

MINUTES
CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING

March 13, 2014

The Appropriative Pool meeting was held at the offices of Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA on March 13, 2014.

APPROPRIATIVE POOL MEMBERS PRESENT

Marty Zvirbulis, Chair
Scott Burton, Vice-Chair
Dave Crosley
Van Jew
Rosemary Hoerning
Robert Young
Seth Zielke
Nadeem Majaj
Teri Layton
Darron Poulsen
Tom Crowley

Cucamonga Valley Water District
City of Ontario
City of Chino
Monte Vista Irrigation Company
City of Upland
Fontana Union Water Company
Fontana Water Company
City of Chino Hills
San Antonio Water Company
City of Pomona
West Valley Water District

WATERMASTER BOARD MEMBERS PRESENT

Robert "Bob" Craig
Mark Kinsey
Bob Kuhn
J. Arnold Rodriguez

Jurupa Community Services District
Monte Vista Water District
Three Valleys Municipal Water District
Santa Ana River Water Company

WATERMASTER STAFF PRESENT

Peter Kavounas
Danielle Maurizio
Joseph Joswiak
Anna Truong

General Manager
Assistant General Manager
Chief Financial Officer
Recording Secretary

WATERMASTER CONSULTANTS PRESENT

Brad Herrema
Andy Malone

Brownstein Hyatt Farber Schreck, LLP
Wildermuth Environmental, Inc.

OTHERS PRESENT

Josh Swift
Pete Hall
Ryan Shaw
Jo Lynne Russo-Pereyra
David DeJesus
Eunice Ulloa
John Lopez
Paula Lantz
Sheri Rojo
Ron Craig
Todd Corbin
Tom Harder

Fontana Union Water Company
State of California, CIM
City of Ontario
Cucamonga Valley Water District
Three Valleys Municipal Water District
Chino Basin Water Conservation District
Santa Ana River Water Company
City of Pomona
Fontana Water Company
City of Chino Hills
Jurupa Community Services District
Thomas Harder & Company

CALL TO ORDER

Chair Zvirbulis called the Appropriative Pool meeting to order at 9:01 a.m.

AGENDA - ADDITIONS/REORDER

There were no additions or reorders.

I. CONSENT CALENDAR**A. MINUTES**

1. Minutes of the Appropriative Pool Meeting held February 13, 2014

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of January 2014
2. Watermaster VISA Check Detail for the month of January 2014
3. Combining Schedule for the Period July 1, 2013 through January 31, 2014
4. Treasurer's Report of Financial Affairs for the Period January 1, 2014 through January 31, 2014
5. Budget vs. Actual Report for the Period July 1, 2013 through January 31, 2014

C. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 3,000.000 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: February 24, 2014

(0:00:20)

Motion by Mr. Dave Crosley, second by Mr. Scott Burton and by unanimous vote

Moved to approve Consent Calendar as presented

II. BUSINESS ITEMS**A. BUDGET TRANSFER FORM T-14-03-01**

Staff recommends approval of Budget Transfer Form T-14-03-01 for Engineering Services for FY 2013/14 as presented.

(0:00:45) Mr. Joswiak gave a report and a discussion ensued.

(0:06:25)

Motion by Mr. Scott Burton, second by Mr. Darron Poulsen and by unanimous vote

Moved to approved Business Item IIA as presented

B. APPROPRIATIVE POOL VOLUME VOTE – MINOR PRODUCERS

Approve a policy that defines the timing of these actions. Specifically, direct Watermaster to introduce the Volume Vote for approval at the Pool's December meeting each year; and direct Watermaster to introduce the election of a representative from the Minor producers for appointment to the Board **or the Advisory Committee** at the Pool's Annual Meeting in January of a year during which a Minor Representative is scheduled to rotate on the Board.

(0:06:49) Mr. Kavounas gave a report indicating that this was a request of the Pool and if approved, the timing of the Appropriative Pool volume vote will happen at the same time every year in December. A discussion ensued.

(0:08:45) Mr. Jew requested for the recommendation to be augmented to also define the relationship between the volume vote and the election to two Minor producers onto the Advisory Committee. Chair Zvirbulis suggested amending the recommendation to include the language “or the Advisory Committee.” Mr. Jew replied that adding that language would be sufficient.

(0:10:29)

Motion by Mr. Van Jew, second by Ms. Teri Layton and by unanimous vote.

Moved to approve Business Item IIB with the addition of the language as shown bolded and italicized above

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. CDA Request
2. April 4, 2014 Hearing
3. Safe Yield Recalculation

(0:13:54) Mr. Herrema gave a brief report regarding the CDA request and the upcoming April 4, 2014 Court hearing.

Mr. Herrema reported that at the March Board meeting, staff and counsel would request Board authorization to file a status report with the Court as to the progress being made in recalculation of Safe Yield. To date, Watermaster has not informed the Court of the activities underway. Watermaster staff and counsel propose to inform the Court of the timeline for the recalculation included in the guidance documents, and the work that has been ongoing that has led to deviation from that timeline. Watermaster’s hydrologist has substantially completed an update to the Basin model, and Watermaster staff believes that the model is sound and can be used to complete the Safe Yield recalculation provided for in the guidance documents. At the same time, the update to the model and the work that’s been done in discussing the recalculation of the Safe Yield have demonstrated that if we had known in 2000 what we know now, we may have proposed to recalculate the Safe Yield a little differently – there may be a better methodology to use. We will ask the Court to allow us time to explore that with the affected stakeholders, and propose a timeframe for a deadline to be back to the Court with a motion for proposed Safe Yield reset, with a schedule of check-ins on progress made.

As to the recalculation work underway, Watermaster had previously requested a proposal by February 20, 2014 from the Appropriative Pool as to different Base Period and SARUNY baseline for evaluation by Wildermuth. As the second technical workshop was held on March 3, 2014, we will now look to find a new date by which the Appropriative Pool can finalize such a proposal.

B. CFO REPORT

1. Budget Process

(0:26:03) Mr. Joswiak gave a report.

C. ENGINEER REPORT

1. CASGEM Compliance and Basin Prioritization
2. Chino Airport Plume Update

(0:29:42) Mr. Malone of Wildermuth Environmental gave a report and discussion ensued.

D. GM REPORT

1. Overlying Non-Agricultural Pool Available Water Per Judgment Exhibit "G"

(0:51:09) Mr. Kavounas gave an introduction regarding the Exhibit "G" Non-Agricultural Pool available water. Ms. Maurizio gave a presentation on the data table. Mr. Kavounas mentioned that the table presented today will be taken to the Board for adoption and will be Watermaster's source document with which to invoice buyers as well as to issue payment to Aqua Capital Management and Auto Club Speedway.

IV. INFORMATION

1. Cash Disbursements for February, 2014
2. Joint IEUA/CBWM Recharge Improvement Projects

V. POOL MEMBER COMMENTS**VI. OTHER BUSINESS****VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

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

Chair Zvirbulis called for a Closed Session at 10:05 a.m. to discuss the following:

1. Safe Yield Recalculation
2. City of Fontana Motion

Closed Session concluded at 11:27 a.m. with the following reportable action for Item 1, Safe Yield Recalculation:

The Appropriative Pool has directed its legal counsel to work with Watermaster's legal counsel and staff to develop an appropriate status update on the Safe Yield Recalculation.

There was no reportable action for Item 2, City of Fontana Motion.

VIII. FUTURE MEETINGS AT WATERMASTER

3/13/14	Thu	9:00 a.m.	Appropriative Pool Committee
3/13/14	Thu	11:00 a.m.	Non-Agricultural Pool Committee
3/13/14	Thu	1:30 p.m.	Agricultural Pool Committee
3/20/14	Thu	8:00 a.m.	Dry Year Yield
3/20/14	Thu	9:00 a.m.	Advisory Committee
3/20/14	Thu	10:00 a.m.*	Joint IEUA/CBWM Recharge Improvement Projects AND RMPU Steering Committee
3/20/14	Thu	11:00 a.m.	Land Subsidence Committee
3/25/14	Tue	9:00 a.m.	GRCC (at CBWCD)
3/27/14	Thu	11:00 a.m.	Watermaster Board

***Note:** The Joint IEUA/CBWM Projects Update Meeting will take place immediately following the Advisory Committee Meeting.

ADJOURNMENT

Chair Zvirbulis adjourned the Appropriative Pool meeting at 11:27 a.m.

Secretary: _____

Minutes Approved: April 10, 2014