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

March 9, 2004

WATERMASTER MEMBERS PRESENT

Banning, City of
Beaumont, City of
Beaumont Cherry Valley Water District
South Mesa Mutual Water Company
Yucaipa Valley Water District

Paul Toor
Dee Moorjani
Chuck Butcher
George Jorritsma - Chairman
Joe Zoba

Consultants Present

Joe Aklufi
J. Andrew Schlake
Mark Wildermuth
Traci Stewart

Aklufi & Wysoki
Chief of Watermaster Services
Wildermuth Environmental, Inc.
Wildermuth Environmental, Inc.

Others Present

Steve Anderson
Walt Beckman
Dick Larsen
Ray Morris
Ira Pace
Ward Simmons
Steve Stockton
Barbara Voigt

Best, Best & Krieger, Riverside
Cherry Valley
San Gorgonio Pass Water Agency
San Gorgonio Pass Water Agency
Sharondale
Best, Best & Krieger, Riverside
San Gorgonio Pass Water Agency
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 Schlake 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.

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 Schlake 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. Schlane 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 Schlane, Mr. Anderson's comments will be submitted in writing and addressed by the Watermaster.

Ms. Barbara Voigt of the San Gorgonio Pass Water Agency expressed concerns over section 6.2, page 11. Mr. Steve Stockton also of the San Gorgonio 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. Schlanre 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. Schlane 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 Schlane 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 Sch Lange reported that included in the packages was a copy of the Investment Policy. The policy as submitted parallels that of the STWMA. Mr. Sch Lange 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


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.


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

C.J. Butcher, Secretary of the Watermaster