

**Minutes**  
**CHINO BASIN WATERMASTER**  
**ADVISORY COMMITTEE MEETING**

*May 16, 2013*

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga CA, on May 16, 2013 at 9:00 a.m.

**ADVISORY COMMITTEE MEMBERS PRESENT**

**Appropriative Pool**

Rosemary Hoerning, Chair  
Jo Lynne Russo-Pereyra  
Scott Burton  
Curtis Aaron  
Nadeem Majaj  
Dave Crosley  
Mark Kinsey  
Van Jew  
Seth Zielke  
Josh Swift  
Tom Harder  
Ben Lewis  
Teri Layton  
J. Arnold Rodriguez

City of Upland  
Cucamonga Valley Water District  
City of Ontario  
City of Pomona  
City of Chino Hills  
City of Chino  
Monte Vista Water District  
Monte Vista Irrigation Company  
Fontana Water Company  
Fontana Union Water Company  
Jurupa Community Services District  
Golden State Water Company  
San Antonio Water Company  
San Ana River Water Company

**Agricultural Pool**

Jeff Pierson  
Bob Feenstra  
Pete Hall

Ag Pool – Crops  
Ag Pool – Dairy  
Ag Pool – State of California – CIM

**Non-Agricultural Pool**

Brian Geye, Vice-Chair  
Ken Jeske

Auto Club Speedway  
California Steel Industries

**BOARD MEMBERS PRESENT**

Bob Bowcock  
Bob Craig

Vulcan Materials Company (Calmat Division)  
Jurupa Community Services District

**Watermaster Staff Present**

Peter Kavounas  
Danielle Maurizio  
Joe Joswiak  
Sherri Molino

General Manager  
Assistant General Manager  
Chief Financial Officer  
Recording Secretary

**Watermaster Consultants Present**

Brad Herrema  
Mark Wildermuth

Brownstein, Hyatt, Farber & Schreck  
Wildermuth Environmental Inc.

**Others Present Who Signed In**

Ron Craig  
Nadeem Majaj  
Sheri Rojo  
Todd Corbin  
John Bosler  
Justin Scott-Coe

City of Chino Hills  
City of Chino Hills  
Fontana Water Company  
Jurupa Community Services District  
Cucamonga Valley Water District  
Monte Vista Water District

Rick Hansen  
 Terry Catlin  
 Eunice Ulloa  
 Curtis Paxton  
 Jack Safely  
 J. Arnold Rodriguez  
 Darron Poulsen  
 Curtis Aaron  
 Paula Lantz  
 Raul Garibay  
 Rick Reese  
 Chuck Hays  
 Allison Burns  
 John Schatz

Three Valleys Municipal Water District  
 Inland Empire Utilities Agency  
 Chino Basin Water Conservation District  
 Chino Desalter Authority  
 Western Municipal Water District  
 San Ana River Water Company  
 City of Pomona  
 City of Pomona  
 City of Pomona  
 City of Pomona  
 Amec  
 City of Fontana  
 Stadling Yocca Carlson & Rauth for CDA  
 John J. Schatz, Attorney at Law

Chair Hoerning called the Advisory Committee meeting to order at 9:06 a.m.

### **AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to the agenda.

#### **I. CONSENT CALENDAR**

##### **A. MINUTES**

1. Minutes of the Advisory Committee Meeting held April 18, 2013

##### **B. FINANCIAL REPORTS**

1. Disbursements for the month of March 2013
2. Watermaster VISA Check Detail for the month of March 2013
3. Combining Schedule for the Period July 1, 2012 through March 31, 2013
4. Cash Treasurer's Report of Financial Affairs for the Period March 1, 2013 through March 31, 2013
5. Budget vs. Actual Report for the Period July 1, 2012 through March 31, 2013

##### **C. WATER TRANSACTION**

1. Consider Approval for Notice of Sale or Transfer – The purchase of 1,100,000 acre-feet of water from Santa Ana River Water Company (SARWC) by Jurupa Community Services District (JCSD). This purchase is made first from SARWC's Annual Production Right, with any additional from storage. Date of application: March 11, 2013.  
 Pool Approval: April 11, 2013

*Motion by Kinsey, second by Pierson, and by unanimous vote*

***Moved to approve Consent Calendar items A through C, as presented***

#### **II. BUSINESS ITEMS**

##### **A. CDA REQUEST RE REMEDIATION OF CHINO AIRPORT GROUNDWATER PLUME**

Chair Hoerning stated there was a Special Appropriative Pool meeting held this morning regarding the Chino Desalter Authority (CDA) request re remediation of the Chino Airport groundwater plume. Chair Hoerning asked Ms. Molino to read the motion made at this morning's Special Appropriative Pool meeting.

Motion read by Ms. Molino: Appropriative Pool unanimously supported providing Watermaster with a recommendation to continue to proceed with analysis of Well 18 and issues related to hydraulic control, and pursue finalizing that work and present it to the Regional Water Quality Control Board for consideration and issuance of a final official finding, and to do that in an expeditious manner. And at this point, not to proceed any further with the pleading until the Appropriative Pool

gets an indication of where this leads with the Regional Water Quality Control Board and understanding a timeframe for issuance of a finding.

Chair Hoerning stated she believes the Appropriative Pool and the Non-Agricultural Pool are somewhat in alignment with that request and asked for a motion or discussion.

Mr. Pierson stated the Agricultural Pool voted to proceed forward with the pleading; that position has been consistent since the item came up for a vote.

Counsel Herrema stated the analysis related to Well 18 is looking at the necessity of Well 18 as part of Hydraulic Control (HC) measures. WEI will evaluate the necessity of that well since that forms part of the basis of the CDA's request, and especially whether remediation costs can get reimbursed. In case Well 18 is not necessary CDA will have to reconsider its request.

Mr. Harder asked how long will it take to do the analysis, and stated this needs to be done quickly. Mark Wildermuth stated the work is almost finished and the process needs to involve the Regional Water Quality Control Board (RWQCB), which may take a few months.

Mr. Burton asked that a finding be provided to the CDA by the end of May if possible, for its meeting in early June. Mr. Burton stated the timeframe to get through a process with RWQCB is uncertain and asked for a monthly progress update. Mr. Kavounas stated the Pools would receive an update as requested.

Mr. Pierson stated the Ag Pool concerns relate not only to HC, but also to water quality issues where ag pumpers continue to pump and utilize water for industrial uses; he believes the Pool is primarily concerned with this continuing for a long time.

Mr. Jeske stated that the Non Ag Pool would like to see the pleading work continue after the pertinent questions related to Well 18 have been resolved.

Chair Hoerning summarized that WEI will do the final analysis on Well 18, on the items addressed today and Watermaster staff will provide a monthly report on how the process is proceeding.

*Motion by Kinsey, second by Russo-Pereyra, and by majority vote – Agricultural Pool voted no*  
***Moved by majority to support providing Watermaster with a recommendation to continue to proceed with analysis of Well 18 and issues related to hydraulic control, and pursue finalizing that work and present it to the Regional Water Quality Control Board for consideration and issuance of a final official finding; and to do that in an expeditious manner. And at this point, not to proceed any further with the pleading until the Appropriative Pool gets an indication of where this leads with the Regional Water Quality Control Board, and understanding a timeframe for issuance of a finding, as presented.***

## **B. WATERMASTER FISCAL YEAR 2013-2014 PROPOSED BUDGET**

Mr. Joswiak gave the Fiscal Year 2013/2014 proposed budget presentation.

Chair Hoerning stated the GM has prepared a memo to the Personnel Committee members with the issues raised at the Appropriative Pool meeting, and they have received that memo.

Counsel Herrema stated that the budget must be heard by the Watermaster Board in a public hearing, and that is why the notice went out 10 days prior to the Board meeting.

Mr. Burton asked similar to the question he posed at the Appropriative Pool meeting, why is the Sunding Report update needed, and stated that could be counterproductive to the work currently

being done. City of Ontario would like that to be taken out of the budget unless the purpose is made clearer.

Mr. Jeske stated the Non Ag Pool is of the opinion that the Sunding Report update is not necessary.

*Motion by Craig, second by Pierson, and by unanimous vote*

**Moved to approve Fiscal Year 2013/2014 Watermaster budget, as presented:**

- FY 2013/14 Revised Budget of \$6,724,736
- Authorize Staff to Payoff CalPERS Side Fund

### III. REPORTS/UPDATES

#### A. LEGAL COUNSEL REPORT

##### 1. CalPERS Appeal

Counsel Herrema stated that on April 18, 2013 the Watermaster Board met in closed session and directed Watermaster legal counsel to appeal a determination by CalPERS regarding the pension benefit of Mr. Alvarez, the former CEO. The basis for the appeal was CalPERS stated it would not recognize Mr. Alvarez's salary while he was here as CEO on the basis for his pension benefit. The basis for that determination was that the CalPERS finding was his salary here did not constitute a publicly adopted pay rate under a regulation that became effective while he was here, and so Watermaster has decided to Appeal that CalPERS determination on the basis that Watermaster paid that salary, Watermaster reported that salary, and Watermaster paid the CalPERS contributions based on that salary, which CalPERS accepted. Mr. Alvarez has also filed an appeal of that determination. CalPERS will now consider the appeals and either change their determination or schedule a hearing. There are a number of CalPERS proceedings going on right now related to the evaluation of pension benefits, so it could be a number of months before hearing anything about this. The appeal documents are available upon request.

#### B. GM REPORT

##### 1. Personnel Committee Recommendations

Mr. Kavounas stated this is an update based on the discussions from last week's Pool meetings. The staff pay treatment recommendation has been modified as requested and comments by the Pools were conveyed to the Personnel Committee. Attached in the Advisory Committee's package is the letter the Watermaster Board will receive next week for approval.

##### 2. CBWM Prior Compensation Schedules

Mr. Kavounas stated this is the same report given last week at the Pool meetings. At next week's Board Meeting the Board will be asked to adopt compensation schedules for FY 2011-12 and FY 2012-13, during an open session. These are the compensation schedules that are in effect today and the prior year. This will be proposed in order to make sure there are no CalPERS issues that are raised in the future, similar to the one Mr. Herrema just reported on during Legal Counsel reports.

#### C. INLAND EMPIRE UTILITIES AGENCY

##### 1. MWD Update – Oral

No comment was made.

##### 2. State and Federal Legislative Reports

No comment was made.

##### 3. Community Outreach/Public Relations Report

No comment was made.

- 4. 3<sup>rd</sup> Quarter Water Newsletter  
No comment was made.

**D. OTHER METROPOLITAN MEMBER AGENCY REPORTS**

Mr. Safely reported that Metropolitan is expecting higher sales this year, estimated between 1.85 million acre-feet and 2.2 million acre-feet, with a corresponding increase in revenues of approximately \$50 million to \$60 million that will be used to pay down debt.

MWD's Foundation Action Program issued an RFP for programs which would help develop local recourses and local supplies. IEUA is looking at putting in a proposal to help increase recycled water in the Riverside Plant. Proposals are due the first part of July.

**IV. INFORMATION**

- 1. Cash Disbursements for April 2013  
No comment was made.

**V. COMMITTEE MEMBER COMMENTS**

Mr. Kinsey thanked all present for their cooperation.

Mr. Jew requested clarification that the approval of the budget implicitly includes authorizing payment of the CalPERS side fund. It was confirmed that the approval does include that authorization.

**VI. OTHER BUSINESS**

No comment was made.

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Pursuant to the Advisory Committee Rules & Regulations, a Confidential Session may be held during the Watermaster Pool meeting for the purpose of discussion and possible action.

No confidential session was called.

**VIII. FUTURE MEETINGS AT WATERMASTER**

<del>Tuesday, June 18, 2013</del>	<del>T.B.A.</del>	<del>Safe Yield Recalculation Workshop</del>
Tuesday, June 18, 2013	1:00 p.m.	Ethics and Sexual Harassment Prevention Training
Thursday, June 20, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, June 20, 2013	9:00 a.m.	Advisory Committee Meeting
Thursday, June 20, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
Tuesday, June 25, 2013	9:00 a.m.	GRCC Meeting
Thursday, June 27, 2013	11:00 a.m.	Watermaster Board Meeting
Tuesday, July 30, 2013	T.B.A.	Safe Yield Recalculation Workshop

Chair Hoerning adjourned the Advisory Committee meeting at 9:43 a.m.

Secretary: \_\_\_\_\_

Minutes Approved: June 20, 2013