

**MINUTES**  
**CHINO BASIN WATERMASTER**  
**WATERMASTER BOARD MEETING**

May 28, 2015

The Watermaster Board meeting was held at the offices of the Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA on May 28, 2015.

**WATERMASTER BOARD MEMBERS PRESENT**

Steve Elie, Chair  
Paul Hofer, Vice-Chair  
J. Arnold Rodriguez  
Bob Kuhn  
Geoffrey Vanden Heuvel  
Jim Bowman  
Bob Bowcock  
Mark Kinsey  
Don Galleano

Inland Empire Utilities Agency  
Agricultural Pool – Crops  
Santa Ana River Water Company  
Three Valleys Municipal Water District  
Agricultural Pool – Dairy  
City of Ontario  
Calmat Company (Vulcan Materials Co.)  
Monte Vista Water District  
Western Municipal Water District

**WATERMASTER STAFF PRESENT**

Peter Kavounas  
Danielle Maurizio  
Joseph Joswiak  
Anna Truong

General Manager  
Assistant General Manager  
Chief Financial Officer  
Recording Secretary

**WATERMASTER CONSULTANTS PRESENT**

Scott Slater  
Brad Herrema  
Mark Wildermuth  
Andy Malone  
Veva Weamer

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

**OTHERS PRESENT**

Eunice Ulloa  
Pete Hall  
Bob Feenstra  
Gil Aldaco  
Jimmy Gutierrez  
Ken Jeske  
Scott Burton  
Todd Corbin  
John Rossi  
Sheri Rojo  
Justin Scott-Coe  
Teri Layton  
Raul Garibay  
Marty Zvirbulis  
David DeJesus  
Dave Penrice  
Nadeem Majaj  
Dave Crosley  
Art Kidman  
Jose Alire  
Matt Ballantyne

Chino Basin Water Conservation District  
State of California – CIM  
Agricultural Pool – Dairy  
City of Chino  
Law Offices of Jimmy Gutierrez  
California Steel Industries (CSI)  
City of Ontario  
Jurupa Community Services District  
Western Municipal Water District  
Fontana Water Company  
Monte Vista Water District  
San Antonio Water Company  
City of Pomona  
Cucamonga Valley Water District  
Three Valleys Municipal Water District  
Aqua Capital Management, LP  
City of Chino Hills  
City of Chino  
Kidman Law, LLP  
City of Chino  
City of Chino

Glenn Duncan  
 Tom Haughey  
 Curtis Paxton  
 Ramsey Haddad  
 Ben Lewis  
 Jeff Pierson  
 Darron Poulsen  
 Tom Bunn  
 Ron Craig  
 Jo Lynne Russo-Pereyra  
 Richard Rees  
 Paula Lantz  
 Ryan Shaw  
 Rosemary Hoerning  
 Manny Martinez  
 Steve Kennedy

City of Chino  
 City of Chino  
 Chino Basin Desalter Authority  
 California Steel Industries (CSI)  
 Golden State Water Company  
 Agricultural Pool – Crops  
 City of Pomona  
 Lagerlof, Senecal, Gosney & Kruse, LLP  
 City of Chino Hills  
 Cucamonga Valley Water District  
 AMEC  
 City of Pomona  
 City of Ontario  
 City of Upland  
 Monte Vista Water District  
 Brunick, McElhaney, Beckett, Dolen & Kennedy

**CALL TO ORDER**

Chair Elie called the Watermaster Board meeting to order at 11:01 a.m. He announced the passing of Mr. Bob Craig, Watermaster’s 2014 Chair, and offered condolences to Mr. Craig’s family and to Jurupa Community Services District on behalf of the Watermaster Board and water community.

**PLEDGE OF ALLEGIANCE**

**PUBLIC COMMENTS**

None

**AGENDA - ADDITIONS/REORDER**

(0:01:05) Chair Elie requested Business Item II.D. is taken after confidential session.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Watermaster Board Special Meeting held April 8, 2015
2. Minutes of the Watermaster Board Meeting held April 28, 2015

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of March 2015
2. Watermaster VISA Check Detail for the month of March 2015
3. Combining Schedule for the Period July 1, 2014 through March 31, 2015
4. Treasurer’s Report of Financial Affairs for the Period March 1, 2015 through March 31, 2015
5. Budget vs. Actual Report for the Period July 1, 2014 through March 31, 2015

**C. WATER TRANSACTION**

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 3,000.000 acre-feet of water from the City of Pomona by the Cucamonga Valley Water District. This purchase is made from the City of Pomona’s Excess Carryover Account. Date of application: March 13, 2015.

**D. BROWNSTEIN HYATT FARBER SCHRECK – FY 2015/16 BILLING RATE ADJUSTMENT, AMENDMENT TO AGREEMENT FOR LEGAL SERVICES**

Approve the FY 2015/16 billing rate adjustment.

**E. CBWM FY 2015/16 PAY SCHEDULE**

Approve the FY 2015/16 Pay Schedule.

(0:01:24)

*Motion by Mr. Jim Bowman, seconded by Mr. Jeff Pierson, and carried unanimously*

***Moved to approve Consent Calendar as presented***

**II. BUSINESS ITEMS**

**A. INTEGRATED RESOURCES PLAN – GROUNDWATER MODELING REIMBURSEMENT AGREEMENT**

Approve the Reimbursement Agreement.

(0:01:47) Mr. Kavounas gave a report.

(0:02:35)

*Motion by Mr. Bob Bowcock, seconded by Mr. Mark Kinsey, and carried unanimously*

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

**B. WATERMASTER FISCAL YEAR 2015/16 PROPOSED BUDGET**

Approve the Proposed FY 2015/16 Budget as presented.

(0:02:51) Mr. Kavounas introduced the item.

(0:03:51) Mr. Joswiak gave a presentation. A discussion ensued.

(0:13:50) Ms. Teri Layton with San Antonio Water Company addressed the Board regarding their position on the proposed budget. More discussion ensued.

(0:20:39)

*Motion by Mr. Geoffrey Vanden Heuvel, seconded by Mr. Jim Bowman, and carried unanimously*

***Moved to approve Business Item II.B. as presented***

**C. SAFE YIELD RECALCULATION AND RESET FACILITATED PROCESS  
(Facilitator's Report and Possible Action)**

(0:21:00) Chair Elie made opening remarks.

(0:22:37) Mr. Kavounas gave a report and introduced Mr. Slater.

(0:24:01) Mr. Slater gave a report. A discussion ensued.

(1:43:16) Motion introduced by Mr. Don Galleano.

(1:55:53) *Motion modified by Mr. Kinsey and Chair Elie*

*Motion by Mr. Mark Kinsey, seconded by Mr. Geoffrey Vanden Heuvel, and by unanimous vote*

***Moved to direct staff and counsel to prepare a status report to the Court for consideration by the Board at its regular meeting on June 25, 2015. Direct staff and counsel to commence coordinating drafting of a binding agreement based on FANDA Key Principles unless either the Agricultural or Non-Agricultural Pool express concerns with the Principles by close of business on June 12, 2015. If necessary, the Board will convene a special meeting on June 16, 2015 to evaluate concerns and take appropriate action.***

(2:01:15) Mr. Kavounas thanked Mr. Slater, Mr. Herrema, Mr. Wildermuth, and staff for their hard work in supporting the Safe Yield effort.

**D. GM CONTRACT CONSIDERATION**

Item continued to June 25, 2015 Board meeting.

**III. REPORTS/UPDATES**

**A. LEGAL COUNSEL REPORT**

1. SGMA Basin Boundary Revisions Rulemaking Process

(2:04:28) Mr. Herrema gave a report on the SGMA Basin Boundary Revisions.

(2:07:32) Mr. Slater gave a report on the Appropriative Pool's request regarding the State Water Resources Control Board's drought regulations. A discussion ensued.

(2:11:50) Chair Elie stated that it is acceptable for Mr. Herrema to proceed as Mr. Slater described and for a report to be given at the June 2015 Board meeting.

**B. ENGINEER REPORT**

1. State of the Basin Report – Part 2
  - Groundwater Quality
  - Land Subsidence
2. Land Subsidence Committee Update
  - Work plan to develop a subsidence management plan for North MZ-1 area
  - 2014 Annual Report
  - Update to MZ-1 Plan

Items continued to June 25, 2015 Board meeting.

**C. CFO REPORT**

None

**D. GM REPORT**

1. CBWM 35<sup>th</sup> Annual Report
2. ACWA Conference
3. Other

Items continued to June 25, 2015 Board meeting.

**IV. INFORMATION**

1. Cash Disbursements for April 2015

**V. BOARD MEMBER COMMENTS**

(2:12:21) Mr. Vanden Heuvel requested to hear the Land Subsidence Committee report at the June 2015 Board meeting.

**VI. OTHER BUSINESS**

None

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

(2:12:49) Confidential session item deferred to June 25, 2015 Board meeting.

1. GM Performance Evaluation

**ADJOURNMENT**

(2:12:56) Chair Elie adjourned the Watermaster Board meeting at 1:15 p.m. in memory of Mr. Bob Craig.

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

Approved: June 25, 2015 \_\_\_\_\_