

Minutes
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING

May 23, 2013

The Watermaster Board meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on May 23, 2013 at 11:00 a.m.

WATERMASTER BOARD MEMBERS PRESENT

Bob Kuhn, Chair	Three Valleys Municipal Water District
Jim Curatalo	Fontana Union Water Company
Bob Craig	Jurupa Community Services District
Steve Elie	Inland Empire Utilities Agency
Bob Bowcock	Vulcan Materials Company (Calmat Division)
Peter Rogers	City of Chino Hills
Paul Hofer	Agricultural Pool
Jeff Pierson for Geoffrey Vanden Heuvel	Agricultural Pool

WATERMASTER BOARD MEMBERS ABSENT

Charles Field	Western Municipal Water District
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Watermaster Staff Present

Peter Kavounas	General Manager
Danielle Maurizio	Assistant General Manager
Joseph Joswiak	Chief Financial Officer
Janine Wilson	Recording Secretary

Watermaster Consultants Present

Scott Slater	Brownstein Hyatt Farber & Schreck
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Others Present

Bob Feenstra	Ag Pool – Dairy
Tracy Egoscue	Ag Pool Attorney
Pete Hall	Ag Pool – State of California – CIM
Brian Geye	Auto Club Speedway
David DeJesus	Three Valleys Municipal Water District
Marty Zvirbulis	Cucamonga Valley Water District
Jo Lynne Russo-Pereyra	Cucamonga Valley Water District
John Bosler	Cucamonga Valley Water District
Dave Crosley	City of Chino
Scott Burton	City of Ontario
Ron Craig	City of Chino Hills
Nadeem Majaj	City of Chino Hills
Sheri Rojo	Fontana Water Company
Terry Catlin	Inland Empire Utilities Agency
Chris Berch	Inland Empire Utilities Agency
Curtis Paxton	Chino Desalter Authority
Jack Safely	Western Municipal Water District
Todd Corbin	Jurupa Community Services District
Darron Poulsen	City of Pomona
Ben Lewis	Golden State Water Company
Teri Layton	Santa Antonio Water Company
Ken Jeske	California Steel Industries (CSI)

Chair Kuhn called the Watermaster Board meeting to order at 11:01 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 Watermaster Board Meeting held March 28, 2013
2. Minutes of the Watermaster Board Confidential Meeting held April 18, 2013

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of February 2013
2. Watermaster VISA Check Detail for the month of February 2013
3. Combining Schedule for the Period July 1, 2012 through February 28, 2013
4. Treasurer's Report of Financial Affairs for the Period February 1, 2013 through February 28, 2013
5. Budget vs. Actual Report for the Period July 1, 2012 through February 28, 2013
6. Cash disbursements for the month of March 2013
7. Watermaster VISA Check Detail for the month of March 2013
8. Combining Schedule for the Period July 1, 2012 through March 31, 2013
9. Cash Treasurer's Report of Financial Affairs for the Period March 1, 2013 through March 31, 2013
10. Budget vs. Actual Report for the Period July 1, 2012 through March 31, 2013

C. WATER TRANSACTION

1. Consider Approval for Notice of Sale or Transfer – The purchase of 1,100.000 acre-feet of water from Santa Ana River Water Company (SARWC) by Jurupa Community Services District (JCS D). This purchase is made first from SARWC's Annual Production Right, with any additional from storage. Date of application: March 11, 2013.
Pool Approval: April 11, 2013

D. PERSONNEL COMMITTEE RECOMMENDATIONS

1. 3-Year Plan For Employees To Contribute 8% to CalPERS Retirement Plan
2. COLA Increase of 1.95% Effective July 1, 2013
3. Adopt Publicly Available Pay Schedule
4. Medical-Dental-Vision Benefits Allowance Policy
5. Change of 457 Deferred Compensation Plan Administrator
6. Chino Basin Watermaster Employee Manual
7. Chino Basin Watermaster Administration Policy Manual Section 3

E. RESOLUTION 13-05

1. Resolution of the Chino Basin Watermaster, San Bernardino County, CA, Establishing ICMA Retirement Corporation As the Watermaster's 457 Deferred Compensation Plan Administrator

F. CBWM PRIOR COMPENSATION SCHEDULES

1. Salary Matrix for FY 2011-12 and FY 2012-13

Motion by Peter Rogers, second by Bob Craig, and by unanimous vote

Moved to approve Consent Calendar Items A through F, as presented

II. BUSINESS ITEMS**A. CDA REQUEST RE REMEDIATION OF CHINO AIRPORT GROUNDWATER PLUME**

Mr. Kavounas advised this item is also on the Closed Session for discussion by the Board. In the staff letter there is no recommendation for the Board to act. Staff is working very productively with the Pools, and at this time, the Pools recommendation is to wait until a few questions have been further explored.

B. WATERMASTER FISCAL YEAR 2013-2014 PROPOSED BUDGET

Approve the Proposed FY 2013-2014 Budget as Presented.

Mr. Kavounas advised the Board that the budget was presented to the Parties for the first time during a workshop, and reviewed during a second workshop a week later. The budget has been reviewed and approved by the Advisory Committee.

Mr. Joswiak gave a presentation, of the proposed FY 2013-2014 budget.

Motion by Jim Curatalo, second by Jeff Pierson, and by unanimous vote

Moved to approve Business Item B, as presented:

- *FY 2013/14 Revised Budget of \$6,724,736*
- *Authorize Staff to Payoff CalPERS Side Fund*

C. OVERLYING (AGRICULTURAL) POOL MOTION TO MODIFY FEBRUARY 19, 1998 RULING APPOINTING NINE-MEMBER WATERMASTER BOARD

For Watermaster Board: Information Only.

Ms. Egoscue, counsel for the Ag Pool, stated this item is for the Board's consideration, and can be found on page 215 of the packet. The draft motion, including a declaration in support by their Chair, is a very simple and straight forward approach to go the Judge, and clarify, Board representatives, and the alternates in particular, can be physically the same person as those serving on Committees, as evidence by Mr. Pierson today.

Motion by Bob Bowcock, second by Peter Rogers, and by unanimous vote

Moved to express Watermaster Board support for the Overlying (Agricultural) Pool motion.

D. RIGHT OF ENTRY PERMIT BETWEEN THE STATE OF CALIFORNIA AND CBWM

Authorize the General Manager to Execute the Proposed Right of Entry Permit, Allowing Authority to Approve Non-Substantive Changes.

Mr. Kavounas reported that the proposed permit is an agreement among the State of California and Watermaster, to allow access for Watermaster to continue to collect data from 17 wells located on State property. The State's insurance requirements are within existing Watermaster policies. The item was reviewed and approved by Pools and Advisory committees in April.

Motion by Steve Elie, second by Jeff Pierson, and by unanimous vote

Moved to approve Business Item D, as presented

III. REPORTS/UPDATES**A. LEGAL COUNSEL REPORT****1. CalPERS Appeal**

Mr. Slater reported that regarding the appeal matter involving Mr. Alvarez, the Watermaster Board previously authorized filing an appeal to address a concern that was expressed by PERS regarding Mr. Alvarez' total compensation. Watermaster appealed on the basis that PERS was not considering the full totality of the circumstances, and that the regulations they

were attempting to impose were adopted mid-way through the year that Mr. Alvarez was employed by Watermaster. Mr. Alvarez continues to prosecute his appeal separately.

B. GM REPORT

1. Hydrogeology Fundamentals / Westside Basin Tour: Mr. Kavounas thanked everyone that attended the tour. For those that were unable to attend, a folder with material that everyone else received is available.
2. Other: Mr. Kavounas stated that last Friday we had a very good technical meeting with representatives from Western Municipal Water District, and that was for them to see Watermaster's extensive and involved database for tracking all water related information in the Basin. The database is a strong tool for tracking every well, ownership information, production information and more.
3. There appears to be a change in the scope of WEI as it concerns the Recharge Master Plan Update Amendment. Watermaster and consultants meet on a monthly basis and review workload as well as the scope of work. What's become apparent, due to the interaction with the Steering Committee WEI has been asked to do more work on the RMPU Amendment than originally thought last January and February when this was presented to the Board. The scope changes for WEI pertain primarily to the range of recharge options that are included in the document. The list was very narrow at first, but working with the Steering Committee the direction was to collect information on every recharge option, resulting in a dramatic increase in WEI's work. That means they do a little less work in some other areas, but overall they can't offset the overall increase. Joe Joswiak will come back to the Board with an amended budget at some point, in approximately two months. Watermaster just became aware of this last week during our monthly review with WEI.

Chair Bob Kuhn asked to confirm the budget change will be in the 2012-2013 budget; Mr. Kavounas confirmed it is the current, 2012-2013 budget.

Mr. Elie asked if the Board will get an overview of what Mark Wildermuth is going to try to accomplish. Mr. Kavounas responded that the recharge projects are getting identified, the cost of each project is estimated, and the expected yield of each project is calculated; the Steering Committee will start looking at making selections of those projects and when that happens, the Board will start seeing the consolidated "Section 8" of the final Amendment report around June or the month after.

Mr. Jeff Pierson asked if the WEI costs are known at this time. Mr. Kavounas responded that this effort is at a point right now where all of it is starting to come together. It is difficult to predict today exactly what the final cost is going to be. More than likely, we'll have staff come back to the Board in a couple of months with final numbers.

IV. INFORMATION

Cash Disbursements for April 2013

No comment was made.

V. BOARD MEMBER COMMENTS

Mr. Elie thanked Peter for the tour and stated that it was very well planned and thought out. Every part of it was interesting and helpful to better understand what exactly the Chino Basin is, and what's going on. Also, Andy Malone (WEI) was phenomenal.

VI. OTHER BUSINESS

No comment was made.

The regular open Watermaster Board meeting was convened to hold its confidential session at 11:28 a.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 12:20 p.m.

There was no reportable action from the confidential session.

VIII. FUTURE MEETINGS AT WATERMASTER

Thursday, May 23, 2013	11:00 a.m.	Watermaster Board Meeting / Public Hearing
Tuesday, May 28, 2013	9:00 a.m.	GRCC Meeting
* Thursday, May 30, 2013	9:00 a.m.	RMPU Amendment Steering Committee Meeting
Thursday, June 6, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
Thursday, June 13, 2013	9:00 a.m.	Appropriative Pool Meeting
Thursday, June 13, 2013	11:00 a.m.	Non-Agricultural Pool Conference Call Meeting
Thursday, June 13, 2013	1:30 p.m.	Agricultural Pool Meeting
Tuesday, June 18, 2013	T.B.A.	Safe Yield Recalculation Workshop
Tuesday, June 18, 2013	1:00 p.m.	Ethics & Sexual Harassment Prevention Training
Thursday, June 20, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, June 20, 2013	9:00 a.m.	Advisory Committee Meeting
Thursday, June 20, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
Thursday, June 27, 2013	11:00 a.m.	Watermaster Board Meeting

* Recently added RMPU Amendment Steering Committee Meeting

Chair Kuhn adjourned the Watermaster Board meeting at 12:21 p.m.

Secretary: _____

Minutes Approved: June 27, 2013