

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

May 12, 2016

The Appropriative Pool meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on May 12, 2016.

**APPROPRIATIVE POOL MEMBERS PRESENT**

Darron Poulsen, Chair  
Todd Corbin, Vice-Chair  
Dave Crosley  
Teri Layton  
Rosemary Hoerning  
Justin Scott-Coe  
Van Jew  
Ron Craig  
Jo Lynne Russo-Pereyra for Marty Zvirbulis  
Josh Swift  
Cris Fealy  
Tom Crowley  
Ryan Shaw for Scott Burton  
Bob Page

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

**WATERMASTER STAFF PRESENT**

Peter Kavounas  
Joseph Joswiak  
Anna Truong  
Justin Nakano

General Manager  
Chief Financial Officer  
Recording Secretary  
Water Resources Senior Associate

**WATERMASTER CONSULTANTS PRESENT**

Brad Herrema  
Andy Malone

Brownstein Hyatt Farber Schreck, LLP  
Wildermuth Environmental, Inc.

**OTHERS PRESENT**

Pete Hall  
Raul Garibay  
David DeJesus  
Curtis Paxton  
Sheri Rojo  
Eric Tarango  
John Bosler  
Joel Ignacio  
Eunice Ulloa  
Vivian Castro

State of California – CIM  
City of Pomona  
Three Valleys Municipal Water District  
Chino Basin Desalter Authority  
Fontana Water Company  
Fontana Water Company  
Cucamonga Valley Water District  
Inland Empire Utilities Agency  
Chino Basin Water Conservation District  
Chino Basin Water Conservation District

**CALL TO ORDER**

Chair Poulsen called the Appropriative Pool meeting to order at 9:02 a.m.

**AGENDA - ADDITIONS/REORDER**

(0:00:28) Mr. Scott-Coe requested for Consent Calendar Items C – I to be pulled for further discussion. Chair Poulsen recommended that all Consent Items are taken at once following discussion, the Pool concurred.

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

1. Minutes of the Appropriative Pool Meeting held April 14, 2016

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of March 2016
2. Watermaster VISA Check Detail for the month of March 2016
3. Combining Schedule for the Period July 1, 2015 through March 31, 2016
4. Treasurer's Report of Financial Affairs for the Period March 1, 2016 through March 31, 2016
5. Budget vs. Actual Report for the Period July 1, 2015 through March 31, 2016

**C. FINANCING PLAN FOR THE 2013 AMENDMENT TO THE 2010 RMPU**

Recommend to the Advisory Committee to approve the Financing Plan for the 2013 RMPU.

**D. MASTER RECHARGE FACILITIES FINANCING AGREEMENT BETWEEN CHINO BASIN REGIONAL FINANCING AUTHORITY, INLAND EMPIRE UTILITIES AGENCY, AND CHINO BASIN WATERMASTER**

Recommend to Advisory Committee to approve the Master Recharge Facilities Financing Agreement.

**E. PROPOSITION 1 – GROUNDWATER GRANT**

Recommend to Advisory Committee to recommend to the Watermaster Board adoption of Resolution No. 2016-04, authorizing the Chino Basin Regional Financing Authority to submit a grant application for a Proposition 1 Groundwater Grant for Chino Basin Improvements and the Groundwater Cleanup Project.

**F. PROPOSITION 1 – STORMWATER GRANT**

Recommend to Advisory Committee to recommend Board adoption of Resolution No. 2016-05, authorizing the Chino Basin Regional Financing Authority to submit a grant application for a Proposition 1 Stormwater Grant for the implementation of the Wineville Basin, Jurupa Basin, RP-3 Basin Improvements, and Pumping and Conveyance System Project.

**G. CLEAN WATER STATE REVOLVING FUND LOAN PROGRAM**

Recommend to Advisory Committee to recommend Board adoption of Resolution No. 2016-06, authorizing the Inland Empire Utilities Agency to apply, through the Chino Basin Regional Financing Authority, for State Revolving Fund Loan for the preliminary planning and design costs of 2013 RMPU projects.

**H. REVENUE PLEDGE TO STATE REVOLVING FUND FINANCING**

Recommend to Advisory Committee to recommend Board adoption of Resolution No. 2016-07, dedicating net revenues from Debt Service assessments to payment of Watermaster's share of the State Revolving Fund and/or Water Recycling Funding Program financing.

**I. FIRST AMENDMENT TO THE MASTER COST SHARING AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND INLAND EMPIRE UTILITIES AGENCY**

Recommend to Advisory Committee to approve changes made to the Master Cost Sharing Agreement between CBWM and IEUA.

(0:01:03) Mr. Scott-Coe raised questions regarding the various agreements. A discussion ensued.

(0:02:51) Mr. Page joined the meeting.

(0:07:34) Mr. Crosley joined the meeting.

(0:08:43)

*Motion by Mr. Todd Corbin, seconded by Ms. JoLynne Russo-Pereyra, and by unanimous vote*

***Moved to approve the Consent Calendar as presented***

(0:09:02) Mr. Kavounas thanked Jason Gu, Chris Berch, and IEUA staff for their efforts in pursuing the RMPU Finance Plan, the Finance Agreement, loan opportunities, reducing costs, and creating opportunities for grant funding for the benefit all stakeholders.

## **II. BUSINESS ITEMS**

### **A. BUDGET AMENDMENT FORM A-16-04-01**

Recommend Advisory Committee approval of Budget Amendment Form (A-16-04-01) for FY 2015/16 in the amount of \$250,000 as presented.

(0:10:20) Mr. Joswiak gave a report. A discussion ensued.

(0:13:29)

*Motion by Mr. Josh Swift, seconded by Mr. Ron Craig, and by unanimous vote*

***Moved to recommend Advisory Committee approval of Business Item II.A. as presented***

### **B. WATERMASTER FISCAL YEAR 2016/17 PROPOSED BUDGET**

Recommend Advisory Committee approval of the proposed FY 2016/17 budget as presented.

(0:13:53) Mr. Joswiak gave a presentation on the fiscal year 2016/17 budget. A discussion ensued.

(0:44:29) Motion introduced by Ms. Russo-Pereyra, seconded by Mr. Fealy. Further discussion ensued.

(0:50:37) Vote taken

*Motion by Ms. JoLynne Russo-Pereyra, seconded by Mr. Cris Fealy, and by unanimous vote*

***Moved to recommend Advisory Committee approval of Business Item II.B. with the request that Wildermuth Environmental provide detail on the scope of work for item 6906.25 (Initial Assessment of Cultural Conditions per Section 4.5 of the Proposed SYRA) and bring the item to the next Pool meeting subsequent to Court action on the Safe Yield Reset matter.***

## **III. REPORTS/UPDATES**

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

1. June 10, 2016 Hearing
2. Amended Notice of Related Case No. CIVDS1601994

(0:50:55) Mr. Herrema gave a report.

### **B. ENGINEER REPORT**

1. Adaptive Management Plan for the Prado Basin Habitat Sustainability Program
2. Ground-Level Monitoring Committee Update

(0:55:09) Mr. Malone gave a report. A discussion ensued.

**C. CFO REPORT**

- 1. Fiscal Year 2015/16 Second Assessment

(0:59:07) Mr. Joswiak gave a report. A discussion ensued.

**D. GM REPORT**

- 1. RMPU Grant Funding – CBWM Letter
- 2. Other

(1:01:45) Mr. Kavounas gave a report and added an item regarding replenishment obligation for overproduction. Mr. Kavounas reported that an order for 2,270 acre-feet of water has been placed with IEUA for over-production replenishment. He indicated that IEUA has the opportunity to purchase water for replenishment from MWD at this time. A draft table with desalter replenishment obligation scenarios with and without the 2015 SYRA implementation was handed out, and Mr. Kavounas indicated that regardless of the whether the 2015 Safe Yield Reset Agreement is adopted, there will be a minimum of 4,000 acre-feet replenishment obligation for the current and prior year. He also asked the Pool for feedback on whether to place an order for all or some of the 4,000 acre-feet amount, prior to the next assessment in June 2016. A discussion ensued.

**IV. INFORMATION**

- 1. Cash Disbursements for April 2016
- 2. Recharge Investigations and Projects Committee (RIPCom)

**V. POOL MEMBER COMMENTS**

(1:12:29) Mr. Page commented on SGMA basin boundary revisions. A discussion ensued.

**VI. OTHER BUSINESS**

(1:14:51) Chair Poulsen thanked Pool members for their efforts with the recharge projects and budget discussions.

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Chair Poulsen called for a confidential session at 10:17 a.m. to hold the Appropriative Pool Strategic Planning discussion. Confidential session concluded at 10:50 a.m. with no reportable action.

**ADJOURNMENT**

Chair Poulsen adjourned the Appropriative Pool meeting at 10:51 a.m.

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

Approved: \_\_\_\_\_ June 9, 2016