

MINUTES
CHINO BASIN WATERMASTER
ADVISORY COMMITTEE MEETING

March 18, 2021

The Advisory Committee meeting was held by GoToMeeting (conference call and web meeting) on March 18, 2021.

ADVISORY COMMITTEE MEMBERS PRESENT ON CALL

AGRICULTURAL POOL COMMITTEE

Jeff Pierson, Chair	Agricultural Pool – Crops
Bob Feenstra	Agricultural Pool – Dairy
Pete Hall	Agricultural Pool – State of California –CIM
Marilyn Levin for Carol Boyd	Agricultural Pool – State of California –DOJ

APPROPRIATIVE POOL COMMITTEE

Chris Diggs, Vice-Chair	City of Pomona
Dave Crosley	City of Chino
Ron Craig	City of Chino Hills
Scott Burton	City of Ontario
Steven Ledbetter for Rosemary Hoerning	City of Upland
John Bosler	Cucamonga Valley Water District
Josh Swift	Fontana Union Water Company
Cris Fealy	Fontana Water Company
Chris Berch	Jurupa Community Services District
Justin Scott-Coe	Monte Vista Irrigation Company
Justin Scott-Coe	Monte Vista Water District
Brian Lee	San Antonio Water Company

NON-AGRICULTURAL POOL COMMITTEE

Brian Geye, 2 nd Vice-Chair	California Speedway Corporation
Bob Bowcock for Kathleen Brundage	CalMat Co.

WATERMASTER BOARD MEMBERS PRESENT ON CALL

Bob Kuhn	Three Valleys Municipal Water District
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WATERMASTER STAFF PRESENT ON CALL

Peter Kavounas	General Manager
Joseph Joswiak	Chief Financial Officer
Edgar Tellez Foster	Water Resources Mgmt. and Planning Dir.
Anna Nelson	Executive Services Director
Justin Nakano	Water Resources Technical Manager
Frank Yoo	Water Resources Senior Associate
Janine Wilson	Senior Accountant
Vanessa Aldaz	Administrative Assistant

WATERMASTER CONSULTANTS PRESENT ON CALL

Brad Herrema	Brownstein Hyatt Farber Schreck, LLP
Andy Malone	West Yost
Mark Wildermuth	West Yost

OTHERS PRESENT ON CALL

Gino Filippi	Agricultural Pool – Crops
Amanda Coker	City of Chino
Courtney Jones	City of Ontario

Braden Yu	City of Upland
Eduardo Espinoza	Cucamonga Valley Water District
Kevin Kenley	Cucamonga Valley Water District
Praseetha Krishnan	Cucamonga Valley Water District
Randall Reed	Cucamonga Valley Water District
Jiwon Seung	Cucamonga Valley Water District
Ben Lewis	Golden State Water Company
Christiana Daisy	Inland Empire Utilities Agency
Shivaji Deshmukh	Inland Empire Utilities Agency
Sylvie Lee	Inland Empire Utilities Agency
Eddie Lin	Inland Empire Utilities Agency
Stephanie Reimer	Monte Vista Irrigation Company
Stephanie Reimer	Monte Vista Water District
Bill Schwartz	Monte Vista Water District
David De Jesus	Three Valleys Municipal Water District
Timothy Kellett	Three Valleys Municipal Water District
Matthew Litchfield	Three Valleys Municipal Water District
John Lopez	Santa Ana River Water Company
Todd Minten	Santa Ana River Water Company
Richard Rees	Wood plc

CALL TO ORDER

Chair Pierson called the Advisory Committee meeting to order at 9:00 a.m.

ROLL CALL

(0:01:29) Ms. Nelson conducted the roll call and announced that a quorum was present.

AGENDA – ADDITIONS/REORDER

None

I. CONSENT CALENDAR

Note: All matters listed under the Consent Calendar are considered to be routine and non-controversial and will be acted upon by one motion in the form listed below. There will be no separate discussion on these items prior to voting unless any members, staff, or the public requests specific items be discussed and/or removed from the Consent Calendar for separate action.

A. MINUTES

Approve as presented:

1. Minutes of the Advisory Committee Meeting held on February 18, 2021

B. FINANCIAL REPORTS

Receive and file as presented:

1. Cash Disbursements for the month of January 2021
2. Watermaster VISA Check Detail for the month of January 2021
3. Combining Schedule for the Period July 1, 2020 through January 31, 2021
4. Treasurer's Report of Financial Affairs for the Period January 1, 2021 through January 31, 2021
5. Budget vs. Actual Report for the Period July 1, 2020 through January 31, 2021
6. Cash Disbursements for February 2021 (Information Only)

C. OBMP SEMI-ANNUAL STATUS REPORT 2020-2

Recommend the Watermaster Board to adopt the Semi-Annual OBMP Status Report 2020-2, along with filing a copy with the Court, subject to any necessary non-substantive changes.

D. SGMA REPORTING FOR WATER YEAR 2020

Recommend to the Watermaster Board to approve and direct staff to file the information/reports with the DWR.

(0:04:28) A voice vote was taken, and the results are attached to these minutes.
Motion by Mr. Bob Feenstra, seconded by Mr. Ron Craig, and passed unanimously.
Moved to approve the Consent Calendar as presented.

II. BUSINESS ITEMS

A. RESPONSE TO AP REQUEST FOR RECOMMENDATIONS IN RE: ADVISORY COMMITTEE ROLE IN THE BUDGET PROCESS

Provide advice to Watermaster staff on recommended meeting schedule for FY 2021/22 budget review process.

(0:11:37) Mr. Kavounas gave a report. A discussion ensued.

(0:14:33) A motion was introduced by Mr. Diggs and seconded by Mr. Crosley to 1) adopt Attachment 3 (page 101 of AC staff report regarding the Budget Process) and 2, proceed with timeline as shown on March 15, 2021 document submitted by the AP. Additional discussion ensued.

(0:27:17) A substitute motion was introduced by Chair Pierson and seconded by Mr. Feenstra to recommend staff to move forward with the timeline as proposed by the AP dated March 15, 2021. Further discussion ensued.

(1:03:55) The main motion was amended by Mr. Diggs to adopt Attachment 3 (page 101 of the 3/18/21 AC meeting package regarding the budget process) as revised and attached to these minutes (Attachment 4) and proceed with the timeline as proposed by the AP dated March 15, 2021 and attached to these minutes (Attachment 5.)

(1:19:33) The substitute motion was amended by Chair Pierson to recommend staff to move forward with the FY 2021/22 Budget process as outlined on page 95 of the 3/18/21 AC meeting package regarding the budget process, and table all other related items and bring to the April 2021 WM process for discussion.

(1:22:49) A voice vote was taken on the amended substitute motion, and the results are attached to these minutes.

Motion by Chair Pierson, seconded by Mr. Bob Feenstra, and failed by 25 votes in favor and 75 votes against.

Moved to recommend staff to move forward with the FY 2021/22 Budget process as outlined on page 95 of the 3/18/21 AC meeting package regarding the budget process, and table all other related items and bring to the April 2021 WM process for discussion.

(1:26:04) A voice vote was taken on the amended main motion, and the results are attached to these minutes.

Motion by Mr. Chris Diggs, seconded by Mr. Dave Crosley, and passed by majority 80 votes in favor and 20 votes against.

Moved to adopt Attachment 4 (page 101 of the 3/18/21 AC meeting package regarding the budget process) as revised and attached to these minutes and proceed with the timeline as proposed by the AP dated March 15, 2021 and also attached to these minutes as Attachment 5.

III. REPORTS/UPDATES

A. LEGAL COUNSEL

1. San Bernardino County Superior Court Emergency Order
2. March 26, 2021 Hearing
3. Kaiser Permanente Lawsuit

(1:33:10) Mr. Herrema gave a report.

B. ENGINEER

1. GLMC/PBHSC Scope and Budget Process – FY 2021/2022

(1:34:20) Mr. Malone gave a report.

C. CHIEF FINANCIAL OFFICER

1. Fiscal Year 2021/22 Budget Schedule

(1:36:27) Mr. Joswiak gave a report.

D. GENERAL MANAGER

1. Status Report: Peace Agreement Amendment (PE8)
2. Status Report: Local Storage Limitation Solution – Addendum
3. Status Report: Exhibit G Physical Solution Transfers
4. Chino Basin Optimum Management
5. Other

(1:37:06) Mr. Kavounas gave a report.

E. INLAND EMPIRE UTILITIES AGENCY

1. MWD Update (Written)
2. State and Federal Legislative Reports (Written)
3. Community Outreach/Public Relations Report (Written)

(1:37:53) Ms. Daisy from IEUA gave an update on MWD's state water project allocation.

F. METROPOLITAN MEMBER AGENCY REPORTS

None

IV. COMMITTEE MEMBER COMMENTS

(1:39:03) Mr. Craig commented on the Prado Basin Habitat Sustainability Committee meeting indicating that the meeting was excellent and efforts of PBHSC was important in protecting the habitat and the interest of the Chino Basin stakeholders. He also expressed gratitude, on behalf of Chino Hills, to Watermaster staff and IEUA on the efforts for the Local Storage Limitation Solution.

V. OTHER BUSINESS

None

VI. CONFIDENTIAL SESSION - POSSIBLE ACTION

A Confidential Session may be held during the Advisory Committee meeting for the purpose of discussion and possible action

None

ADJOURNMENT

Chair Pierson adjourned the Advisory Committee meeting at 10:42 a.m.

Secretary: _____

Approved: _____ May 20, 2021

Attachments:

1. 20210318 Advisory Committee Meeting Volume Vote – Consent Calendar
2. 20210318 Advisory Committee Meeting Volume Vote – Amended Substitute Motion for Business Item II.A. Response to Ap Request for Recommendations in Re: Advisory Committee Role in The Budget Process
3. 20210318 Advisory Committee Meeting Volume Vote – Amended Main Motion for Business Item II.A. Response to AP Request for Recommendations in Re: Advisory Committee Role in The Budget Process
4. 20210318 Proposed Budget Process with redlines as indicated in amended main motion
5. 20210318 Proposed Budget Process Timeline as proposed by the AP

**Attachment 1 to 20210318 Advisory Committee Minutes
 CONSENT CALENDAR**

**QUORUM
 MET?**

YES



2021 ADVISORY COMMITTEE VOLUME VOTE
Assessment Year 2020-2021 (Production Year 2019-2020)

Enter Y or N in Each Cell

Party	Present (Y/N)	Vote (Y/N)	Assigned	Reallocated	Available	Quorum	Total Yes
Minor 1	Y	Y	3.325	0.000	3.325	3.325	3.325
Minor 2	Y	Y	3.325	0.000	3.325	3.325	3.325
Chino Hills, City Of	Y	Y	2.200	0.000	2.200	2.200	2.200
Chino, City Of	Y	Y	3.937	0.000	3.937	3.937	3.937
Cucamonga Valley Water District	Y	Y	5.651	0.000	5.651	5.651	5.651
Fontana Union Water Company	Y	Y	4.371	0.000	4.371	4.371	4.371
Fontana Water Company	Y	Y	5.593	0.000	5.593	5.593	5.593
Jurupa Community Services District	Y	Y	7.975	0.000	7.975	7.975	7.975
Monte Vista Water District	Y	Y	6.822	0.000	6.822	6.822	6.822
Ontario, City Of	Y	Y	15.244	0.000	15.244	15.244	15.244
Pomona, City Of	Y	Y	13.329	0.000	13.329	13.329	13.329
Upland, City Of	Y	Y	3.228	0.000	3.228	3.228	3.228
AGRICULTURAL POOL	Y	Y	20.000	0.000	20.000	20.000	20.000
NON-AGRICULTURAL POOL	Y	Y	5.000	0.000	5.000	5.000	5.000
			100.000	0.000	100.000	100.000	100.000

CALCULATE
 QUORUM

CALCULATE
 VOTES

"YES" VOTES
 100.000%

RESET ALL

RESET VOTES

"NO" VOTES
 0.000%

PASSED

**Attachment 2 to 20210318 Advisory Committee Minutes
 BUSINESS ITEM II.A. Response to AP Request for Recommendations in Re: AC Role in Budget Process
 Amended Substitute Motion**



2021 ADVISORY COMMITTEE VOLUME VOTE
 Assessment Year 2020-2021 (Production Year 2019-2020)

QUORUM
 MET?
YES

Enter Y or N in Each Cell

Party	Present (Y/N)	Vote (Y/N)	Assigned	Reallocated	Available	Quorum	Total Yes
Minor 1	Y	N	3.325	0.000	3.325	3.325	0.000
Minor 2	Y	N	3.325	0.000	3.325	3.325	0.000
Chino Hills, City Of	Y	N	2.200	0.000	2.200	2.200	0.000
Chino, City Of	Y	N	3.937	0.000	3.937	3.937	0.000
Cucamonga Valley Water District	Y	N	5.651	0.000	5.651	5.651	0.000
Fontana Union Water Company	Y	N	4.371	0.000	4.371	4.371	0.000
Fontana Water Company	Y	N	5.593	0.000	5.593	5.593	0.000
Jurupa Community Services District	Y	N	7.975	0.000	7.975	7.975	0.000
Monte Vista Water District	Y	N	6.822	0.000	6.822	6.822	0.000
Ontario, City Of	Y	N	15.244	0.000	15.244	15.244	0.000
Pomona, City Of	Y	N	13.329	0.000	13.329	13.329	0.000
Upland, City Of	Y	N	3.228	0.000	3.228	3.228	0.000
AGRICULTURAL POOL	Y	Y	20.000	0.000	20.000	20.000	20.000
NON-AGRICULTURAL POOL	Y	Y	5.000	0.000	5.000	5.000	5.000
			100.000	0.000	100.000	100.000	25.000

CALCULATE
 QUORUM

CALCULATE
 VOTES

RESET ALL

RESET VOTES

"YES" VOTES
 25.000%

"NO" VOTES
 75.000%

NOT PASSED

LESS THAN 50 YES VOTES

**Attachment 3 to 20210318 Advisory Committee Minutes
 BUSINESS ITEM II.A. Response to AP Request for Recommendations in Re: AC Role in Budget Process
 Amended Main Motion**



2021 ADVISORY COMMITTEE VOLUME VOTE
Assessment Year 2020-2021 (Production Year 2019-2020)

**QUORUM
 MET?
 YES**

Enter Y or N in Each Cell

Party	Present (Y/N)	Vote (Y/N)	Assigned	Reallocated	Available	Quorum	Total Yes
Minor 1	Y	Y	3.325	0.000	3.325	3.325	3.325
Minor 2	Y	Y	3.325	0.000	3.325	3.325	3.325
Chino Hills, City Of	Y	Y	2.200	0.000	2.200	2.200	2.200
Chino, City Of	Y	Y	3.937	0.000	3.937	3.937	3.937
Cucamonga Valley Water District	Y	Y	5.651	0.000	5.651	5.651	5.651
Fontana Union Water Company	Y	Y	4.371	0.000	4.371	4.371	4.371
Fontana Water Company	Y	Y	5.593	0.000	5.593	5.593	5.593
Jurupa Community Services District	Y	Y	7.975	0.000	7.975	7.975	7.975
Monte Vista Water District	Y	Y	6.822	0.000	6.822	6.822	6.822
Ontario, City Of	Y	Y	15.244	0.000	15.244	15.244	15.244
Pomona, City Of	Y	Y	13.329	0.000	13.329	13.329	13.329
Upland, City Of	Y	Y	3.228	0.000	3.228	3.228	3.228
AGRICULTURAL POOL	Y	N	20.000	0.000	20.000	20.000	0.000
NON-AGRICULTURAL POOL	Y	Y	5.000	0.000	5.000	5.000	5.000
			100.000	0.000	100.000	100.000	80.000

CALCULATE
QUORUM

CALCULATE
VOTES

"YES" VOTES
80.000%

RESET ALL

RESET VOTES

"NO" VOTES
20.000%

PASSED

3/10/21

PROPOSED BUDGET PROCESS

~~Current Process:~~

~~Release of a draft annual budget in late March; stakeholder workshops in April; and pool committee review and recommendation, Advisory Committee approval, and Watermaster Board adoption in May.~~

~~Comment: The annual budget process is inconsistent with Judgment Paragraph 30 because it replaces the Advisory Committee's role in providing recommendations during the development of the draft annual budget with informal stakeholder workshops.~~

~~Proposed Process:~~

1. Watermaster will submit to the Advisory Committee a draft annual budget for the subsequent fiscal year as the first step. The draft will provide sufficient detail to make a proper allocation of the expense among the several pools, together with Watermaster's proposed allocation. ~~The draft will indicate how each proposed budgetary line item expense is required for Watermaster to administer and enforce the provisions of the Judgment and any subsequent instructions or orders of the Court.~~ The draft will contain such additional comparative information or explanation as the Advisory Committee may recommend.

2. ~~Thirty (30) days~~ following submittal of the draft annual budget to the Advisory Committee, the Advisory Committee will review and discuss the draft annual budget, consider any recommended changes by members of the Advisory Committee, and submit said budget as revised and approved by the Advisory Committee to the Watermaster Board. The Advisory Committee may continue to review the draft annual budget and develop its recommendations during its subsequent regular meeting and/or during a subsequent special meeting on a date of its choosing.

3. Upon receipt of the Advisory Committee's submittal of an approved recommended annual budget, Watermaster will agendize for the Watermaster Board's regular meeting agenda a public hearing to receive public input and consider adoption of the annual budget approved by the Advisory Committee.

~~4. Watermaster will submit to the Advisory Committee for review and recommendation any proposed modification to an adopted annual budget, as well as any proposed budget transfer in excess of twenty percent (20%) of a budget category during any budget year. Watermaster will not make any modification to an adopted budget, nor will Watermaster transfer any funds between budget categories in excess of twenty percent (20%), without the prior approval of the Advisory Committee consistent with the powers and functions of the Advisory Committee.~~

Watermaster is encouraged to continue holding informal stakeholder workshops to assist Watermaster in developing its draft budget prior to its submittal to the Advisory Committee.

Watermaster is also requested to incorporate the above process in the Watermaster Rules and Regulations.

3/15/21

PROPOSED BUDGET PROCESS

TIMELINE

Proposed Process Outline:

The following is a proposed outline of the above described process:

1. March: Stakeholder workshops to inform the development of the draft budget.
2. April: Review of draft budget by pool committees, followed by submittal of draft budget to Advisory Committee.
3. May: Request for pool committees to provide input to Advisory Committee, followed by Advisory Committee consideration of approval of budget to forward to Watermaster Board. Upon Advisory Committee approval, Watermaster Board to hold public hearing to consider adoption of budget approved by Advisory Committee.
4. June: Optional additional time for pool committees, Advisory Committee, and/or Watermaster Board to further consider budget.

Proposed FY 2021/22 Budget Process:

Here's how Watermaster's FY 2021/22 Budget process would look harmonized with the above proposed process:

- Tuesday, March 23, 2021: 10am (2 hours) – Release of Draft FY 2021/22 Budget
- Tuesday, April 6, 2021: 1pm (2 hours) – Workshop #1, receive stakeholder input
- Thursday, April 8, 2021 – Revised Draft FY 2021/22 Budget presented to Pools
- Tuesday, April 13, 2021: 1pm (2 hours) – Workshop #2 (if needed), receive stakeholder input
- Thursday, April 15, 2021 – Revised Draft FY 2021/22 Budget submitted to Advisory Committee
- Thursday, May 13, 2021 – Pool input to Advisory Committee
- Thursday, May 20, 2021 – Advisory Committee approval of FY 2021/22 Budget, forwarded to Watermaster Board
- Thursday, May 27, 2021 – Watermaster Board public hearing to consider adoption of budget approved by Advisory Committee

June meetings (if needed) – further consideration of FY 2021/22 Budget