

MINUTES
CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING

May 14, 2020

The Appropriative Pool meeting was held by GoToMeeting (conference call and web meeting) on May 14, 2020.

APPROPRIATIVE POOL MEMBERS PRESENT ON CALL

John Bosler, Chair	Cucamonga Valley Water District
Eric Tarango for Cris Fealy	Fontana Water Company
Ron Craig	City of Chino Hills
Dave Crosley	City of Chino
Chris Diggs	City of Pomona
Steve Ledbetter for Rosemary Hoerning	City of Upland
Steve Ledbetter for Rosemary Hoerning	West End Consolidated Water Co.
Katie Gienger for Scott Burton	City of Ontario
Josh Swift	Fontana Union Water Company
Josh Swift for Cris Fealy	Nicholson Trust
Brian Lee	San Antonio Water Company
Van Jew	Monte Vista Water District
Van Jew	Monte Vista Irrigation Company
Chris Berch	Jurupa Community Services District
Sam Gershon	Santa Ana River Water Company

WATERMASTER BOARD MEMBERS PRESENT ON CALL

Bob Kuhn	Three Valleys Municipal Water District
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WATERMASTER STAFF PRESENT AT WATERMASTER

Peter Kavounas	General Manager
Janine Wilson	Senior Accountant
Vanessa Aldaz	Administrative Assistant

WATERMASTER STAFF PRESENT ON CALL

Joseph Joswiak	Chief Financial Officer
Edgar Tellez Foster	Water Resources Mgmt. & Planning Dir.
Anna Nelson	Executive Services Director
Justin Nakano	Water Resources Technical Manager
Alonso Jurado	Field Operations Specialist

WATERMASTER CONSULTANTS PRESENT ON CALL

Brad Herrema	Brownstein Hyatt Farber Schreck, LLP
Mark Wildermuth	Wildermuth Environmental, Inc.
Andy Malone	Wildermuth Environmental, Inc.

OTHERS PRESENT ON CALL

John Schatz	John J. Schatz, Attorney at Law
Sylvie Lee	Inland Empire Utilities Agency
Kevin O'Toole	Orange County Water District
Justin Scott-Coe	Monte Vista Water District
Randall Reed	Cucamonga Valley Water District
Praseetha Krishnan	Cucamonga Valley Water District
Courtney Jones	City of Ontario
Ryan Shaw	Western Municipal Water District
Shawnda Grady	Ellison Schneider Harris & Donlan, LLP
David De Jesus	Three Valleys Municipal Water District
Eric Fordham	GeoPentech

Matt Litchfield
Thomas Harder
Steve Nix
Jimmy Gutierrez
Kevin Kenley

Three Valleys Municipal Water District
Thomas Harder & Co.
City of Upland
Jimmy L. Gutierrez, A Law Corporation
Cucamonga Valley Water District

CALL TO ORDER

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

ROLL CALL

(0:02:50) Ms. Nelson conducted the roll call.

AGENDA - ADDITIONS/REORDER

(0:05:19) Mr. Kavounas suggested that Reports/Updates Items III.A., III.B., and III.C be taken directly following the Consent Calendar. Chair Bosler concurred and added that Confidential Session will be taken directly following Business Item II.A.

I. CONSENT CALENDAR

Note: All matters listed under the Consent Calendar are considered to be routine and non-controversial and will be acted upon by one motion in the form listed below. There will be no separate discussion on these items prior to voting unless any members, staff, or the public requests specific items be discussed and/or removed from the Consent Calendar for separate action.

A. MINUTES

Approve as presented:

1. Minutes of the Appropriative Pool Special Meeting held April 1, 2020
2. Minutes of the Appropriative Pool Meeting held April 9, 2020
3. Minutes of the Appropriative Pool Special Meeting held April 10, 2020
4. Minutes of the Appropriative Pool Special Meeting held April 15, 2020

B. FINANCIAL REPORTS

Receive and file as presented:

1. Cash Disbursements for the month of March 2020
2. Watermaster VISA Check Detail for the month of March 2020
3. Combining Schedule for the Period July 1, 2019 through March 31, 2020
4. Treasurer's Report of Financial Affairs for the Period March 1, 2020 through March 31, 2020
5. Budget vs. Actual Report for the Period July 1, 2019 through March 31, 2020
6. Cash Disbursements for April 2020 (Information Only)

Mr. Eric Tarango joined the meeting at 9:06 a.m.

Mr. Josh Swift joined the meeting at 9:10 a.m.

(0:06:14)

*Motion by Mr. Ron Craig, seconded by Mr. Dave Crosley, and by unanimous vote
Moved to approve the Consent Calendar as presented.*

II. BUSINESS ITEMS

A. WATERMASTER FISCAL YEAR 2020/21 PROPOSED BUDGET

Recommend Advisory Committee approval of the proposed FY 2020/21 budget as presented.

(0:35:51) Staff and consultants gave a presentation. A discussion ensued.

Mr. Sam Gershon joined the meeting at 10:05 a.m.

Reportable action is shown under Confidential Session.

B. CONSIDERATION OF 2020 STORAGE MANAGEMENT PLAN

Consideration and possible action related to the Storage Management Plan.

(2:04:59) Mr. Kavounas gave a report. A discussion ensued.

(2:05:22)

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

Moved to approve the May 14, 2020 Resolution of the Appropriative Pool as attached.

Opposed by Monte Vista Water District, Monte Vista Irrigation Company, and City of Ontario.

C. FIRST AMENDMENT TO TASK ORDER NO. 2 UNDER MASTER AGREEMENT FOR COLLABORATIVE PROJECTS (TECHNICAL SUPPORT FOR THE UPPER SANTA ANA RIVER GROUNDWATER INTEGRATED MODEL)

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

(2:06:45) Mr. Kavounas gave a report. A discussion ensued.

(2:08:35)

Motion by Mr. Dave Crosley, seconded by Mr. Chris Diggs, and by unanimous vote

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

D. FIRST AMENDMENT TO TASK ORDER NO. 4 UNDER MASTER AGREEMENT FOR COLLABORATIVE PROJECTS (CHINO BASIN PROJECT SUPPORT)

Recommend to the Advisory Committee to approve the First Amendment to Task Order No. 4 Under Master Agreement for Collaborative Projects: Chino Basin Program.

(2:09:43) Mr. Tellez Foster gave a report. A discussion ensued.

(2:14:22)

Motion by Mr. Justin Scott-Coe, seconded by Ms. Katie Gienger, and by majority vote

Motion to recommend that the Advisory Committee not approve Business Item II.D. as presented.

Chris Diggs, representing the City of Pomona, and Chris Berch, representing Jurupa Community Services District, abstained.

E. 2020 SAFE YIELD RECALCULATION

Provide advice and assistance to Watermaster regarding the 2020 Safe Yield Recalculation.

(2:16:33) Mr. Kavounas offered to give a presentation, and the Pool declined stating that it is very close to providing advice and assistance. There was no action taken at this time.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. San Bernardino County Superior Court Emergency Order
2. June 26, 2020 Hearing
3. County of Maui v. Hawaii Wildlife Fund et al

(0:07:19) Mr. Herrema gave a report.

B. ENGINEER REPORT

1. Annual Report for the PBHSC

2. IEUA GWR 2019 Annual Report
3. SB88 Compliance
4. Potential Assistance to CDA with 97-005 Study Requirement

(0:11:52) Mr. Malone gave a presentation on Item III.B.1. and gave a report on the remainder of the Engineer Report items.

C. CFO REPORT

1. Fixed Rate Refunding of Series 2008B Variable Rate Demand Bonds

(0:30:37) Mr. Joswiak gave a presentation.

Mr. Brian Lee joined the meeting at 9:33 a.m.

D. GM REPORT

1. OBMP Implementation Plan Update
2. OAP Contest Status
3. Work from Home Update
4. Other

(2:17:44) Mr. Kavounas gave a report.

IV. POOL MEMBER COMMENTS

(2:20:40) Ms. Gienger announced her departure from the City of Ontario in early.

V. OTHER BUSINESS

VI. CONFIDENTIAL SESSION - POSSIBLE ACTION

A Confidential Session may be held during the Pool Committee meeting for the purpose of discussion and possible action.

Chair Bosler called for a confidential session at 11:01 a.m. to discuss the following:

1. Fiscal Year 2020/21 CBWM Budget
2. 2020 OBMP Implementation Plan PEs 8 and 9
3. Ag Pool Contest
4. Safe Yield Reset
5. Storage Management Plan

Confidential session concluded at 1:00 p.m. with the following reportable actions:

Motion by Mr. Chris Diggs, seconded by Mr. Chris Berch and by unanimous vote

Moved to approve the special assessment for the addition of \$70,000.00 to the Appropriative Pool Budget for its legal expense.

Business Item II.A., Fiscal Year 2020/21 Budget (as provided in the May 14, 2020 letter attached to these minutes):

Motion by the Ms. Katie Gienger, seconded by Mr. Brian Lee and by majority vote

Moved to approve the FY 2020-21 budget as presented, with the removal of all efforts and expenditures related to the OBMP Update which have not yet been agreed to by the Parties. The Pool requests that Watermaster bring those items back for a budget amendment, if necessary, once an Implementation Plan and Implementing Agreement is signed by all Parties.

Opposed by Mr. Chris Berch representing Jurupa Community Services District.

ADJOURNMENT

Chair Bosler adjourned the Appropriative Pool meeting at 1:20 p.m.

Secretary: _____

Approved: _____ June 11, 2020

Attachments:

1. 20200514 Appropriative Pool Letter re Watermaster's Proposed FY 2020/21 Budget
2. 20200514 Resolution of the Chino Basin Watermaster Appropriative Pool Regarding Watermaster Consideration of Approval of the 2020 Storage Management Plan Final Report Dated December 11, 2019

Appropriative Pool

Chair: John Bosler

Vice-Chair: Cris Fealy

Chino Basin Watermaster

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730

Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org



May 14, 2020

Mr. Peter Kavounas
General Manager
9641 San Bernardino Road
Rancho Cucamonga, CA 91730

Re: Appropriative Pool Comments on Watermaster's Proposed FY2020/21 Budget

Dear Mr. Kavounas:

First, we want to express our appreciation to you and your staff for preparing and delineating the proposed budget in the workshops, pool meetings, and committee meetings. The pool members have reviewed and discussed certain items in the budget and are herein sharing a general consensus of concerns. The Appropriative Pool hereby makes the following recommendation to Watermaster and Advisory Committee to approve the budget as motioned below.

This letter is organized by general comments on specific items, followed by a table of corresponding line items with suggestions for reductions.

Appropriative Pool Motion out of closed session:

Motion by Ontario:

The Appropriative Pool approves the FY 2020-21 budget as presented, with the removal of all efforts and expenditures related to the OBMP Update which have not yet been agreed to by the Parties. The Pool requests that Watermaster bring those items back for a budget amendment, if necessary, once an Implementation Plan and Implementing Agreement is signed by all Parties.

Second: SAWCo
Opposed: JCSD
Approved: All others in attendance (emailed separately)

1. Items 7507, 7614, 7210, 6906.1, 6907.4: The Pool is not in favor of approving budget for OBMPU program elements and tasks that have not been agreed to by the parties, and should not be included. Specifically, the table below summarizes some of those items. The Pool favors bringing those items back for a budget amendment when they are approved and a scope of work is better understood.

May 14, 2020

Mr. Peter Kavounas

AP Motion on Proposed FY20/21 Budget

2. Item 6072: Rules & Regulations have been requested by some parties, but parties have not yet discussed scope, cost and timeframe. Similar to above comment, consider refining this work with the pools, gain approval, and bring back later as an amendment to the budget.
3. Item 7202.2: New recharge projects have not been approved by RIP-Com and the parties.
4. Item 7206: Similarly increased recharge O&M has not been approved. Remove increase from budget, run by GRCC to justify, amend at later date.

Budget Item No.	Description	Reduce by:
6072	Legal - Rules & Regulations	\$ 65,875.00
7202.2	Recharge - engineering	246,952.00
7206	Recharge - O&M	254,075.00
7507	Groundwater Quality Management Plan	90,794.00
7614	Storage and Recovery Master Plan	105,986.00
6906.1	OBMP – Watermaster Model	62,958
6907.4	Storage Agreements (legal)	43,300
7210	2023 RMPU Scoping	45,012

Please let me know if you have any questions or concerns regarding these comments.

Sincerely,
John Bosler, Chair
Chino Basin Appropriative Pool

RESOLUTION OF THE CHINO BASIN WATERMASTER APPROPRIATIVE POOL REGARDING WATERMASTER CONSIDERATION OF APPROVAL OF THE 2020 STORAGE MANAGEMENT PLAN FINAL REPORT DATED DECEMBER 11, 2019

WHEREAS, commencing December 2016 Watermaster initiated a process involving a series of stakeholder discussions with the goal of developing a storage management plan in connection with an update to the Optimum Basin Management Program; and

WHEREAS, through several participative workshops a report titled Chino Basin Storage Framework Investigation (SFI) finalized in January 2019; and

WHEREAS, following development of the SFI Watermaster developed a list of issues compiled in a report titled 2020 SMP White Paper; and

WHEREAS, Watermaster conducted a series of workshops as part of the process to develop the 2020 Storage Management Plan Final Report dated December 11, 2019 (2020 SMP); and

WHEREAS, Sections 2.1-2.6 of the 2020 SMP contain suggested subjects for *potential amendment* of the Optimum Basin Management Program Implementation Plan Program Elements 8 and 9, amendments to the Peace Agreement and amendments to the Watermaster Rules and Regulations; and

WHEREAS, in its April 9, 2020 staff report, Watermaster staff stated approval of Sections 2.1-2.6 of the 2020 SMP does not constitute a binding commitment by the parties and/or Watermaster to any specific actions described therein; and

WHEREAS, for purposes of clarifying the relationship between the 2020 SMP and any following actions including the OBMP IP Program and amendments to the Peace Agreement, at its April 9, 2020 meeting the Appropriative Pool took action to: *Recommend Advisory Committee support Watermaster Board approval of the 2020 Storage Management Final Report Section 2.1-2.6 as the Storage Management Plan providing "guidance" for the preparation of the "desired" documentation,* and

WHEREAS, the Appropriative Pool recognizes the importance of the 2020 SMP serving as a guidance document for purposes of the OBMP IP or amendments to the Peace Agreement without binding or prejudicing Judgment parties or Watermaster to a particular course of action or agreement, and

WHEREAS, the 2020 SMP is relevant to resolving issues raised concerning the amount of water in storage and potential impacts on the Chino Groundwater Basin, and

WHEREAS, the Appropriative Pool paid about 97% of the 2020 SMP and related documents preparation expense which is approximately \$1 million including Appropriative Pool members collective participative time and expense.

NOW, THEREFORE, THE APPROPRIATIVE POOL HEREBY RESOLVES AS FOLLOWS:

1. Peace Agreement parties are not bound by the 2020 SMP, and
2. Negotiation and execution of a Peace Agreement Amendment by all Peace Agreement parties is required to implement the 2020 SMP; and
3. The 2020 SMP is only a Watermaster guidance/planning document, is not a contract that determines Peace Agreement Amendment terms and does not operate as a contract or commitment by Watermaster or Judgment parties to implement the 2020 SMP or any of its provisions absent a Peace Agreement Amendment, whether the Peace Agreement Amendment conforms or does not conform with the 2020 SMP; and
4. Subject to the acknowledgements set forth in paragraphs 1, 2, and 3 above, the Appropriative Pool advises and recommends that the 2020 SMP be approved by Watermaster.

May 14, 2020