

MINUTES
CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING

June 14, 2018

The Appropriative Pool meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on June 14, 2018.

APPROPRIATIVE POOL MEMBERS PRESENT

Teri Layton, Chair
Van Jew, Vice-Chair
Dave Crosley
Rosemary Hoerning
John Bosler
Todd Corbin
Josh Swift for Eric Tarango
Cris Fealy
Ron Craig
Darron Poulsen
Greg Gage
Bob Page
Katie Gienger for Scott Burton

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

WATERMASTER BOARD MEMBER PRESENT

Eunice Ulloa

City of Chino

WATERMASTER STAFF PRESENT

Peter Kavounas
Joseph Joswiak
Edgar Tellez Foster
Anna Nelson
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

Curtis Paxton
Shaun Stone
Marsha Westropp
Eric Grubb
Steve Sentes
Derek Wieske
Eduardo Espinoza
David De Jesus
Matt Litchfield
Raul Garibay
Manny Martinez
John Schatz

Chino Basin Desalter Authority
Inland Empire Utilities Agency
Orange County Water District
Cucamonga Valley Water District
Chino Basin Water Conservation District
Chino Basin Water Conservation District
Cucamonga Valley Water District
Three Valleys Municipal Water District
Three Valleys Municipal Water District
City of Pomona
Monte Vista Water District
John J. Schatz, Attorney at Law

CALL TO ORDER

Chair Layton called the Appropriative Pool meeting to order at 9:00 a.m.

AGENDA – ADDITIONS/REORDER

(0:00:11) Chair Layton requested to take Business Items I.C. through I.E. after confidential session.

I. CONSENT CALENDAR**A. MINUTES**

Approve as presented:

1. Minutes of the Appropriative Pool Meeting held May 10, 2018

B. FINANCIAL REPORTS

Receive and file as presented:

1. Cash Disbursements for the month of April 2018
2. Watermaster VISA Check Detail for the month of April 2018
3. Combining Schedule for the Period July 1, 2017 through April 30, 2018
4. Treasurer's Report of Financial Affairs for the Period April 1, 2018 through April 30, 2018
5. Budget vs. Actual Report for the Period July 1, 2017 through April 30, 2018

C. APPLICATION FOR RECHARGE

Recommend Advisory Committee to recommend to the Watermaster Board to approve San Antonio Water Company's Application for Recharge and direct Watermaster staff to account for this supplemental water recharged in San Antonio Water Company's existing Local Supplemental Storage account.

D. WATER TRANSACTIONS

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

1. The transfer of 80.000 acre-feet of water from West End Consolidated Water Company to Golden State Water Company. This transfer is made from West End Consolidated Water Company's Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares.
2. The transfer of 853.677 acre-feet of water from West End Consolidated Water Company to City of Upland. This transfer is made from West End Consolidated Water Company's Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares.

(0:00:45)

Motion by Mr. Ron Craig, seconded by Mr. John Bosler, and by unanimous vote

Moved to approve the Consent Calendar as presented.

II. BUSINESS ITEMS**A. TASK ORDER NO. 2 UNDER MASTER AGREEMENT FOR COLLABORATIVE PROJECTS
TECHNICAL SUPPORT FOR ANALYSIS OF THE UPPER SANTA ANA RIVER GROUNDWATER
INTEGRATED MODEL**

Recommend to the Advisory Committee to approve Task Order No. 2 (Technical Support for Analysis of the Upper Santa Ana River Groundwater Integrated Model).

(0:01:04) Mr. Kavounas introduced Mr. Tellez Foster to give a report on Business Item II.A. A discussion ensued.

(0:02:01) Mr. Page joined the meeting at 9:01 a.m.

(0:04:52)

Motion by Vice-Chair Van Jew, seconded by Mr. Todd Corbin, and by unanimous vote

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

B. 2017 ANNUAL REPORT OF THE PRADO BASIN HABITAT SUSTAINABILITY COMMITTEE

Offer advice and assistance.

(0:05:10) Mr. Kavounas introduced Mr. Malone to give a presentation on Business Item II.B. A discussion ensued.

(0:14:04)

Motion by Mr. Todd Corbin, seconded by Mr. Darron Poulsen, and by unanimous vote

Moved to recommend Business Item II.B. to the Advisory Committee to receive and file.

(0:14:23) Chair Layton opted for the Pool to hear Report Items III.A. through III.D. before going into confidential session.

C. EXHIBIT "G" TRANSFER RATE AMENDMENT

Offer advice and assistance on amending Section 9(d) of Exhibit "G" regarding the transfer rate.

D. PEACE AGREEMENT PARAGRAPH 5.3(e) INTERPRETATION

Offer advice and assistance on the interpretation of the language.

E. AMENDMENTS TO JUDGMENT AND CAMA TO IMPLEMENT SETTLEMENT AGREEMENT REGARDING APPEAL FROM APRIL 28, 2017 ORDER

Discuss and offer advice.

The Pool took Business Items II.C. through II.E. during confidential session and the reportable action is provided in sequence below.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Appeal of April 28, 2017 Order
2. July 24, 2018 Court Hearing

(0:14:37) Mr. Herrema gave a report.

B. ENGINEER REPORT

1. Storage Framework
2. 2018 Recharge Master Plan Update
3. Salinity Management

(0:16:07) Mr. Wildermuth gave a report on Item III.B.1. A discussion ensued.

(0:34:56) Mr. Malone gave reports on Items III.B.2. and III.B.3.

C. CFO REPORT

1. FY 2017/18 Budget Transfers

(0:36:57) Mr. Joswiak gave a report. A discussion ensued.

D. GM REPORT

1. Future Assessment Packages
2. July 2018 Meeting Schedule
3. Other

(0:40:36) Mr. Kavounas gave a report. A discussion ensued.

IV. INFORMATION

1. Cash Disbursements for May 2018

V. POOL MEMBER COMMENTS

(0:45:49) Mr. Corbin commented on Business Items II.C. through II.E. from the Six-Pack's perspective.

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Layton called for a confidential session at 9:48 a.m. to discuss Appropriative Pool Strategic Planning, Exhibit "G" Transfer Rate Amendment, Peace Agreement Paragraph 5.3(e) Interpretation, Amendments to Judgment and CAMA to Implement Settlement Agreement Regarding Appeal From April 28, 2017 Order. Confidential session concluded at 11:45 a.m. with the following reportable action:

(0:49:26)

1. The Pool recognizes that Business Items II.C. through II.E. are closely interrelated, and direct the Appropriative Pool's legal counsel to work with Watermaster's legal counsel as to the process to move it forward.

ADJOURNMENT

Chair Layton adjourned the Appropriative Pool meeting at 11:45 a.m.

Secretary: _____

Approved: _____ July 19, 2018