

**MINUTES**  
**CHINO BASIN WATERMASTER**  
**ADVISORY COMMITTEE MEETING**

September 21, 2017

The Advisory Committee meeting was held at the offices of the Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on September 21, 2017.

**ADVISORY COMMITTEE MEMBERS PRESENT**

**NON-AGRICULTURAL POOL MEMBERS PRESENT**

Brian Geye, Chair  
Ramsey Haddad

Auto Club Speedway  
California Steel Industries

**AGRICULTURAL POOL MEMBERS PRESENT**

Jeff Pierson, Vice-Chair  
Pete Hall  
Lawrence Dimock

Crops  
State of California – CIM  
State of California – CIM

**APPROPRIATIVE POOL MEMBERS PRESENT**

Todd Corbin  
Teri Layton  
John Bosler for Marty Zvirbulis  
Rosemary Hoerning  
Seth Zielke  
Dave Crosley  
Raul Garibay for Darron Poulsen  
Cris Fealy  
Ron Craig  
Van Jew  
Katie Gienger for Scott Burton

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

**WATERMASTER BOARD MEMBERS PRESENT**

Bob Kuhn  
Bob Bowcock

Three Valleys Municipal Water District  
Calmat Company (Vulcan Materials Co.)

**WATERMASTER STAFF PRESENT**

Peter Kavounas  
Joseph Joswiak  
Edgar Tellez Foster  
Anna Truong  
Justin Nakano

General Manager  
Chief Financial Officer  
Senior Environmental Engineer  
Executive Services Director/Board Clerk  
Water Resources Senior Associate

**WATERMASTER CONSULTANTS PRESENT**

Brad Herrema  
Mark Wildermuth  
Andy Malone  
Garrett Rapp  
Carolina Sanchez

Brownstein Hyatt Farber Schreck, LLP  
Wildermuth Environmental, Inc.  
Wildermuth Environmental, Inc.  
Wildermuth Environmental, Inc.  
Wildermuth Environmental, Inc.

**OTHERS PRESENT**

Eunice Ulloa  
Curtis Paxton  
Chris Berch  
Shaun Stone  
Andy Campbell

City of Chino  
Chino Basin Desalter Authority  
Inland Empire Utilities Agency  
Inland Empire Utilities Agency  
Inland Empire Utilities Agency

Sheri Rojo  
Braden Yu  
Richard Rees  
Joel Ignacio  
Eric Tarango  
David De Jesus  
Manny Martinez  
Vivian Castro

Basin Creek Consulting  
Cucamonga Valley Water District  
AMEC  
Inland Empire Utilities Agency  
Fontana Water Company  
Three Valleys Municipal Water District  
Monte Vista Water District  
Chino Basin Water Conservation District

**CALL TO ORDER**

Chair Geye called the Advisory Committee meeting to order at 9:02 a.m.

**AGENDA - ADDITIONS/REORDER**

None

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Advisory Committee Meeting held July 20, 2017
2. Minutes of the Advisory Committee Special Meeting held August 3, 2017

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of June 2017
2. Watermaster VISA Check Detail for the month of June 2017
3. Combining Schedule for the Period July 1, 2016 through June 30, 2017
4. Treasurer's Report of Financial Affairs for the Period June 1, 2017 through June 30, 2017
5. Budget vs. Actual Report for the Period July 1, 2016 through June 30, 2017
6. Cash Disbursements for the month of July 2017
7. Watermaster VISA Check Detail for the month of July 2017
8. Combining Schedule for the Period July 1, 2017 through July 31, 2017
9. Treasurer's Report of Financial Affairs for the Period July 1, 2017 through July 31, 2017
10. Budget vs. Actual Report for the Period July 1, 2017 through July 31, 2017

**C. PROFESSIONAL PUBLIC OUTREACH SERVICES AGREEMENT BETWEEN RAUCH COMMUNICATION CONSULTANTS INC. AND CBWM**

Recommend to the Watermaster Board to approve.

**D. OBMP SEMI-ANNUAL STATUS REPORTS 2016-2 AND 2017-1**

Recommend to Watermaster Board to adopt the Semi-Annual OBMP Status Report 2016-2 and 2017-1, along with filing a copy with the Court, subject to any necessary non-substantive changes.

**E. FONTANA WATER COMPANY APPLICATION FOR RECHARGE**

Approve Fontana Water Company's Application for Recharge and direct Watermaster staff to account for this supplemental water recharged in Fontana Water Company's existing Local Supplemental Storage.

**F. WATER TRANSACTIONS**

Provide advice and assistance to the Watermaster Board on the proposed transactions:

1. The purchase of 119.844 acre-feet of water from the City of Upland by Golden State Water Company, effective for FY 2016/2017. This purchase is made from the City of Upland's Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover storage. Date of application: May 24, 2017.

2. The purchase of 138.156 acre-feet of water from West End Consolidated Water Company by Golden State Water Company, effective for FY 2016/2017. This purchase is made from West End Consolidated Water Company's Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover storage. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of application: May 24, 2017.
3. The purchase of 1,474.258 acre-feet of water from West End Consolidated Water Company by the City of Upland, effective for FY 2016/2017. This purchase is made from West End Consolidated Water Company's Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover storage. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of application: May 24, 2017.
4. The purchase of 6,000.000 acre-feet of water from the City of Upland by Fontana Water Company, effective for FY 2016/2017. This purchase is made from the City of Upland's Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover storage. Date of application: June 14, 2017.
5. The permanent transfer of 18.789 acre-feet from Angelica Corporation to 9W Halo Western OpCo L.P. This transfer is contingent on 9W Halo Western OpCo L.P.'s successful intervention into the Overlying (Non-Agricultural) Pool. Date of application: July 6, 2017.

(0:00:39)

*Motion by Vice-Chair Jeff Pierson, seconded by Mr. Ron Craig, and by unanimous vote*

***Moved to approve the Consent Calendar as presented.***

## II. **BUSINESS ITEMS**

### A. **DESALTER REPLENISHMENT OBLIGATION ALLOCATION**

Offer advice to Watermaster on the acceptable methodology to allocate Desalter Replenishment Obligation among parties.

(0:01:03) Mr. Kavounas gave a report. A discussion ensued.

(0:06:44) Motion introduced by Mr. Craig. Further discussion ensued.

(0:16:40) Board Member Kuhn offered comment.

(0:18:26) *Vote Taken*

*Motion by Mr. Ron Craig, seconded by Ms. Teri Layton, and by unanimous vote*

***Moved to request the Watermaster Board to not act on Business Item II.A. and allow the Appropriative Pool additional time to move forward with its negotiations on the matter.***

### B. **EVAPORATIVE LOSSES TO SUPPLEMENTAL WATER RECHARGE IN CHINO BASIN**

Approve the amendment of the Rules and Regulations by adding section 7.2(d) to account for evaporative losses to all supplemental water delivered to Recharge Basins at a rate of 1.5% during the Rainy Season (November through March) and 4.2% during the Dry Season (April through October) beginning on October 1, 2017. Further, that evaporative losses be re-evaluated on a periodic basis as more data becomes available.

(0:18:45) Mr. Kavounas gave a report. A discussion ensued.

(0:21:21) Mr. Craig commented on municipal water system losses. A discussion ensued.

(0:28:56) Motion introduced by Mr. Craig, and seconded by Mr. Jew. Further discussion ensued.

(0:30:47) *Vote Taken*

*Motion by Mr. Ron Craig, seconded by Mr. Van Jew, and by unanimous vote*

***Moved to approve Business Item II.B. as presented; and requested a review of collective municipal system losses to assess the order of magnitude.***

**C. 2016 ANNUAL REPORT OF THE GROUND-LEVEL MONITORING COMMITTEE**

Recommend to the Watermaster Board to approve the 2016 Annual Report of the Ground-Level Monitoring Committee, along with filing a copy with the Court.

(0:31:00) Mr. Kavounas offered the same reports as was given at the Pool meetings last week. The Committee declined to have the reports provided again.

(0:31:36)

*Motion by Mr. Raul Garibay, seconded by Vice-Chair Jeff Pierson, and by unanimous vote*

***Moved to approve Business Item II.C. as presented.***

**D. MASTER AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND INLAND EMPIRE UTILITIES AGENCY REGARDING THE MANAGEMENT OF COLLABORATIVE PROJECTS**

Recommend to the Watermaster Board to approve the proposed Master Agreement between Chino Basin Watermaster and Inland Empire Utilities Agency Regarding the Management of Collaborative Projects.

(0:32:08) Mr. Kavounas gave a report.

(0:33:04)

*Motion by Vice-Chair Jeff Pierson, seconded by Mr. Raul Garibay, and by unanimous vote*

***Moved to approve Business Item II.D. as presented.***

**E. TASK ORDER NO. 1 UNDER THE MASTER AGREEMENT REGARDING THE MANAGEMENT OF COLLABORATIVE PROJECTS (SALINITY MANAGEMENT)**

Approve Task Order No. 1 (Salinity Management).

(0:33:33) Mr. Kavounas gave a report. A discussion ensued.

(0:33:56)

*Motion by Ms. Katie Gienger, seconded by Vice-Chair Jeff Pierson, and by unanimous vote*

***Moved to approve Business Item II.E. as presented.***

**F. FIRST AMENDMENT TO THE MASTER RECHARGE FACILITIES FINANCING AGREEMENT**

Recommend to the Watermaster Board to approve.

(0:34:36) Mr. Kavounas gave a report.

(0:35:16)

*Motion by Ms. Rosemary Hoerning, seconded by Mr. Raul Garibay, and by unanimous vote*

***Moved to approve Business Item II.F. as presented.***

**G. FISCAL YEAR 2016/17 BUDGET TRANSFER (FORM T-17-06-01)**

Approve Budget Transfer Form T-17-06-01 for FY 2016/17 as presented.

(0:35:40) Mr. Joswiak gave a report.

(0:36:27)

*Motion by Vice-Chair Jeff Pierson, seconded by Mr. John Bosler, and by unanimous vote*

***Moved to approve Business Item II.G. as presented.***

**H. SCADA INSTALLATION, MONITORING AND REIMBURSEMENT LETTER AGREEMENT BETWEEN WATERMASTER AND MONTE VISTA WATER DISTRICT**

Approve the proposed SCADA Installation, Monitoring and Reimbursement Letter Agreement between Watermaster and MVWD.

(0:36:52) Mr. Kavounas gave a report. A discussion ensued.

(0:37:24)

*Motion by Mr. Ron Craig, seconded by Mr. Raul Garibay, and by unanimous vote*

***Moved to approve Business Item II.H. as presented.***

**III. REPORTS/UPDATES**

**A. LEGAL COUNSEL REPORT**

1. Appeal of April 28, 2017 Order
2. Hearing on Motion to Confirm Stay Pending Appeal

(0:37:42) Mr. Herrema gave a report.

**B. ENGINEER REPORT**

1. Storage Workshop
2. Other Efforts

(0:39:03) Mr. Malone offered the same reports as was given at the Pool meetings last week. The Committee declined to have the reports provided again.

**C. CFO REPORT**

1. Status of FY 2016/17 Audit Report

(0:39:17) Mr. Joswiak gave a report.

**D. GM REPORT**

1. Pump to Waste Reporting
2. DYY Program Update
3. Santa Ana River Update
4. CSI Basin Project Decision
5. Other

(0:39:45) Mr. Kavounas gave reports on Items III.D.1. through III.D.4., and gave an update on Water Activity Reports, Exhibit "G" rates, Storage Agreements, and Storage Workshop #4. A discussion ensued.

(0:43:44) Mr. Kavounas announced that Storage Workshop #4 may be cancelled due to lack of information received. Further discussion ensued.

**E. INLAND EMPIRE UTILITIES AGENCY (WRITTEN)**

1. MWD Water Supply Conditions
2. State and Federal Legislative Reports
3. Community Outreach/Public Relations Report
4. IEUA Water Forum Newsletter

(0:47:13) Mr. Berch gave a report. A discussion ensued

(0:53:39) Mr. Campbell gave a report on groundwater recharge, and announced that recycled water deliveries hit a record for 2016/17. A discussion ensued.

**F. OTHER METROPOLITAN MEMBER AGENCY REPORTS**

None

**IV. INFORMATION**

1. Cash Disbursements for August 2017

**V. COMMITTEE MEMBER COMMENTS**

None

**VI. OTHER BUSINESS**

None

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

None

**ADJOURNMENT**

Chair Geye adjourned the Advisory Committee meeting at 10:06 a.m.

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

Approved: \_\_\_\_\_ October 19, 2017 \_\_\_\_\_