

MINUTES
CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING

November 9, 2017

The Appropriative Pool meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on November 9, 2017.

APPROPRIATIVE POOL MEMBERS PRESENT

Todd Corbin, Chair
Teri Layton, Vice-Chair
Dave Crosley
Darron Poulsen
Van Jew
Cris Fealy
Eric Tarango for Seth Zielke
Ron Craig
Katie Gienger for Scott Burton
Ben Lewis
Braden Yu for Marty Zvirbulis

Jurupa Community Services District
San Antonio Water Company
City of Chino
City of Pomona
Monte Vista Water District
Fontana Water Company
Fontana Union Water Company
City of Chino Hills
City of Ontario
Golden State Water Company
Cucamonga Valley Water District

WATERMASTER BOARD MEMBER PRESENT

Bob Kuhn

Three Valleys Municipal Water District

WATERMASTER STAFF PRESENT

Peter Kavounas
Joseph Joswiak
Edgar Tellez Foster
Anna Truong
Justin Nakano

General Manager
Chief Financial Officer
Senior Environmental Engineer
Executive Services Director/Board Clerk
Water Resources Senior Associate

WATERMASTER CONSULTANTS PRESENT

Brad Herrema
Mark Wildermuth
Andy Malone

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

OTHERS PRESENT

Eunice Ulloa
Curtis Paxton
Steve Sentes
Frankie Sotomayor
Sylvie Lee
Eduardo Espinoza
Amanda Coker
John Schatz
Scott Burton

City of Chino
Chino Basin Desalter Authority
Chino Basin Water Conservation District
Chino Basin Water Conservation District
Inland Empire Utilities Agency
Cucamonga Valley Water District
City of Chino
John J. Schatz, Attorney at Law
City of Ontario

CALL TO ORDER

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

AGENDA - ADDITIONS/REORDER

None

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Appropriative Pool Meeting held October 12, 2017

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of September 2017
2. Watermaster VISA Check Detail for the month of September 2017
3. Combining Schedule for the Period July 1, 2017 through September 30, 2017
4. Treasurer's Report of Financial Affairs for the Period September 1, 2017 through September 30, 2017
5. Budget vs. Actual Report for the Period July 1, 2017 through September 30, 2017

C. ANNUAL FINDING OF SUBSTANTIAL COMPLIANCE WITH THE RECHARGE MASTER PLAN

Recommend to the Advisory Committee to recommend to the Watermaster Board to adopt the finding that Watermaster is in substantial compliance with the Recharge Master Plan.

(0:00:32) Mr. Jew requested to pull Consent Calendar Item I.B. for separate discussion.

(0:00:44)

Motion by Mr. Ron Craig, seconded by Ms. Teri Layton, and by unanimous vote.

Moved to approve Consent Calendar Items I.A. and I.C. as presented.

(0:00:56) Mr. Jew raised questions regarding the Vistage membership item in Consent Calendar Item I.B. A discussion ensued.

(0:03:18)

Motion by Mr. Darron Poulsen, seconded by Mr. Braden Yu, and by unanimous vote.

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

II. BUSINESS ITEMS

A. FISCAL YEAR 2017/2018 ASSESSMENT PACKAGE

Recommend Advisory Committee approval of the Fiscal Year 2017/18 Assessment Package as presented, including no credit for Stormwater New Yield, and postponing the assessment of Desalter Replenishment Obligation.

(0:03:40) Mr. Kavounas prefaced Business Item II.A. and gave a presentation. A discussion ensued.

(0:22:44)

Motion by Mr. Ron Craig, seconded by Mr. Todd Corbin, and by unanimous vote.

Moved to approve Business Item II.A. with recognition that there may be subsequent adjustments dependent upon final Court orders associated with the Safe Yield Reset.

B. RESOLUTION TO LEVY REPLENISHMENT AND ADMINISTRATIVE ASSESSMENTS FOR FISCAL YEAR 2017/18

Review Resolution 2017-07 as presented, and offer advice to Watermaster.

(0:23:33) Mr. Kavounas gave a report. A discussion ensued.

C. INCREASE OF FISCAL YEAR 2017/18 DRY YEAR YIELD PROGRAM DELIVERY LIMIT

Recommend Advisory Committee approval of amending the DYY Annual Operating Plan and increasing the annual delivery limit from 25,000 ac-ft to 50,000 ac-ft for Fiscal Year 2017/18.

(0:24:37) Mr. Kavounas gave a report. A discussion ensued.

(0:29:53)

Motion by Mr. Braden Yu, seconded by Mr. Cris Fealy, and by unanimous vote.

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

D. CALENDAR YEAR 2018 APPROPRIATIVE POOL VOLUME VOTE

Approve the Calendar Year 2018 Appropriative Pool Volume Vote as presented subject to Advisory Committee and Board approval of the 2017/18 Assessment Package at the November 16, 2017 meetings.

(0:30:15) Mr. Kavounas gave a report. A discussion ensued.

(0:31:20)

Motion by Ms. Katie Gienger, seconded by Mr. Darron Poulsen, and by unanimous vote.

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

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Appeal of April 28, 2017 Order

(0:31:46) Mr. Herrema gave a report. A discussion ensued.

B. ENGINEER REPORT

1. Storage Management
2. Northwest MZ-1
3. Salinity Management

(0:34:17) Mr. Malone gave a report. A discussion ensued.

C. CFO REPORT

1. Fiscal Year 2017/18 Assessment Invoicing

(0:42:00) Mr. Joswiak gave a report and reminded the Pool that Fiscal Year 2017/18 Assessment payments are due on December 18, 2017. A discussion ensued.

(0:44:30) Mr. Kavounas reminded the Pool that Mr. Joswiak will send out letters to see if parties wish to purchase Desalter Replenishment Obligation water, and those that do will have until December 4, 2017 to respond.

D. GM REPORT

1. December Meeting Schedule
2. Other

(0:45:51) Mr. Kavounas reported that Watermaster plans to cancel regularly scheduled December meetings due to the lack of business to bring forth, and if there is a need to have special meetings, staff is happy to host.

IV. INFORMATION

1. Cash Disbursements for October 2017

V. POOL MEMBER COMMENTS

(0:46:53) Chair Corbin wished all a Happy Thanksgiving.

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Corbin called for a confidential session at 9:49 a.m. to hold the Appropriative Pool Strategic Planning discussion.

Mr. Burton joined the meeting during confidential session.

Confidential session concluded at 10:48 a.m. with the following reportable action:

(0:47:59)

Exhibit "G" Physical Solution Transfer Rate: The Pool reconsidered and reaffirmed that the offer of \$595 per ac-ft. still stands for transactions in Fiscal Year 2017/18. Based on the Fiscal Year 2017/18 Assessment Package, the average price of transactions within the Pool is currently approximately \$550 per ac-ft. over the past year. The Pool is asking the Non-Agricultural Pool to reconsider the offer of \$595 per ac-ft. for transactions in Fiscal Year 2017/18.

ADJOURNMENT

Chair Corbin adjourned the Appropriative Pool meeting at 10:50 a.m.

Secretary: _____

Approved: _____ January 11, 2018