

**RECORD OF THE MINUTES
OF THE REGULAR MEETING OF THE
BEAUMONT BASIN WATERMASTER**

March 9, 2004

WATERMASTER MEMBERS PRESENT

Banning, City of	Paul Toor
Beaumont, City of	Dee Moorjani
Beaumont Cherry Valley Water District	Chuck Butcher
South Mesa Mutual Water Company	George Jorritsma - Chairman
Yucaipa Valley Water District	Joe Zoba

Consultants Present

Joe Aklufi	Aklufi & Wysoki
J. Andrew Schlange	Chief of Watermaster Services
Mark Wildermuth	Wildermuth Environmental, Inc.
Traci Stewart	Wildermuth Environmental, Inc.

Others Present

Steve Anderson	Best, Best & Krieger, Riverside
Walt Beckman	Cherry Valley
Dick Larsen	San Gorgonio Pass Water Agency
Ray Morris	San Gorgonio Pass Water Agency
Ira Pace	Sharondale
Ward Simmons	Best, Best & Krieger, Riverside
Steve Stockton	San Gorgonio Pass Water Agency
Barbara Voigt	San Gorgonio Pass Water Agency

1. Call to order.

Chairman Jorritsma called the meeting to order at 10:02 a.m.

2. Roll Call:

General Manager, Andrew Schlange noted four Watermaster members were in attendance, Member Moorjani entered the meeting at 10:04 a.m.

3. Pledge of Allegiance.

Chairman Jorritsma asked Secretary Butcher to lead the Pledge of Allegiance. Member Toor welcomed everyone to the City of Banning and informed the members as well as the public that the bi-weekly meeting would be taking place in the large conference room. Member Toor advised all of parking and restroom locations.

4. Public Hearing for Adoption of Rules and Regulations of the Beaumont Basin Watermaster.

Chairman Jorritsma stated that:

A. This is the time and place for public hearing and input for the Beaumont Basin Watermaster proposed Rules and Regulations. If you wish to speak, please fill out public comment card and give to a Staff member.

B. Staff Report

General Manager Schlange reported that at the February 24, 2004 workshop, staff presented a draft copy of the proposed Rules and Regulations for the Watermaster. At that time, the Watermaster Board set a public hearing at 10:00 a.m. on March 9, 2004 as the time and place to receive public input and comments. Mr. Schlange stated that a copy of the notice referencing the hearing was sent out to all interested parties along with a copy of the proposed Rules and Regulations and submitted to the record copies of the transmittals.

C. Open public hearing for public comment

Chairman Jorritsma open the public hearing and called on Steve Anderson of Best, Best & Krieger, representing both SunnyCal and Southern California PGA. Mr. Anderson listed a series of questions, concerns and request for clarification on sections 1, 2, 3, 4, 5, 6, 7 & 8. At the recommendation of General Manager, Andrew Schlange, Mr. Anderson's comments will be submitted in writing and addressed by the Watermaster.

Ms. Barbara Voigt of the San Geronio Pass Water Agency expressed concerns over section 6.2, page 11. Mr. Steve Stockton also of the San Geronio Pass Water Agency shared Ms. Voigt's concerns and added that he was unsure where the Agency fit in, seeing as they are not part of the Stipulated Judgment and are not governed by the Watermaster. Mr. Schlange reiterated that these concerns and questions should be submitted in written format to allow the Watermaster to review and comment.

Mr. Ira Pace of the Sharondale Homeowners Association expressed some concerns over contradictory language used on page 7, section 3.1 (a) and (b). Mr. Schlange replied that the Watermaster would review the section in question.

Chairman Jorritsma opened the floor for member discussion of the Rules and Regulations. Member Zoba noted that both sections 2.15 (Waiver of Notice) and 3.2 (Reporting by Producers) alluded to forms, which were not included with the other forms. Member Zoba further suggested the Watermaster assign a deadline for written comments to allow staff time to review and respond.

General Manager, Andrew Schlange recommended adjourned the public hearing to the April 13, 2004, 10:00 a.m. meeting of the Watermaster. Written comments must be submitted by March 29, 2004 (20 days) giving staff 10 days to review and respond.

- D. At the conclusion of public comments, the Watermaster may continue the public hearing to a later date, close the public hearing, and/or consider adoption of the Rules and Regulations.**

Motion by Member Butcher, second by Member Toor, and by unanimous vote:

Moved to adjourn public hearing to April 13, 2004 and staff will try to have the responses ready at that time. Another alternative would be to set out the public hearing 60 days into the future allowing staff more time to respond in writing prior to the public hearing.

5. Oral and Written Communication

None was received.

6. Consent Calendar

Member Toor requested the items be voted on separately as he was not in attendance for the February 24, 2004 meeting and planned on abstaining on the adoption of item B.

A. Approve Minutes of February 10, 2004

Chairman Jorritsma called for any additions, corrections and/or comments to the Minutes of February 10, 2004. None were received.

Motion by Member Toor, second by Member Butcher, and by unanimous vote:

Moved to approve Minutes of February 10, 2004.

B. Approve Minutes of February 24, 2004

Motion by Member Moorjani, second by Member Butcher, and by the following vote:

Ayes: Butcher, Jorritsma, Moorjani and Zoba

Nays:

Abstain: Toor

Moved to approve the Minutes of February 24, 2004.

7. Consider Adoption of Watermaster Investment Policy.

General Manager, Andrew Schlange reported that included in the packages was a copy of the Investment Policy. The policy as submitted parallels that of the STWMA. Mr. Schlange recommended the adoption by approval of Resolution 2004-01 so that the Bookkeeper (YVWD) will have guidelines on how to handle the money once it begins to come in.

Motion by Member Zoba, second by Member Toor, and by unanimous vote:

Moved to adopt Resolution 2004-01 so that the bookkeeper (YVWD) will have guidelines on how to handle the money once it begins to come in.

RESOLUTION NO. 2004-01

A RESOLUTION OF THE BEAUMONT BASIN WATERMASTER
APPROVING AN INVESTMENT POLICY

WHEREAS, California Government Code, Section 53646 requires the annual adoption of an investment policy.

NOW, THEREFORE, the Beaumont Basin Watermaster hereby resolves as follows:

Section 1.

Pursuant to Government Code 53600, et seq. the Beaumont Basin Watermaster Investment Policy is hereby approved as attached hereto and incorporated herein by this reference.

Section 2.

The Treasurer of the Watermaster is hereby authorized and directed to do all things necessary to implement the Investment Policy.

PASSED AND ADOPTED this 9th day of March, 2004.

BEAUMONT BASIN WATERMASTER

8. Submittal of Finalized Budget for the Period of February 1, 2004 through August 31, 2004 and September 1, 2004 through August 31, 2005.

General Manager, Andrew Schlange, reported that the operating expenses were submitted to the Watermaster at the February 24, 2004 meeting. The operating revenue was not attached and as part of the instruction received at the 24th meeting, it was suggested that the STWMA budget provide the resources for the four member agencies of STWMA and that the billing of the City of Banning would be separate. The operating revenue stream operated on a fiscal year basis.

Member Zoba suggested dividing the operating revenue by 5, equally, which is \$19,360 and each agency would be billed individually as such. For accounting purposes, the individual invoicing (pre-payment) keeping STWMA and BBW funds separate. Member Toor stated he had no problem with the individual billing; however, the budget and invoice would have to be reviewed and approved by the Banning City Council. Member Butcher requested that the Treasurer put together something in writing which he could present to his Board for approval.

Motion by Member Zoba, second by Member Butcher, and by unanimous vote:

Moved to approve the adoption of the budget with comments.

9. Adjournment.

Chairman Jorritsma adjourned the meeting at 10:54 a.m.



C.J. Butcher, Secretary of the Watermaster