

**Minutes**  
**CHINO BASIN WATERMASTER**  
**WATERMASTER BOARD MEETING**

*February 28, 2013*

The Watermaster Board meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on February 28, 2013, at 11:00 a.m.

**WATERMASTER BOARD MEMBERS PRESENT**

Bob Kuhn, Chair  
Bob Craig  
Bob Bowcock  
Charles Field  
Terry Catlin  
Peter Rogers  
Paul Hofer  
Geoffrey Vanden Heuvel

Three Valleys Municipal Water District  
Jurupa Community Services District  
Vulcan Materials Company (Calmat Division)  
Western Municipal Water District  
Inland Empire Utilities Agency  
City of Chino Hills  
Agricultural Pool  
Agricultural Pool

**WATERMASTER BOARD MEMBERS ABSENT**

Jim Curatalo  
Steve Elie

Fontana Union Water Company  
Inland Empire Utilities Agency

**Watermaster Staff Present**

Peter Kavounas  
Danielle Maurizio  
Joseph Joswiak  
Sherri Molino

General Manager  
Assistant General Manager  
Chief Financial Officer  
Recording Secretary

**Watermaster Consultants Present**

Scott Slater  
Brad Herrema  
Andy Malone

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

**Others Present**

Jeff Pierson  
Bob Feenstra  
Pete Hall  
Mark Kinsey  
Sandra Rose  
Justin Scott-Coe  
Art Kidman  
Rick Hansen  
David DeJesus  
Darron Poulsen  
Dave Crosley  
Scott Burton  
Ron Craig  
Mike Maestas  
Sheri Rojo  
Ryan Shaw  
Curtis Paxton  
Jack Safely  
Ken Jeske  
Allison Burns

Ag Pool – Crops  
Ag Pool – Dairy  
Ag Pool – State of California – CIM  
Monte Vista Water District  
Monte Vista Water District  
Monte Vista Water District  
Kidman Law LLP  
Three Valleys Municipal Water District  
Three Valleys Municipal Water District  
City of Pomona  
City of Chino  
City of Ontario  
City of Chino Hills  
City of Chino Hills  
Fontana Water Company  
Inland Empire Utilities Agency  
Chino Desalter Authority  
Western Municipal Water District  
California Steel Industries  
Stradling Yucca Carlson & Rauth for the CDA

Chair Kuhn called the Watermaster Board meeting to order at 11:00 a.m.

**PLEDGE OF ALLEGIANCE**

**AGENDA - ADDITIONS/REORDER**

There were no additions or reorders made to the agenda.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the annual Watermaster Board Meeting held January 24, 2013

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of December 2012
2. Watermaster VISA Check Detail for the month of December 2012
3. Combining Schedule for the Period July 1, 2012 through December 31, 2012
4. Treasurer's Report of Financial Affairs for the Period December 1, 2012 through December 31, 2012
5. Budget vs. Actual Report for the Period July 1, 2012 through December 31, 2012

Mr. Kavounas noted the Financial Reports now includes special tracking on the Prado Basin costs, as requested by Mr. Vanden Heuvel, as a separate tracking on those costs. Mr. Vanden Heuvel thanked staff for that adjustment.

*Motion by Rogers, second by Vanden Heuvel, and by unanimous vote*

***Moved to approve Consent Calendar Items A through B, as presented***

**II. BUSINESS ITEMS**

**A. WATERMASTER MID-YEAR REVIEW AND BUDGET TRANSFERS**

Mr. Joswiak gave the Mid-Year Review presentation. Mr. Joswiak reviewed the Budget Transfer slide in detail. Mr. Joswiak stated staff is asking for a two part action to approve (1) Staff recommendation that the Mid-Year Review Report for the Period July 1, 2012 through December 31, 2012 be received and filed as presented, and (2) Staff recommendation for approval of the Budget Transfer Form T-13-02-01. Chair Kuhn asked for any questions or comments. No comment was made and Chair Kuhn called for a motion.

*Motion by Field, second by Catlin, and by unanimous vote*

***Moved to approve (1) Staff recommendation that the Mid-Year Review Report for the Period July 1, 2012 through December 31, 2012 be received and filed as presented, and (2) Staff recommendation for approval of the Budget Transfer Form T-13-02-01, as presented***

**B. 2013 AMENDMENT TO THE 2010 RECHARGE MASTER PLAN UPDATE SECTION 6**

Mr. Kavounas stated what is being presented today is Section 6 in the completed amendment. The text itself has been reviewed and developed through the Steering Committee and had slight revisions through the Pool and Advisory Committee process. Mr. Kavounas stated the advice is for the Watermaster Board to adopt Section 6. Mr. Kavounas stated as far as the process in concerned, Watermaster is very much on schedule, and if Section 6 is adopted today, that would leave Sections 5 and 8, which both are currently being worked on. Chair Kuhn asked for any questions or comments. No comment was made and Chair Kuhn called for a motion.

*Motion by Craig, second by Field, and by unanimous vote*

***Moved to approve the 2013 Amendment to the 2010 Recharge Master Plan Update Section 6: "Recharge Options to Improve Yield and Assure Sustainability", as presented***

**C. FUNDING OF THE POMONA CREDIT FOR FISCAL YEAR 2012/2013**

Mr. Kavounas stated the Pomona Credit is an item that has been brought to the Pool Committees and the Advisory Committee. What is being recommended today is that the Pomona Credit be paid out of Watermaster reserves to the City of Pomona this fiscal year. Then the assessment for this fiscal year will be included with next year's Assessment Package. Chair Kuhn asked for any questions or comments. Chair Kuhn called for a motion.

Mr. Vanden Heuvel thanked Three Valleys Municipal Water District (TVMWD) for paying this for the last five years and inquired why they stopped paying it. Chair Kuhn stated the matter was voted on at a TVMWD board meeting.

*Motion by Craig, second by Rogers, and by unanimous vote*

***Moved to approve to fund payment from existing Watermaster cash reserves in Fiscal Year 2012/2013 with double appropriative assessments in Fiscal Year 2013/2014, as presented***

**D. CDA REQUEST RE REMEDIATION OF CHINO AIRPORT GROUNDWATER PLUME**

Mr. Kavounas stated this item comes to the Watermaster Board as a result of a request that Watermaster received from the Chino Desalter Authority (CDA) and staff has asked the General Manager, Mr. Curtis Paxton, to be present to help discuss this in open session. Mr. Kavounas noted this item will also be discussed in closed session after the rest of the business has been completed.

Mr. Paxton introduced Allison Burns, CDA's general counsel. Mr. Paxton stated the Board is in receipt of the letter from the CDA that was sent on behalf of its member agencies. Mr. Paxton stated the CDA is requesting Watermaster to take prompt action to secure an order from the Watermaster court directing the County of San Bernardino to either remediate the Chino Airport Plume or to reimburse the CDA costs involved for treating the TCE contamination at Well 18. Mr. Paxton stated Well 18 is one of the wells in the Chino Creek Wellfield. Mr. Paxton stated the CDA agrees with Watermaster's recommendation and the CDA will be available at all Pool meetings next month to review this in a timely matter. Mr. Paxton stated this is the simplest and most cost effective way to meet the court order that the court directed Watermaster as far as negotiating settlement on this issue.

Chair Kuhn stated it is not clear to him reading the report as to the cost sharing of the legal fees in the future if Watermaster was to get involved in this matter.

Counsel Slater stated the potential cost allocation is the subject of some negotiation between Watermaster and the CDA. The Board has expressed its earlier intention that Watermaster would be assuming a lead role in trying to recover incremental costs, and that its own costs would be recoverable from any settlement that was obtained with the County. Counsel Slater stated at least from the Board's perspective there has been a consistent declaration to that effect since the issue first came before this Board. Counsel Slater stated the CDA takes the point of view that there should be some equitable allocation or distribution of recovered costs.

Chair Kuhn asked if there were any questions and in hearing none, stated this item will be taken up again during the confidential session. Chair Kuhn expressed the Watermaster Board's understanding this will be going back through the entire Watermaster process in March.

**III. REPORTS/UPDATES****A. ENGINEERING REPORT****1. Demonstration on HydroDaVE**

Mr. Kavounas introduced this item. Mr. Malone gave the HydroDaVE presentation. A brief discussion regarding the presentation slides ensued. Mr. Malone stated Wildermuth Environmental Inc. (WEI) does not own the data; WEI has a contract with Watermaster to manage the data. A discussion regarding where the data comes from ensued.

**B. GM REPORT**1. Save the Date – Refresh, Recharge, and Reunite

Mr. Kavounas stated March 12, 2013 is the Refresh, Recharge, and Reunite event. The first section of that event will be presented by Mr. Scott Slater, and he will be discussing the legal issues of the Chino Basin and getting different perspectives from all the stakeholders. Mr. Kavounas stated that event will be held at the Frontier Project starting at 7:30 a.m. which will include breakfast and lunch; Cucamonga Valley Water District graciously is providing those two meals.

2. Website Survey

Mr. Joswiak gave the Watermaster website customer survey presentation.

3. Cyclic Storage Agreement

Mr. Kavounas stated in November of 2012 it was mentioned staff would be looking at this agreement and whether it would be brought back through the process with a recommendation to extend the Cyclic Storage Agreement for another five-years. This agreement has lapsed as of December 31, 2012. This item has gone to the Pools and the Advisory Committee; however, the Advisory Committee chose to bring this item back next month to allow more discussion on key concerns by appropriators. Mr. Kavounas stated this is for the Watermaster Board's information today, that staff is going to bring this item back through the Watermaster process again, before it is brought to the Board for recommendation. Chair Kuhn stated he attended both of those meetings and it is his understanding this agreement was started in 1978. Chair Kuhn inquired if there has been any problem with the agreement as it has been used throughout the years. Mr. Kavounas stated it has been used on very rare occasions and as far as he is aware, there have never been any problems. Chair Kuhn stated he knows the Appropriative Pool approved this item and the Advisory Committee asked that this item be brought back through the Watermaster process again; however, he noted no matter the outcome, he wants this item be put back on the Watermaster's agenda.

4. Other Business

Mr. Kavounas stated he recently attended the Chromium 6 Workshop in Sacramento, and he noted he can provide the information he received at the workshop to any party who is interested. Mr. Kavounas offered information on the workshop.

Mr. Kavounas stated he made a presentation to the IEUA Board on February 6, 2013 and will make a similar presentation to the Western Municipal Water District's Board on March 6, 2013. Mr. Kavounas stated the presentation is a way of introducing himself as the General Manager of Watermaster and also a brief presentation on where Watermaster stands on the RMPU Amendment to the municipals.

Mr. Kavounas stated the Watermaster Personnel Committee is going to be scheduled late March or early April for discussion on the upcoming budget process.

Mr. Vanden Heuvel inquired about Chromium 6 regulations. Mr. Kavounas stated it is his understanding that the Department of Public Health will issue a draft MCL mid-year in 2013, and then that will go through a process of being approved, and become final at some point in time around 2015.

Mr. Vanden Heuvel stated he has been attending other committee meetings and reading various other reports which are raising several concerns. He stated complying with the MCL seems to be troublesome. Mr. Vanden Heuvel stated the costs of complying with this are potentially massive. Mr. Vanden Heuvel stated as a Board Member he is asking that this Board be kept up to date on anything relevant to this matter. Mr. Vanden Heuvel stated this

is a very important issue and if Watermaster can't provide the information then he needs to know where to go to get it.

Chair Kuhn stated he understands the regulations that are being referred are not only going to be on Chromium 6 but on a lot of other constituents at the same time. Chair Kuhn stated he also understands there is also consideration of lowering the Perchlorate MCL. Chair Kuhn stated he believes there are going to be massive costs associated with these new mandates. This Board needs to be kept informed on this. Chair Kuhn offered further comment on this matter.

Mr. Vanden Heuvel asked Mr. Kavounas to use his best judgment and provide information that is needed, and maybe even use HydroDaVE scenarios and make those scenarios available to our elected officials.

Mr. Kavounas stated the Board, as well as anyone interested in the basin, will be kept up to date, and acknowledged it is difficult for elected officials to ignore headlines in newspapers; that type of information could be very misleading if it is not presented correctly. Mr. Kavounas stated Mr. Vanden Heuvel is correct in that the people making the decisions/policies don't know all the information or where to get all the correct information as they need to make good decisions.

#### **IV. INFORMATION**

1. Cash Disbursements for January 2013  
No comment was made on this item.

#### **V. BOARD MEMBER COMMENTS**

Mr. Craig stated he will be attending the Water Agencies event on state legislative activities on March 4, 2013.

Mr. Vanden Heuvel noted he will not be at the RRR event; however, Mr. Kavounas has assured him that it will be videotaped. Hopefully this event serves a good purpose and there are issues that come to light that really need to be worked on; this is a good way to get everyone to the starting point, and hopefully it is the start and not the end. Mr. Vanden Heuvel noted he will be carefully watching the video to get up to speed.

Chair Kuhn stated this is a good starting point and he hopes it's not the ending point, and that Watermaster holds follow up meetings.

#### **VI. OTHER BUSINESS**

No comment was made.

The regular open Watermaster Board meeting was convened to hold its confidential session at 12:05 p.m.

#### **VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Pursuant to Article 2.6 of the Watermaster Rules & Regulations, a Confidential Session may be held during the Watermaster committee meeting for the purpose of discussion and possible action.

1. CDA Request Re Remediation of Chino Airport Groundwater Plume

The confidential session concluded at 12:51 p.m.

There was no reportable action.

**VIII. FUTURE MEETINGS AT WATERMASTER**

Thursday, February 28, 2013	11:00 a.m.	Watermaster Board Meeting
Thursday, March 7, 2013	10:00 a.m.	CB RMPU Steering Committee Meeting
<b>Tuesday, March 12, 2013</b>	<b>7:30 a.m.</b>	<b>Refresh, Recharge and Reunite – Frontier Project</b>
Thursday, March 14, 2013	9:00 a.m.	Appropriative Pool Meeting
Thursday, March 14, 2013	11:00 a.m.	Non-Agricultural Pool Conference Call Meeting
Thursday, March 14, 2013	1:30 p.m.	Agricultural Pool Meeting
Thursday, March 21, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, March 21, 2013	9:00 a.m.	Advisory Committee Meeting
Thursday, March 21, 2013	10:00 a.m.	CB RMPU Steering Committee Meeting
Tuesday, March 26, 2013	9:00 a.m.	GRCC Meeting
Thursday, March 28, 2013	11:00 a.m.	Watermaster Board Meeting
<b>Tuesday, April 16, 2013</b>	<b>9:30 a.m.</b>	<b>Budget Workshop</b>

Chair Kuhn adjourned the Watermaster Board meeting at 12:52 p.m.

Secretary: \_\_\_\_\_

Minutes Approved: March 28, 2013