

**MINUTES**  
**CHINO BASIN WATERMASTER**  
**APPROPRIATIVE POOL**

May 14, 2015

The Appropriative Pool meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on May 14, 2015.

**APPROPRIATIVE POOL MEMBERS PRESENT**

Rosemary Hoerning, Chair  
Darron Poulsen, Vice-Chair  
Justin Scott-Coe  
Marty Zvirbulis  
Ron Craig  
Ryan Shaw, for Scott Burton  
Van Jew  
John Lopez  
Teri Layton  
Robert Young  
Seth Zielke  
Dave Crosley  
Bob Page  
Todd Corbin

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

**WATERMASTER BOARD MEMBERS PRESENT**

J. Arnold Rodriguez  
Mark Kinsey

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  
Veva Weamer

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

**OTHERS PRESENT**

Pete Hall  
Curtis Paxton  
Marsha Westropp  
David DeJesus  
Manny Martinez  
Jo Lynne Russo-Pereyra  
Eunice Ulloa  
Sheri Rojo  
Scott Burton

State of California – CIM  
Chino Basin Desalter Authority  
Orange County Water District  
Three Valleys MWD  
Monte Vista Water District  
Cucamonga Valley Water District  
Chino Basin Water Conservation District  
Fontana Water Company  
City of Ontario

**CALL TO ORDER**

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

**AGENDA - ADDITIONS/REORDER**

(0:00:16) Mr. Kavounas suggested reordering the agenda to allow for Reports/Updates, Item III.B.2, Engineer Report on Land Subsidence to come before Business Item II.D., Fiscal Year 2015/16 Budget to allow for more information on Land Subsidence to be presented before the Pool votes on the proposed budget. Chair Hoerning polled and the Pool agreed to the suggested agenda reorder.

**I. CONSENT CALENDAR****A. MINUTES**

1. Minutes of the Appropriative Pool Meeting held April 9, 2015

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of March 2015
2. Watermaster VISA Check Detail for the month of March 2015
3. Combining Schedule for the Period July 1, 2014 through March 31, 2015
4. Treasurer's Report of Financial Affairs for the Period March 1, 2015 through March 31, 2015
5. Budget vs. Actual Report for the Period July 1, 2014 through March 31, 2015

**C. WATER TRANSACTIONS**

1. Notice of Sale or Transfer – The purchase of 5,000.000 acre-feet of water from the City of Upland by Fontana Water Company. This purchase is made from the City of Upland's Annual Production Right /Operating Safe Yield first, then any additional from storage (Excess Carryover Account).
2. Notice of Sale or Transfer - The purchase of 4.500 acre-feet of water from The Nicholson Trust by Fontana Water Company. This purchase is made from The Nicholson Trust's Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool). Date of application: April 20, 2015.
3. Notice of Sale or Transfer - The permanent transfer of 282.981 acre-feet of Safe Yield from Aqua Capital Management by the City of Ontario (Non-Ag), effective as of the beginning of fiscal year 2015/16.

(0:01:27) Mr. Kavounas noted the change to the language on Consent Calendar Item I.C.1. had been changed from "This purchase is made from the City of Upland's Annual Production Right /Operating Safe Yield first, then any additional from storage (Excess Carryover Account)" to "This purchase is made from the City of Upland's Excess Carryover Account" as requested by the City of Upland. The Watermaster notice has properly identified the transaction.

(0:02:29) Chair Hoerning requested Consent Calendar Item I.C.3. be pulled for further discussion.

(0:02:52)

*Motion by Mr. Marty Zvirbulis, seconded by Mr. Ron Craig, and by unanimous vote*

***Moved to approve Consent Calendar with the exception of Item I.C.3. as presented***

(0:03:22) Mr. Shaw with the City of Ontario gave an overview of Consent Calendar Item I.C.3. A discussion ensued.

(0:06:32)

*Motion by Mr. Justin Scott-Coe, seconded by Mr. Darron Poulsen, and by unanimous vote*

***Moved to approve Consent Calendar Item I.C.3. as presented***

**II. BUSINESS ITEMS**

**A. INTEGRATED RESOURCES PLAN – GROUNDWATER MODELING REIMBURSEMENT AGREEMENT**

Recommend Advisory Committee approval of the Reimbursement Agreement.

(0:06:56) Mr. Kavounas gave a report.

(0:08:12)

*Motion by Mr. Ron Craig, seconded by Mr. Ryan Shaw, and by unanimous vote*

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

**B. CITY OF ONTARIO AGREEMENT FOR THE CONDITIONAL CONTRIBUTION OF SAFE YIELD TO OFFSET FUTURE DESALTER REPLENISHMENT**

Review and recommend Board action as to the proposed Agreement for the Conditional Contribution of Safe Yield to Offset Future Desalter Replenishment with the City of Ontario.

(0:08:27) Mr. Kavounas gave a report.

(0:09:14) Mr. Shaw gave a report. A discussion ensued.

(0:27:04) The Appropriative Pool referred the matter to an ad hoc committee consisting of a representative from the City of Chino, Monte Vista Water District, City of Ontario, and City of Pomona, and requested the support of Mr. Herrema. The item will be continued to the June 2015 Pool meeting after ad hoc committee review.

**C. CITY OF ONTARIO OVERLYING (NON-AGRICULTURAL) POOL PROPOSED WATER RIGHT USE AND PROPOSED METHODOLOGY**

Provide advice and counsel to Watermaster in regard to Ontario's proposed use. If the proposed use is deemed proper, Watermaster is also seeking advice and counsel on an acceptable assignment methodology when one meter irrigates both City public right of way and the commercial/industrial customer's property.

(0:28:24) Mr. Kavounas gave a report.

(0:29:05) Mr. Shaw gave a report. A discussion ensued.

(0:40:37) Chair Hoerning suggested that the Pool defer a decision at this time and allow the ad hoc committee to review this item as was done with Item II.B. The item will be continued to the June 2015 Pool meeting after ad hoc committee review.

**D. WATERMASTER FISCAL YEAR 2015/16 PROPOSED BUDGET**

Recommend Advisory Committee approval of the Proposed FY 2015/16 Budget as presented.

(1:31:15) Mr. Kavounas introduced Mr. Joswiak who gave a presentation. A discussion ensued.

(1:40:16) Chair Hoerning handed control of the meeting over to Vice-Chair Poulsen and left the meeting.

(1:50:02) Mr. Zvirbulis left the meeting.

(2:14:50) Mr. Shaw left the meeting and Mr. Burton took his seat.

(2:15:12)

*Motion by Mr. Dave Crosley, seconded by Mr. Robert Young, and by majority vote  
**Moved to approve Business Item II.D. as presented***

No Vote: Ms. Teri Layton – San Antonio Water Company

#### **E. SAFE YIELD RECALCULATION AND RESET (Discussion Only)**

(2:15:32) Mr. Kavounas gave a report.

(02:16:40) Mr. Zvirbulis rejoined the meeting.

### **III. REPORTS/UPDATES**

#### **A. LEGAL COUNSEL REPORT**

1. SGMA Basin Boundary Revisions Rulemaking Process

(02:15:55) Mr. Kavounas gave the report on behalf of Mr. Herrema.

#### **B. ENGINEER REPORT**

1. State of the Basin Report – Part 2
  - Groundwater Quality
  - Land Subsidence

(02:19:54) The Pool requested to hear the State of the Basin Report – Part 2 at the May 2015 Advisory Committee meeting.

2. Land Subsidence Committee Update

- Work plan to develop a subsidence management plan for North MZ-1 area
- 2014 Annual Report
- Update to MZ-1 Plan

(0:41:50) Mr. Malone of Wildermuth Environmental gave a presentation on the Land Subsidence Committee. A discussion ensued.

(1:25:07) Mr. Burton joined the meeting.

#### **C. CFO REPORT**

None

#### **D. GM REPORT**

1. CBWM 35<sup>th</sup> Annual Report
2. Other

(02:20:20) Mr. Kavounas gave the report.

### **IV. INFORMATION**

1. Cash Disbursements for April 2015
2. Recharge Investigations and Projects Committee (RIPCom)

**V. POOL MEMBER COMMENTS**

(02:20:46) Mr. Zvirbulis commented about the recent actions of the State Board and the impacts it has on water use reductions on all. He has tracked the recent events and asked that Watermaster and Legal Counsel consider the ramifications for Parties in this Basin and report at future Advisory Committee and Watermaster Board meetings.

**VI. OTHER BUSINESS**

None

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Vice-Chair Poulsen called for a confidential session at 11:25 a.m. to discuss the Safe Yield Recalculation and Reset. Confidential session concluded at 12:08 p.m. with no reportable action.

**ADJOURNMENT**

Vice-Chair Poulsen adjourned the Appropriative Pool meeting at 12:08 p.m.

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

Approved: June 11, 2015 \_\_\_\_\_