

MINUTES
CHINO BASIN WATERMASTER
ANNUAL APPROPRIATIVE POOL MEETING

January 11, 2018

The Annual Appropriative Pool meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on January 11, 2018.

APPROPRIATIVE POOL MEMBERS PRESENT

Teri Layton, Chair
Van Jew, Vice-Chair
Dave Crosley
Ron Craig
Greg Gage
John Bosler
Eric Tarango
Cris Fealy
Todd Corbin
Ben Lewis
Rosemary Hoerning
Darron Poulsen
Kevin Sage
Katie Gienger for Scott Burton

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

WATERMASTER BOARD MEMBERS PRESENT

Bob Kuhn
Eunice Ulloa
Bob Bowcock

Three Valleys Municipal Water District
City of Chino
CalMat Co.

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

Pete Hall
Ken Jeske
Eduardo Espinoza
Manny Martinez
David De Jesus
Eric Grubb
Sheri Rojo
Amanda Coker
Raul Garibay
Jimmy Gutierrez
Braden Yu
Vivian Castro
John Schatz

State of California – CIM
KJ Consulting
Cucamonga Valley Water District
Monte Vista Water District
Three Valleys Municipal Water District
Cucamonga Valley Water District
Basin Creek Consulting
City of Chino
City of Pomona
Law Offices of Jimmy Gutierrez
Cucamonga Valley Water District
Chino Basin Water Conservation District
John J. Schatz, Attorney at Law

CALL TO ORDER

Mr. Corbin, 2017 Appropriative Pool Chair, called the annual Appropriative Pool meeting to order at 9:00 a.m.

AGENDA – ADDITIONS/REORDER

None

I. ANNUAL ELECTIONS (ACTION)

- A.** Elect the following Calendar Year 2018 Officers of the Pool: Chair, Vice-Chair, Secretary, Treasurer, and Assistant Secretaries and Treasurers as may be appropriate.

Chair	<u>Teri Layton</u>
Vice-Chair	<u>Van Jew</u>
Secretary/Treasurer	<u>Watermaster General Manager</u>

(0:00:46)

Motion by Ms. Rosemary Hoerning, seconded by Mr. Dave Crosley, and by unanimous vote
Moved to approve calendar year 2018 Appropriative Pool Chair as indicated in I.A. above.

Mr. Corbin handed control of the meeting to the newly elected Chair, Ms. Teri Layton.

(0:01:22)

Motion by Ms. Rosemary Hoerning, seconded by Mr. Dave Crosley, and by unanimous vote
Moved to approve calendar year 2018 Appropriative Pool Vice-Chair as indicated in I.A. above.

- B. Calendar Year 2018 Appropriative Pool Minor Representatives to the 2018 Advisory Committee**
 According to the Appropriative Pool Pooling Plan, each major Appropriator is entitled to one representative on the Advisory Committee. In addition, the minor Appropriators shall elect two representatives to serve on the Advisory Committee. The minor producers for 2018 are: Arrowhead Mountain Spring Water, City of Fontana, City of Norco, County of San Bernardino, Golden State Water Company, Marygold Mutual Water Company, Monte Vista Irrigation Company, Niagara Bottling Company, Nicholson Trust, San Antonio Water Company, Santa Ana River Water Company, West End Consolidated Water Company, and West Valley Water District.

Minor Rep #1	<u>San Antonio Water Company</u>
Minor Rep #2	<u>Monte Vista Irrigation Company</u>

(0:02:05)

Motion by Ms. Rosemary Hoerning (on behalf of West End Consolidated Water Company), seconded by Mr. Van Jew (on behalf of Monte Vista Irrigation Company), and by unanimous vote
Moved to approve San Antonio Water Company and Monte Vista Irrigation Company as the Minor representatives to serve on the Advisory Committee for calendar year 2018.

- C. Calendar Year 2018 Appropriative Pool Member Appointed to Serve as Advisory Committee Officer**
 According to the rotation sequence established among the Pools, the Appropriators will be asked to appoint a designated representative to serve as Vice-Chair on the Advisory Committee during Calendar Year 2018.

Appropriative Pool Officer (Vice-Chair) Appointment to the Advisory Committee:

Todd Corbin

(0:02:58)

Motion by Ms. Rosemary Hoerning, second by Mr. Dave Crosley and by unanimous vote

Moved to approve Mr. Todd Corbin to serve as Vice-Chair on the Advisory Committee for calendar year 2018.

D. Calendar Years 2018 and 2019 Minor Appropriators Election For Watermaster Board Appointment

Appoint a representative to the Watermaster Board for Calendar Years 2018 and 2019.

New Member: Gino Filippi Alternate: Manny Martinez

(0:03:49)

Motion by Ms. Rosemary Hoerning (on behalf of West End Consolidated Water Company), seconded by Mr. Van Jew (on behalf of Monte Vista Irrigation Company), and by unanimous vote

Moved to approve Mr. Gino Filippi to serve as the Minor Appropriator representative and Mr. Manny Martinez to serve as the Minor Appropriator alternate to the Watermaster Board for Calendar Years 2018 and 2019.

E. Calendar Years 2018 and 2019 Appropriative Pool Representation on the Watermaster Board (Information Only)

According to the Board rotation schedule filed with the Court in 2000 and updated on November 17, 2015, the Appropriators listed below have seats on the Board in Calendar Years 2018 and 2019, and have appointed representatives and alternates as shown below:

City of Chino New Member: Eunice Ulloa

Alternate: Tom Haughey

Minor Representative New Member: Gino Filippi

Alternate: Manny Martinez

(0:04:15) Chair Layton confirmed with Mr. Kavounas that the Appropriative Pool appointed representatives to the Watermaster Board for Calendar Years 2018 and 2019, as indicated in Item I.E.

(0:04:36) Mr. Poulsen joined the meeting.

II. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Appropriative Pool Meeting held November 9, 2017

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of October 2017
2. Watermaster VISA Check Detail for the month of October 2017
3. Combining Schedule for the Period July 1, 2017 through October 31, 2017
4. Treasurer's Report of Financial Affairs for the Period October 1, 2017 through October 31, 2017
5. Budget vs. Actual Report for the Period July 1, 2017 through October 31, 2017
6. Cash Disbursements for the month of November 2017
7. Watermaster VISA Check Detail for the month of November 2017
8. Combining Schedule for the Period July 1, 2017 through November 30, 2017
9. Treasurer's Report of Financial Affairs for the Period November 1, 2017 through November 30, 2017
10. Budget vs. Actual Report for the Period July 1, 2017 through November 30, 2017

C. CHINO BASIN WATERMASTER INVESTMENT POLICY

Recommend that the Advisory Committee recommends approval of Resolution 2018-01 – Resolution of the Chino Basin Watermaster, San Bernardino County, California, Re-Authorizing the Watermaster's Investment Policy.

D. LOCAL AGENCY INVESTMENT FUND

Recommend that the Advisory Committee recommends approval of Resolution 2018-02 – Resolution Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF).

E. CHINO BASIN WATERMASTER 40TH ANNUAL REPORT

Recommend that the Advisory Committee recommend to the Watermaster Board to adopt the 40th Annual Report, along with filing a copy with the Court, subject to any necessary non-substantive changes.

F. WATER TRANSACTION

Provide advice and assistance to the Watermaster Board on the proposed transaction:

The permanent transfer of 55.239 acre-feet of Safe Yield rights, 55.239 acre-feet of Excess Carryover, and 388.081 acre-feet of stored water from Ameron International Corporation to City of Ontario (Non-Ag). Date of application: October 31, 2017.

G. CONSIDERATION OF LOCAL STORAGE AGREEMENTS

Recommend to the Advisory Committee to recommend the Watermaster Board to approve the storage agreements as presented.

(0:05:30) Motion introduced by Mr. Corbin and seconded by Mr. Craig.

(0:05:36) Mr. Kavounas commented that the staff letter for Item II.G. incorrectly lists the total amount of storage as approximately 520,000 AF; the correct amount is closer to 534,000 AF.

(0:06:40) Vote Taken

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

Moved to approve Consent Calendar as presented, with the correction to II.G. as noted above.

III. BUSINESS ITEMS

NONE

IV. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Appeal of April 28, 2017 Order
2. December 15, 2017 Court Hearing
3. Request for the Court to Amend the Annual Report Schedule for the Ground-Level Monitoring Committee

(0:06:58) Mr. Herrema gave a report.

B. ENGINEER REPORT

1. Storage Management Progress Report
2. Other Ongoing Work

(0:11:05) Mr. Wildermuth gave a report on Item IV.B.1.

(0:13:14) Mr. Malone gave a report on other ongoing work.

C. CFO REPORT

1. 2017/18 Assessment Invoicing

(0:17:33) Mr. Joswiak gave a report.

D. GM REPORT

- 1. Well Preservation Strategy
- 2. 2017 Replenishment Water Delivery
- 3. 2018 RMPU
- 4. 40th Annual Report Court Filing
- 5. SGMA Compliance Update
- 6. Chino Airport Plume Update
- 7. Other

(0:19:13) Mr. Kavounas introduced Mr. Tellez Foster to give a report on Item IV.D.1. A discussion ensued.

Ms. Gienger joined the meeting at 9:26 a.m.

(0:30:10) Mr. Kavounas gave reports on Items IV.D.2. – IV.D.4.

(0:33:51) Mr. Kavounas prefaced Item IV.D.5. and introduced Mr. Tellez Foster to give a presentation on SGMA Compliance Update. A discussion ensued.

(0:46:31) Mr. Kavounas gave reports on Item IV.D.6., and added reports on Storage Agreements, CBWM Schedule of Obligations and Duties, Storage Workshop on January 31, 2018 at 9 a.m., and Hearing Officer Panel appointment. A discussion ensued.

V. INFORMATION

- 1. Notice of Intent Regarding the Determination of Operating Safe Yield
- 2. Cash Disbursements for December 2017

VI. POOL MEMBER COMMENTS

None

VII. OTHER BUSINESS

None

VIII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Layton called for a confidential session at 9:58 a.m. to discuss Safe Yield Reset and Appropriative Pool Strategic Planning. Confidential session concluded at 11:10 a.m. with the following reportable action:

(0:58:00)

- 1. The Appropriative Pool discussed a Term Sheet that the six parties within the Appropriative Pool have come up with, and have decided to release the term sheet to the legal counsel for the Non-Agricultural and Agricultural Pools for consideration in their confidential sessions. The Appropriative Pool requests feedback from both Pools by January 31, 2018.

ADJOURNMENT

Chair Layton adjourned the annual Appropriative Pool meeting at 11:12 a.m.

Secretary: _____

Approved: _____ February 08, 2018