista Water District in the amount of 2,500 acre-feet; Date of Application: September 1, 2004

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

II. BUSINESS ITEMS

A. URS PROPOSAL REGARDING COLLEGE HEIGHTS

Chair Maestas noted that Mr. Manning will read the omitted sentence and that there is a copy of the revised status report on the back table. Mr. Manning read the omitted sentence which stated, “A sequence of clayey layers exists at about 100 feet below the grade of Arrow Route; water infiltrating in the College Heights basins is mounding on this clayey material and moving laterally into Upland Basin”. Mr. Manning invited Mr. Treweek to give his update on the College Heights Basin. Mr. Treweek reviewed the studies which were conducted by URS which consisted of the installation of four new monitoring wells to supplement the two existing wells located immediately downgradient of the College Heights East Basin. Mr. Treweek evaluated a large map which was on a stand and pointed out new construction and various working sites for recharge. Mr. Treweek commented that the recommendation was to approve the additional geotechnical services proposed by URS in their revised cost proposal dated September 28, 2004. Mr. Treweek stated that after careful review it was decided to scale back work and noted the proposal includes the drilling of three additional borings downgradient of the College Heights Basins; installing monitoring wells of 100 and 140 ft in the two deeper borings, and a single monitoring well in the shallow 50 ft boring; and installing pressure transducers and data loggers, provided by Watermaster, in 11 new and existing monitoring wells. Mr. Treweek stated that monitoring will take place over the next several years on what will occur when the City of Upland puts water into the Basin. It was asked if there was any water traveling to the East of that Basin. Mr. Treweek stated that the primary direction of the flow is to the South. The question of water quality due to water moving from one basin to another was presented. Mr. Treweek stated it is not a water quality problem; the problem is how much recharge we can continuously put into the College Heights Basin without causing this piping scenario. The question of whether this cost was for Geotechnical services only for URS was presented. Mr. Treweek confirmed that statement was correct. Mr. Wellington noted he was pleased the study was cut back to really monitor what is going to happen due to the clay layer extending considerably to the North as well as the South and it is important that we monitor and figure out our reasonable rate of percolation because it is going to move horizontally and every direction it can because of that clay later.

Motion by Crosley, second by Wellington, concurrence by Non-Ag, and by unanimous vote
Moved to approve additional scope of work for monitoring by URS in the amount of \$70,403 and an additional \$14,000 for Watermaster to provide pressure transducers and data loggers, as presented

III. REPORTS/UPDATES**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**1. First Amendment to Peace Agreement

Counsel Fife noted approximately one half of the entities have approved the First Amendment to the Peace Agreement, the rest have it agendized for the month of October; all the approvals should be in hand by the end of this month. The continued hearing on Monte Vista's motion is scheduled for this afternoon; a further continuance will be requested at that time. The First Amendment was filed with the court with a pleading asking for approval and a hearing was scheduled for December 2, 2004 on that. Today's hearing on Monte Vista's motion will also be asked to be moved to December 2, 2004. Status Report No. 11 was also filed yesterday and a clean up pleading was also submitted with that to update the court on previous status reports which have not had hearings held on them yet. On December 2, 2004 the court will be receiving and filing Status Reports 9, 10, 11, the Twenty-Fifth Annual Report, and a few other documents which were filed over the past several months. Counsel Fife noted this is a very good sign that we do not have enough hearings any longer to do these types of things on a regular basis since we usually combine "receive and file" hearings with hearings on other matters.

2. Attorney/Manager Meetings

Counsel Fife noted there is a scheduled Attorney/Manager meeting for next Wednesday; this is the meeting which technical work on Hydraulic Control was to be discussed. Counsel Fife stated that technical work is still a few weeks out from being completed so to expect that meeting to be moved out three or four weeks; a notice will go out shortly to verify the cancellation of that meeting.

3. Basin Plan Amendment Approval

Counsel Fife commented that on September 30, 2004 the State Water Resources Control Board approved the Basin Plan Amendment; it was on their consent calendar. It will now go to the Office of Administrative Law and the Environmental Protection Agency for their approval.

4. Litigation updatesa. South El Monte Operable Unit CERCLA litigation

Counsel Fife noted that Steve Hoch had given a presentation to the Advisory and Watermaster Board approximately three months prior and commented this litigation involves Perchlorate. The reason it is of interest to us is that the responsible parties in the case discovered that Colorado River water was being used for recharge purposes in the San Gabriel Basin. They filed a cross complaint against both Metropolitan Water District and against the San Gabriel Watermaster as potentially responsible parties. When the first presentation was given, it was just after the cross complaint had been filed against the Watermaster. Since then there have been a number of pleadings going back and forth; the Watermaster has asserted judicial immunity. Aerojet has responded that the Watermaster can't declare judicial immunity because the court doesn't have the power to be a Watermaster. Aerojet claims judicial immunity does not apply and if it does then the court has exceeded its authority in creating a Watermaster. This would have a lot of implications for the rest of the Watermasters' around the state. The Watermaster has now responded that courts do have the power to create Watermasters and have asked for sanctions against Aerojet for making such an outrageous claim. Mr. Manning added comment that within the last few weeks the court has appointed a "Special Master" to try and bring some conclusion and settlement on the issue. The motions that are to be considered are to be heard on November 1, 2004.

b. Castaic UWMP decision

Counsel Fife noted there is a copy of the Urban Water Management Plan (UWMP) decision; this is an appellate decision that came out September 22, 2004. This was a long standing dispute with the Castaic Lake Water Agency in that they had an UWMP that was challenged a couple years ago by a local environmental group. It was supported by the lower court; however, the environmental group took to the decision to the appellate court claiming that it was invalid because it didn't properly discuss their use of contaminated ground water. The appellate court overturned the trial court meaning it invalidated the UWMP. Counsel Fife described the UWMP in detail and with that the court identified the time frame to prepare treatments for pumps and noted there was a gap in time between when you find out you need the treatment to when you can actually use the pumps once they have been set up for treatment. The case is looking at a very specific scenario in an UWMP where they did not describe the timing properly; it does not say you can not use contaminated water as a back up supply it just states you must get the timing right for treatment.

Added Comment:

The question regarding the signing of the First Amendment to the Peace Agreement and the affect of that to reallocate some of the storm water recharge and if that is going to be applied to this fiscal year once everyone has signed was presented. Counsel Fife stated that is an issue that will be addressed in the assessment package process and the decision on whether to put it in this assessment package or wait. Mr. Manning stated that the assessment package will be ready by the end of October and available for review in the November package.

B. STAFF REPORT

1. Replenishment/Cyclic Account

a. Summary of Replenishment Deliveries

Mr. Manning noted on page 47 of the package is a summary of the replenishment deliveries. Mr. Manning reviewed the staff report in detail. It was asked if a motion would be needed for this item. Mr. Manning stated not at this time and this item will be brought back in November when we have more detail on it. The committee was reminded of MET's rate increase come January and that will play into the exact amount we purchase from our cyclic account. Ms. Rojo noted we charge for the replenishment obligation through the assessment package, it is just a timing issue of when we buy it; the only thing that would come into play with the assessment package is the dollar cost per acre-foot. All of our replenishment water after January will be at the higher rate and that will be in the new assessment package as well. It was asked if we had considered pre-purchasing some of the water in storage against our future drawdown. Mr. Manning stated that we were considering that option along with others.

2. November/December Meeting Schedules

Mr. Manning noted that the next meeting of the Joint Appropriators and Non-Agricultural Pools was to meet on Veteran's Day and that meeting will need to be rescheduled. An option would be to meet the day before which would be November 10, 2004 or combine your meeting with the Agricultural Pool meeting which is scheduled for November 16, 2004. Ms. Rojo suggested that because the Advisory and Board meetings are scheduled for Thanksgiving Day and could be moved up one week this Pool could meet in conjunction with the Advisory meeting on November 18, 2004. It was decided to combine the Appropriative and Non-Agricultural Pool with the Advisory Committee meeting on Thursday, November 18, 2004 at 9:00 a.m. This is the meeting where on the assessment package will be presented. The question was presented on how much time will be allotted to review the assessment package prior to the meeting. Mr. Crosley suggested an informal

workshop be scheduled to review the assessment package prior to the meeting and noted it would be beneficial. A brief discussion ensued with regards to a timely manner given for the review of the assessment package. It was decided to hold the workshop on Wednesday, November 10, 2004 at 9:00 a.m. for the review of the assessment package.

Added Comment:

Mr. Manning noted there were a couple items he wanted to mention that were not in the package. Mr. Manning stated he had recently attended a meeting in Sacramento with Anne Schneider, our special referee, and they talked about the quarterly status reports and noted that she had requested that we consider going from quarterly status reports to semi-annual reports. This is a good sign that they are requesting fewer reports and they feel comfortable with the information that they are receiving from us. We will be changing from a quarterly report to a semi-annual as she has requested.

Mr. Manning reminded the Committee members that the dedication ceremony for the Turner Basin is tomorrow at 10:00 a.m. and hoped everyone could attend.

Mr. Manning stated that he had spoken with the E.O.C. group and with that meeting came up with the decision to modify the meeting room slightly because important key staff that should be available for questions and comments are not able to sit up front because of the limited space. It was decided to have an additional table added for Sheri Rojo, Gordon Treweek, and Danni Maurizio to make them more available for questions and comments.

IV. INFORMATION

1. Inland Empire Landmark Water Supply Program Named "Outstanding Project of the Year"
Mr. Manning called attention to an award which was presented to the Watermaster along with the Chino Basin Water Conservation District and the Inland Empire Utilities Agency (IEUA); this is the Outstanding Project of the Year award for the Recharge Basins. We will house the award in our facility for a time and then it will go to IEUA for display.
2. Newspaper Articles
No comment was made regarding this item.
3. American Groundwater Trust Conference -- November 5, 2004
No comment was made regarding this item.
4. Notice of Attendance of Special Referee's Technical Assistant at MZ1 Meeting
No comment was made regarding this item.

V. POOL MEMBER COMMENTS

No comment was made regarding this item.

VI. OTHER BUSINESS

No comment was made regarding this item.

VII. FUTURE MEETINGS

October 14, 2004	9:00 a.m.	Joint Appropriative & Non-Agricultural Pool Meeting
October 18, 2004	1:30 p.m.	AGWA Meeting
October 19, 2004	9:00 a.m.	Agricultural Pool Meeting @ IEUA
October 27-29, 2004	All Day	Water Quality Conference - Ontario
October 28, 2004	9:00 a.m.	Advisory Committee Meeting
October 28, 2004	11:00 a.m.	Watermaster Board Meeting

The Joint Appropriative & Non-Agricultural Pool Meeting Adjourned at 9:45 a.m.

Secretary: _____

Minutes Approved: November 18, 2004