

MINUTES
CHINO BASIN WATERMASTER
AGRICULTURAL POOL MEETING

May 11, 2017

The Agricultural Pool meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on May 11, 2017.

AGRICULTURAL POOL MEMBERS PRESENT

Bob Feenstra, Chair	Dairy
Jeff Pierson, Vice-Chair	Crops
John Huitsing	Dairy
Ron LaBrucherie, Jr.	Crops
Nathan deBoom	Dairy
Henry DeHaan	Dairy
Lawrence Dimock	State of California – CIM
Pete Hall	State of California – CIM
Carol Boyd	State of California – CIM
Andrew Silva for Bob Page	County of San Bernardino
Ronald Pietersma	Dairy

WATERMASTER BOARD MEMBER PRESENT

Geoffrey Vanden Heuvel	Dairy
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WATERMASTER STAFF PRESENT

Peter Kavounas	General Manager
Joseph Joswiak	Chief Financial Officer
Edgar Tellez Foster	Senior Environmental Engineer
Anna Truong	Executive Services Director/Board Clerk
Justin Nakano	Water Resources Senior Associate

WATERMASTER CONSULTANTS PRESENT

Brad Herrema	Brownstein Hyatt Farber Schreck, LLP
Mark Wildermuth	Wildermuth Environmental, Inc.
Andy Malone	Wildermuth Environmental, Inc.

OTHERS PRESENT

Ramsey Haddad	California Steel Industries
Ken Jeske	California Steel Industries
Richard Rees	AMEC
Marilyn Levin	State of California – DOJ
Tracy Egoscue	Egoscue Law Group

CALL TO ORDER

Chair Feenstra called the Agricultural Pool meeting to order at 1:51 p.m.

AGENDA - ADDITIONS/REORDER

Due to schedule conflicts, Business Item II.A., CSI Basin Improvement Project, was taken first. Consent Calendar Items D and E were pulled for separate discussion.

I. CONSENT CALENDAR**A. MINUTES**

1. Minutes of the Agricultural Pool Special Meeting held on April 5, 2017
2. Minutes of the Agricultural Pool Meeting held on April 13, 2017
3. Minutes of the Agricultural Pool Special Meeting held on April 26, 2017

B. FINANCIAL REPORTS

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

C. CHINO BASIN WATERMASTER 39TH ANNUAL REPORT

Recommend to Advisory Committee to recommend to the Board to adopt the 39th Annual Report, along with filing a copy with the Court, subject to any necessary non-substantive changes.

D. AGREEMENT WITH SAN BERNARDINO COUNTY FOR CREATION OF GSA FOR SGMA FRINGE AREAS

Recommend to Advisory Committee to approve the proposed Cooperation Agreement between Chino Basin Watermaster and the County of San Bernardino for the creation of a GSA for the SGMA Fringe Areas in San Bernardino County.

E. WATER TRANSACTIONS

1. Notice of Sale or Transfer – The purchase of 4,000.000 acre-feet of water from the City of Pomona by Cucamonga Valley Water District. This purchase is made from the City of Pomona's Excess Carryover Account. Date of application: May 3, 2017.
2. Notice of Sale or Transfer – The purchase of 500.000 acre-feet of water from West Valley Water District by Cucamonga Valley Water District. This purchase is made from West Valley Water District's Excess Carryover Account. Date of application: May 3, 2017.
3. Notice of Sale or Transfer – The purchase of 3,000.000 acre-feet of water from Cucamonga Valley Water District by Fontana Water Company. This purchase is made from Cucamonga Valley Water District's Annual Production Right/Operating Safe Yield first, then any additional from storage. Date of application: May 3, 2017.
4. Notice of Sale or Transfer – The purchase of 4,000.000 acre-feet of water from Cucamonga Valley Water District by Fontana Water Company. This purchase is made from Cucamonga Valley Water District's Annual Production Right/Operating Safe Yield first, then any additional from storage. Date of application: May 3, 2017.
5. The purchase of 399.260 acre-feet of water from the City of Chino by the City of Ontario. This purchase is made from the City of Chino's Excess Carryover Account. Date of application: May 2, 2017.

F. THIRD AMENDMENT TO TASK ORDER NO. 1 (2013 RMPU AMENDMENT YIELD ENHANCEMENT PROJECTS – PLANNING, PERMITTING, AND DESIGN)

Recommend to Advisory Committee to recommend to the Board to approve the amended Task Order No. 1 to reflect the change in scope and cost.

G. FIRST AMENDMENT TO TASK ORDER NO. 2 (LOWER DAY BASIN IMPROVEMENT PROJECT)

Recommend to Advisory Committee to recommend to the Board to approve the amended Task Order No. 2 (Lower Day Basin Improvement Project).

H. FIRST AMENDMENT TO TASK ORDER NUMBERS 5 (JURUPA PUMP STATION AND HVAC IMPROVEMENTS), AND 6 (WINEVILLE PROOF OF CONCEPT)

Recommend to Advisory Committee to recommend to the Board to approve the amended Task Orders No. 5 and No. 6 and conclude associated obligations.

I. SECOND AMENDMENT TO TASK ORDER NO. 8 (SAN SEVAINE BASIN RMPU IMPROVEMENT PROJECT)

Recommend to Advisory Committee to recommend to the Board to approve the amended Task Order No. 8 (San Sevaïne Basin Improvement Project).

J. TASK ORDER NO. 9 UNDER MASTER AGREEMENT FOR COLLABORATIVE RECHARGE PROJECTS (RMPU IMPROVEMENT PROJECT 23a)

Recommend to Advisory Committee to recommend to the Board to approve Task Order No. 9, RMPU Improvement Project 23a (2013 RMPU proposed Wineville PS to Jurupa, expanded Jurupa PS to RP3 Basin and 2013 RP3 Improvements Project).

K. TASK ORDER NO. 10 UNDER MASTER AGREEMENT FOR COLLABORATIVE RECHARGE PROJECTS (VICTORIA BASIN IMPROVEMENT PROJECT)

Recommend to Advisory Committee to recommend to the Board to approve Task Order No. 10, Victoria Basin Improvement Project (PID 11).

(0:12:54)

Motion by Mr. Jeff Pierson, seconded by Mr. Nathan deBoom, and by unanimous vote

Moved to approve Consent Calendar, excluding Items I.D. and I.E. as presented.

(0:13:31) Chair Feenstra asked for more background on Consent Calendar Item I.D., Agreement with San Bernardino County for Creation of GSA for SGMA fringe areas.

(0:13:43) Mr. Kavounas introduced Mr. Tellez Foster to give a report. A discussion ensued.

(0:18:58)

Motion by Mr. Jeff Pierson, seconded by Mr. Nathan deBoom, and by unanimous vote

Moved to approve Consent Calendar Item I.D. as presented.

(0:19:34) Vice-Chair Pierson commented on Item I.E., Water Transactions. A discussion ensued.

(0:30:37) Motion introduced by Mr. Nathan deBoom, and seconded by Mr. Ron LaBrucherie, Jr. Additional discussion ensued.

(0:32:39) Vote Taken

Motion by Mr. Nathan deBoom, seconded by Mr. Ron LaBrucherie, Jr., and by majority vote.

Moved to oppose Consent Calendar Item I.E., Water Transactions as presented.

Abstention by Andrew Silva – County of San Bernardino.

II. BUSINESS ITEMS

A. CSI BASIN IMPROVEMENT PROJECT (DISCUSSION ONLY)

(0:00:05) Chair Feenstra introduced Mr. Jeske to give a report. Messrs. Jeske and Haddad gave a report on the CSI Basin Improvement Project. A discussion ensued.

B. TASK ORDER NO. 11 UNDER MASTER AGREEMENT FOR COLLABORATIVE RECHARGE PROJECTS (MONTCLAIR BASIN IMPROVEMENT PROJECT)

Recommend to Advisory Committee to recommend to the Board to approve Task Order No. 11, Montclair Basins Improvement Project (PID 2).

(0:33:31) Mr. Kavounas gave a report. A discussion ensued.

(0:35:08) Motion introduced by Mr. Jeff Pierson, and seconded by Mr. Pete Hall. Additional discussion ensued.

(0:38:13) Vote Taken

Motion by Mr. Jeff Pierson, seconded by Mr. Pete Hall, and by unanimous vote.

Moved to approve Business Item II.B. as presented.

C. FISCAL YEAR 2016/17 BUDGET AMENDMENT (FORM A-17-04-01)

Recommend Advisory Committee approve the Budget Amendment Form A-17-04-01 for FY 2016/17 in the amount of \$100,000 for the increased cost associated with the CalPERS Personnel Matter regarding Alvarez and the Safe Yield Redetermination and Reset, as presented.

(0:38:38) Mr. Joswiak gave a report.

(0:40:06)

Motion by Mr. John Huitsing, seconded by Mr. Henry DeHaan, and by unanimous vote.

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

D. RESOLUTION TO LEVY DESALTER REPLENISHMENT ASSESSMENTS FOR PRODUCTION YEAR 2013/14 (BASED ON ASSESSMENT PACKAGE FOR PRODUCTION YEAR 2013/14)

Review Resolution 2017-05 as presented, and offer advice to Watermaster.

(0:40:38) Mr. Kavounas gave a report. A discussion ensued.

E. WATERMASTER FISCAL YEAR 2017/18 PROPOSED BUDGET

Recommend Advisory Committee approval of the proposed FY 2017/18 budget as presented.

(0:54:46) Mr. Kavounas introduced Mr. Joswiak to give a presentation. A discussion ensued.

(1:07:01)

Motion by Mr. Jeff Pierson, seconded by Mr. Ronald Pietersma, and by unanimous vote.

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

F. OLD BUSINESS

None

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Safe Yield Reset
2. Overlying (Agricultural) Pool Committee's Contest to Application for Storage Agreements
3. Rules and Regulations Update

(1:08:59) Mr. Herrema gave a report. A discussion ensued.

B. ENGINEER REPORT

1. Prado Basin Habitat Sustainability Program
2. Other Compliance Reporting

(1:29:22) Mr. Malone gave a report.

C. CFO REPORT

None

D. GM REPORT

1. Safe Yield Reset – Implementation of Court Order
2. Safe Storage Capacity
3. Storage Applications
4. SGMA Update
5. Ambient Water Quality Study
6. Other

(1:33:27) Mr. Kavounas gave a report on Items III.D.1, III.D.2, and III.D.3.

(1:39:50) Mr. Kavounas introduced Mr. Tellez Foster to give a report on Items III.D.4 and III.D.5.

(1:43:57) Mr. Kavounas announced the conclusion of Project Lovebox, and thanked those who participated in the fundraiser.

IV. INFORMATION

1. Cash Disbursements for April 2017
2. Recharge Investigations and Projects Committee (RIPCom)

V. POOL DISCUSSION

1. Chairman's Update
2. Pool Member Comments
3. Prior Month's Compensation Form

VI. OTHER BUSINESS

(1:44:54) Mr. Hall thanked Mr. Nakano for his efforts in Recharge Investigations and Projects Committee (RIPCom)

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Feenstra called for a confidential session at 3:36 p.m. to discuss Pool business. Confidential session concluded at 4:28 p.m. with no reportable action.

ADJOURNMENT

Chair Feenstra adjourned the Agricultural Pool meeting at 4:29 p.m.

Secretary: _____

Approved: _____ June 8, 2017