

**MINUTES
CHINO BASIN WATERMASTER
APPROPRIATIVE POOL MEETING**

July 9, 2020

The Appropriative Pool meeting was held by GoToMeeting (conference call and web meeting) on July 9, 2020.

APPROPRIATIVE POOL MEMBERS PRESENT ON CALL

John Bosler, Chair	Cucamonga Valley Water District
Cris Fealy, Vice Chair	Fontana Water Company
Cris Fealy	Nicholson Trust
Ron Craig	City of Chino Hills
Dave Crosley	City of Chino
Chris Diggs	City of Pomona
Steven Ledbetter for Rosemary Hoerning	City of Upland
Steven Ledbetter for Rosemary Hoerning	West End Consolidated Water Co.
Courtney Jones	City of Ontario
Josh Swift	Fontana Union Water Company
Brian Lee	San Antonio Water Company
Van Jew	Monte Vista Water District
Van Jew	Monte Vista Irrigation Company
Chris Berch	Jurupa Community Services District
Ben Lewis	Golden State Water Company
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
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

WATERMASTER CONSULTANTS PRESENT ON CALL

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

OTHERS PRESENT ON CALL

John Schatz	John J. Schatz, Attorney at Law
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
Eunice Ulloa	City of Chino
Marilyn Levin	State of California – DOJ
Joshua Aguilar	Inland Empire Utilities Agency
Tarren Torres	Egoscue Law Group, Inc.
Pete Hall	State of California – CIM
Christiana Daisy	Inland Empire Utilities Agency
Shivaji Deshmukh	Inland Empire Utilities Agency
Carol Boyd	State of California – CIM

Sylvie Lee
Jimmy Gutierrez

Inland Empire Utilities Agency
Jimmy L. Gutierrez, A Law Corporation

CALL TO ORDER

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

ROLL CALL

(0:01:43) Ms. Nelson conducted the roll call.

AGENDA - ADDITIONS/REORDER

(0:05:01) Chair Bosler requested reports on all items from staff and will take all Business Items in Confidential Session.

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 June 5, 2020
2. Minutes of the Appropriative Pool Meeting held June 11, 2020
3. Minutes of the Appropriative Pool Special Meeting held June 17, 2020

B. FINANCIAL REPORTS

Receive and file as presented:

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

C. HAMNER PARK ASSOCIATES, LP OVERLYING (NON-AGRICULTURAL) POOL INTERVENTION REQUEST

Recommend to the Advisory Committee to recommend Watermaster filing the request for intervention with the Court.

D. APPLICATION: WATER TRANSACTION

The permanent transfer of 464.240 acre-feet of Safe Yield rights from Carlsberg Mobile Home Properties, LTD '73 to Hamner Park Associates, LP. This is a permanent transfer based on transfer of land ownership by Grant Deed dated September 30, 1987. This transfer is contingent on Hamner Park Associates, LP's successful intervention into the Overlying (Non-Agricultural) Pool.

E. APPLICATION: WATER TRANSACTION

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

The purchase of 708.3 acre-feet of water from West End Consolidated Water Company by the City of Upland. This purchase is made from West End Consolidated Water Company's Annual Production Right. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares. Date of application: June 18, 2020.

F. APPLICATION: WATER TRANSACTION

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

The permanent transfer of Safe Yield Rights from Nicholson Trust to Nicholson Family Trust. Date of application: June 9, 2020.

G. APPLICATION: RECHARGE

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

H. APPLICATION: RECHARGE

Recommend Advisory Committee to recommend to the Watermaster Board to approve Fontana Water Company's Application for Recharge (up to 300 acre-feet to be recharged into the Vulcan Basin) and direct Watermaster staff to account for this supplemental water recharged in Fontana Water Company's existing Local Supplemental Storage account.

I. APPLICATION: RECHARGE

Recommend Advisory Committee to recommend to the Watermaster Board to approve Fontana Water Company's Application for Recharge (up to 100 acre-feet to be recharged into the vineyard located along the south side of Beech Avenue and east of Cherry Avenue in the City of Fontana (MAR project)) and direct Watermaster staff to account for this supplemental water recharged in Fontana Water Company's existing Local Supplemental Storage account.

J. APPLICATION: 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.

(0:05:30)

Motion by Mr. Cris Fealy, seconded by Mr. Ron Craig, and by unanimous vote

Moved to approve the Consent Calendar as presented.

II. BUSINESS ITEMS

A. TASK ORDER NO. 6 UNDER MASTER AGREEMENT FOR COLLABORATIVE PROJECTS: WATER DEMAND PROJECTIONS BASED ON LAND USE

Recommend to the Advisory to Committee to approve the Task Order No. 6 as presented.

(0:06:29) Mr. Tellez Foster gave a report and Mr. Kavounas provided supplemental information. A discussion ensued. No action was taken on this item; see Confidential Session below.

B. BUDGET AMENDMENT FORM A-20-07-01

Recommend Advisory Committee approval.

(0:15:57) Mr. Kavounas gave a report. A discussion ensued. No action was taken on this item; see Confidential Session below.

C. OBMPU IMPLEMENTATION PLAN/PEACE AGREEMENT AMENDMENT (FOR DISCUSSION AND POSSIBLE ACTION)

Offer suggestions to Watermaster staff.

(0:16:43) Mr. Kavounas gave a report. See reportable action provided under Confidential Session below.

D. POTENTIAL OPTIONS TO ADDRESS LIMITATION ON STORAGE (FOR DISCUSSION AND POSSIBLE ACTION)

Consider various options and offer input to Watermaster staff.

(0:19:46) Mr. Kavounas gave a report. See reportable action provided under Confidential Session below.

E. OVERLYING (AGRICULTURAL) POOL LEGAL BUDGET INCREASE ALLOCATION

Provide direction to Watermaster on the method by which to allocate and invoice the \$167,000 among AP Members.

(0:25:21) Mr. Kavounas gave a report. A discussion ensued. See reportable action provided under Confidential Session below.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. San Bernardino County Superior Court Emergency Order
2. June 26, 2020 Hearing
3. July 10, 2020 Hearing

(0:34:00) Mr. Herrema gave a report.

B. ENGINEER REPORT

1. MPI Analyses
 - CVWD Recharge at Turner
 - SAWCo recharge at Upland and Montclair
 - FWC Recharge at Vineyard near San Sevaive and Vulcan
2. Safe Yield Reset Support

(0:37:48) Mr. Malone gave a report

C. CFO REPORT

None

D. GM REPORT

1. Status report: OBMP Update
2. Status report: OAP Contest
3. COVID-19 Business Operation Plan
4. August Meeting Schedule
5. Revised CY 2020 ONAP Volume Vote
6. Other

(0:39:15) Mr. Kavounas gave a report.

IV. POOL MEMBER COMMENTS

None

V. OTHER BUSINESS

None

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 9:42 a.m. to discuss the following:

1. Agricultural Pool Contest
2. Court Hearing
3. OBMP Implementation Plan Agreement

Confidential session concluded at 11:30 a.m. with the following reportable actions:

Business Item II.A., Task Order No. 6 Under Master Agreement for Collaborative Projects: Water Demand Projections Based on Land Use, and Business Item II.B., Budget Amendment Form A-20-07-01:

The pool is not voting yes or no on the items today but recommend forwarding the items to the advisory committee for discussion. The pool recommends IEUA be present to answer questions and/or present item.

Business Item II.C., OBMPU Implementation Plan/Peace Agreement Amendment:

The Pool supports moving forward with the IP. The Pool would like Watermaster to facilitate the process and invite all pools to attend workshops on the IP. The Pool wants Watermaster to move forward with workshops regardless if all pools do not want to attend or be involved. The Pool would like Watermaster to receive comments from all pools on the draft IP developed by the AP before the first workshop. The Pool would like workshops to begin in August possibly on Thursdays.

Business Item II.D., Potential Options to Address Limitation on Storage:

The Pool wants the move the IP process forward. AP will be sending Watermaster correspondence on the item to address storage ideas.

Business Item II.E., Overlying (Agricultural) Pool Legal Budget Increase Allocation:

The Pool is preparing correspondence that will address this item.

ADJOURNMENT

Chair Bosler adjourned the Appropriative Pool meeting at 11:33 a.m.

Secretary: _____

Approved: _____ August 13, 2020

Attachment:

- 1. 20200709 Appropriative Pool Confidential Session Motion.

Attachment 1 to 20200709 Appropriative Pool Minutes

-----Original Message-----

From: John Bosler <JohnB@cvwdwater.com>

Sent: Thursday, July 9, 2020 12:04 PM

To: Anna Nelson <atruongnelson@cbwm.org>

Cc: Eduardo Espinoza <EduardoE@cvwdwater.com>; Cris Fealy <cifealy@fontanawater.com>; John Schatz <Jschatz13@cox.net>

Subject: AP closed session July 9th 2020

CBW AP July 9th meeting

Reportable items from closed session:

Business Items

A and B) The pool is not voting yes or no on the items today but recommend forwarding the items to the advisory committee for discussion. The pool recommends IEUA be present to answer questions and/or present item A.

C) The pool supports moving forward with the IP. The pool would like watermaster to facilitate the process and invite all pools to attend workshops on the IP. The pool wants watermaster to move forward with workshops regardless if all pools do not want to attend or be involved. The pool would like watermaster to receive comments from all pools on the draft IP developed by the AP before the first workshop. The pool would like workshops to begin in August possibly on Thursdays.

D) The pool wants the move the IP process forward. AP will be sending watermaster correspondence on the item to address storage ideas.

E) The pool is preparing correspondence that will address this item.

Sent from my iPad