

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

June 8, 2004

WATERMASTER MEMBERS PRESENT

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

WATERMASTER MEMBERS ABSENT

Beaumont Cherry Valley Water District	Chuck Butcher
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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

Ray Lewis	San Gorgonio Pass Water Agency
Ward Simmons	Best, Best & Krieger, Riverside

1. Call to Order

Chairman Jorritsma called the meeting to order at 10:00 a.m.

2. Roll Call

Traci Stewart, acting secretary, called roll at the request of Chairman Jorritsma. Mr. Schlange noted for the record that he had received an email from Secretary Butcher indicating his inability to attend the meeting and addressing two other items for discussion under item 4, Oral and Written Communication.

3. Pledge of Allegiance

Chairman Jorritsma led everyone in the *Pledge of Allegiance*.

4. Oral and Written Communication

General Manager Schlange indicated he had received two items of written communication for today's meeting and he provided copies of the items to everyone.

The first item was the email from Secretary Butcher referenced above. In it, in addition to indicating he could not be in attendance at the meeting, Secretary Butcher also indicated his approval of the Watermaster Rules and Regulations. He further indicated that he had received a letter from Russ Behrens, attorney for San Gorgonio Pass Water Agency on behalf of the Agency regarding "issues" with the Stipulated Judgment and the Watermaster Rules and Regulation.

The second item was the letter from Russ Behrens referenced by Secretary Butcher, which was also hand-delivered to General Manager Schlange. Discussion occurred after the letter was reviewed by everyone in attendance.

General Manager Schlange suggested approving the Rules and Regulations as presented, and having Legal Counsel meet with the Agency's Legal Counsel to discuss their issues. Member Zoba questioned why the Agency would send this letter at such a late date when the Rules and Regulations had been in general circulation since February, and since the Judgment was adopted in February? General Manager Schlange confirmed that he had on numerous occasions communicated with the Agency's General Manager, Mr. Steve Stockton, and indicated Watermaster's willingness to meet and work out their concerns.

Mr. Ray Lewis, a San Gorgonio Pass Water Agency Director, indicated that this was the first he had seen or heard of the letter. He further indicated that the other Directors may not have seen it, and that the Agency's General Manager is on vacation until the 15th of the month.

General Manager Schlange asked Director Lewis if he had any problem with his suggestion to have the two entity's legal counsels meet and confer. Mr. Lewis indicated he did not.

Since the letter referred to the Rules and Regulations, Chairman Jorritsma suggested moving through the remainder of the Agenda and resuming the discussion under that item. There was no objection.

5. Consent Calendar

A. Approve Minutes of May 18, 2004.

Discussion occurred regarding the minutes as presented. Member Zoba requested the (late) beside his name be deleted as he arrived at 10:08 and was present for all the discussion, etc. Legal Counsel Aklufi requested his partner's name be spelled correctly if other corrections would be made to the minutes (Wysocki, not Wysoki). There was no other discussion.

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

Moved to approve the Minutes of May 18, 2004, as corrected.

6. Continue Discussion of Rules and Regulations and Possible Action

In addition to the discussion regarding the Rules and Regulations that occurred under item 4 above, several items pertaining to specific sections of the Rules and Regulations were discussed as indicated below.

Legal Counsel Aklufi suggested language to utilize for the Watermaster address in Section 2.0 of the Rules and Regulations as follows: Office of the Watermaster Secretary, C/O Beaumont-Cherry Valley Water District, 560 Magnolia Avenue, Beaumont, CA 92223.

Member Zoba asked where unused operating yield is addressed in the Rules and Regulations and whether it can be stored? He indicated it appeared the Watermaster Storage forms address only supplemental water. Ms. Stewart indicated unused operating yield results from accounting for the use of operating yield, but that it is not specifically addressed, named or defined in the Rules and Regulations. A recommendation was made to develop several examples of how production, safe yield, and operating yield "accounting" would be done over an hypothetical 6 or 7 year period and to present a "white paper" discussing the potential cases that could be encountered. It was agreed the "white paper" would be prepared for the next Watermaster meeting.

Member Zoba indicated it was still not clear to him from Section 3.1 of the Rules and Regulations who would install meters on new wells, etc. After some discussion, Legal Counsel Aklufi suggested some modification to the existing language to clarify who would install meters under what circumstances. Counsel Aklufi agreed he would provide the suggested modifications to the language via email for inclusion in the final Rules and Regulations.

It was suggested Section 4.2 (a) be modified to include the word "proven" before the word "increases" in the first sentence, and that Section 4.3 be amended to include "(i.e., unused operation yield)" after the words "Basin water" in the last line of the section. With the modifications and amendments as suggested, the following motion was made:

Motion by Member Zoba, second by Member Toor (vote: ayes - Butcher [via email], Jorritsma, Moorjani, Zoba; abstain - Toor):

Moved to approve the Watermaster Rules and Regulations (including Forms), as modified or amended.

Following the discussion regarding specific sections of the Rules and Regulations, the discussion regarding the letter received from the Agency resumed. Member Toor suggested Mr. Steve Stockton be contacted prior to the next Watermaster meeting and invited to participate in a meeting with his Legal Counsel. He indicated he had heard that an effort to have the engineers meet and resolve the discrepancies among their results is being made by the Department of Water Resources. He had heard that the demand for water surpasses the supply in the future, but that there were differences in opinion as to how much and when that would occur.

Mr. Wildermuth indicated the issue between the engineers is not substantive in nature. There is agreement that water supply is needed, and that the differences in quantity and timing are relatively immaterial.

Legal Counsel Aklufi indicated he thought one of the issues is who will be paying to develop the water supply. General Manager Schlange indicated that if the basin storage capacity can be managed for regional and statewide benefit, he sees an opportunity to generate both a revenue stream and a water supply.

Someone suggested that joint development of recharge facilities to utilize to increase storage and to provide for replenishment of basin supplies used should be considered. There was general agreement on this subject, and it was agreed to agendize a discussion regarding the development of joint groundwater recharge facilities, particularly on Noble or Marshall Creeks. Legal Counsel Aklufi suggested that since the members seem to be willing to work together to develop the facilities, they should suggest what is the optimum site to utilize and what would it take to get it for the next meeting.

Based on the discussion under item 4 above and the discussion that occurred after adoption of the Rules and Regulations, the following motion was made:

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

Moved to have Watermaster Legal Counsel meet with Legal Counsel for San Gorgonio Pass Water Agency regarding the letter received today.

7. Discussion Regarding Well Metering and Testing

Ms. Stewart had distributed copies of a well information verification form and a monthly producer information request form at the beginning of the meeting. General Manager Schlange asked what the process would be regarding utilization of the forms. Ms. Stewart indicated the forms would be distributed to the appropriate parties by the end of the following week to begin collecting the production information for wells in the Beaumont Basin. Additional discussion regarding the collection of production information as well as those items listed on the first Watermaster meeting agenda under future items will occur at the next Watermaster meeting.

8. Adjournment

The next meeting of the Watermaster is scheduled for July 13, 2004 at 10:00 a.m. Chairman Jorritsma thanked all of the members for their attendance and participation.

Chairman Jorritsma adjourned the meeting at approximately 11:50 a.m.



C.J. Butcher, Secretary of the Watermaster