

MINUTES
CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING

July 10, 2014

The Appropriative Pool meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA, on July 10, 2014.

APPROPRIATIVE POOL MEMBERS PRESENT

Scott Burton, Vice-Chair
Josh Swift
Seth Zielke
Todd Corbin
John Bosler
Justin Scott-Coe
John Lopez
Teri Layton
Van Jew
Dave Crosley
Rosemary Hoerning
Darron Poulsen
Ron Craig
Bob Page

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

WATERMASTER BOARD MEMBERS PRESENT

Robert "Bob" Craig
J. Arnold Rodriguez
Mark Kinsey

Jurupa Community Services District
Santa Ana River Water Company
Monte Vista Water District

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
Mark Wildermuth
Andy Malone

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

OTHERS PRESENT

Sylvie Lee
Marsha Westropp
Tom Harder
David DeJesus
Robert DeLoach
Rick Hansen
Pete Hall
Raul Garibay
Curtis Paxton
Ryan Shaw
Manny Martinez

Inland Empire Utilities Agency
Orange County Water District
Thomas Harder Company
Three Valleys Municipal Water District
DeLoach & Associates, LLP
Three Valleys Municipal Water District
State of California – CIM
City of Pomona
Chino Basin Desalter Authority
City of Ontario
Monte Vista Water District

Eunice Ulloa
Gene Koopman
Sheri Rojo
Paula Lantz
Bob Feenstra

Chino Basin Water Conservation District
Agricultural Pool – Dairy
Fontana Water Company
City of Pomona
Agricultural Pool – Dairy

CALL TO ORDER

Vice-Chair Burton chaired the meeting and called the Appropriative Pool meeting to order at 9:00 a.m.

AGENDA - ADDITIONS/REORDER

None

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Appropriative Pool Meeting held June 12, 2014

B. FINANCIAL REPORTS

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

C. WATER TRANSACTIONS

1. Notice of Sale or Transfer - The permanent transfer of 82.858 acre-feet share of Safe Yield from Ameron International Corporation ("Ameron") to TAMCO, a California Corporation ("TAMCO"). Additionally, all carryover and water in storage as of July 1, 2013 is to be transferred to TAMCO. Date of application: April 7, 2014
2. Notice of Sale or Transfer - The purchase of 5,500.000 acre-feet of water from the City of Ontario by Fontana Water Company. This purchase is made from the City of Ontario's storage account. Date of application: June 4, 2014
3. Notice of Sale or Transfer - The purchase of 1,067.000 acre-feet of water from West End Consolidated Water Company by the City of Upland. This purchase is made from West End Consolidated Water Company's storage account. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of application: June 26, 2014
4. Notice of Sale or Transfer - The purchase of 100.000 acre-feet of water from West End Consolidated Water Company by Golden State Water Company. This purchase is made from West End Consolidated Water Company's storage account. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of application: June 26, 2014
5. Notice of Sale or Transfer -The purchase of 15.000 acre-feet of water from the City of Upland by Golden State Water Company. This purchase is made from the City of Upland's storage account. Date of application: June 11, 2014

(0:00:29) Mr. Jew asked that Consent Calendar Item I.D. 2013 Land Subsidence Committee Annual Report be pulled for separate discussion.

(0:00:57)

Motion by Ms. Teri Layton, second by Mr. Dave Crosley and by unanimous vote

Moved to approve Consent Calendar with the exception of Item I.D. as presented.

D. 2013 LAND SUBSIDENCE COMMITTEE ANNUAL REPORT

Recommend that the Advisory Committee recommend to the Watermaster Board to adopt the 2013 Annual Report of the Land Subsidence Committee, along with filing a copy with the Court.

(0:02:13) Andy Malone of Wildermuth Environmental, Inc. (WEI) gave a brief report and a discussion ensued.

(0:09:48)

Motion by Mr. Van Jew, second by Mr. Darron Poulsen and by unanimous vote

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

II. BUSINESS ITEMS

A. SAFE YIELD RECALCULATION – PRESENTATION OF MODELING RESULTS (DISCUSSION ONLY)

(0:10:52) Mr. Wildermuth gave a presentation and a discussion ensued.

B. FORM 9 CONSIDERATION

Consider proposed modifications to Form 9 and provide direction to Watermaster.

(1:02:28) Mr. Kavounas gave a report and a discussion ensued.

(1:41:58)

Motion by Ms. Teri Layton, second by Mr. Darron Poulsen and by unanimous vote

Moved that the four parties involved in Voluntary Agreements form a subcommittee to discuss the proposed changes to Form 9 and bring the item back to the Appropriative Pool at a later time.

C. MASTER AGREEMENT FOR COLLABORATIVE RECHARGE PROJECTS

Recommend that the Advisory Committee approve Watermaster's entrance into the Master Agreement between Watermaster and Inland Empire Utilities Agency regarding the Management of Collaborative Recharge Projects, subject to non-substantive changes to be made by staff.

(1:43:10) Mr. Kavounas gave a report and a discussion ensued.

(1:53:19)

Motion by Mr. Van Jew, second by Mr. Justin Scott-Coe and by unanimous vote

Moved to approve Business Item II.C. with a modification to the end of first sentence of Article 1, Project Management under Section 1.3 of the draft Master Agreement to include "if both parties reasonably believe such amendment is necessary" as presented.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Motion for Approval of Watermaster Board Compensation Policy
2. EPA Water Transfer Rule

(1:57:56) Mr. Herrema gave a report.

B. CFO REPORT

None

C. ENGINEER REPORT

1. City of Fontana's Request to Review Draft EIR on Vulcan Project

(2:00:45) Mr. Wildermuth gave a brief report and a discussion ensued.

D. GM REPORT

1. FY 2013/14 Production Information

(2:03:08) Mr. Kavounas gave a report.

IV. INFORMATION

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

V. POOL MEMBER COMMENTS

(2:04:03) Mr. Corbin provided a printout and spoke about the Santa Ana River Conservancy article in the Press Enterprise. He also mentioned that a meeting would be taking place, and in the event that any interested parties would like to participate, he would find out the exact date.

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Vice-Chair Burton called for a closed session at 11:06 a.m.

Closed session concluded at 12:01 p.m. with the following reportable action:

(2:05:06) Vice-Chair Burton indicated that the Pool would like to make more progress on the Safe Yield recalculation process and would like Watermaster to hold special meetings every two weeks on the first and third Thursday from 10 a.m. to 12 p.m. or immediately following the Advisory Committee meeting starting on August 7, 2014. This meeting will require that the Joint Projects meeting would need to shift to a new time.

The Pool intends to compile a comprehensive list of items that need to be discussed and with Watermaster's participation, create a milestone schedule of what needs to be done in order to achieve the Safe Yield redetermination implementation plan to be sent to the Court for approval.

VIII. FUTURE MEETINGS AT WATERMASTER

7/08/14	Tue	9:00 a.m.	Appropriative Pool – Special Meeting
7/10/14	Thu	8:00 a.m.	Land Subsidence Committee
7/10/14	Thu	9:00 a.m.	Appropriative Pool
7/10/14	Thu	11:00 a.m.	Non-Agricultural Pool
7/10/14	Thu	1:30 p.m.	Agricultural Pool
7/17/14	Thu	9:00 a.m.	Advisory Committee
7/17/14	Thu	10:00 a.m.*	Joint IEUA/CBWM Recharge Improvement Projects
7/22/14	Tue	9:00 a.m.	GRCC (at Watermaster)
7/24/14	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

Vice-Chair Burton adjourned the Appropriative Pool meeting at 12:05 p.m.

Secretary: _____

Minutes Approved: August 14, 2014