



GROUNDWATER COUNCIL MEETING AGENDA

MONDAY, May 14, 2018 - 10:00 AM

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT BOARD ROOM

380 EAST VANDERBILT WAY, SAN BERNARDINO, CA 92408

CALL TO ORDER

ROLL CALL FOR QUORUM

Bear Valley Mutual Water Company, City of Colton (3), City of Loma Linda (7), City of Redlands (21), City of Rialto (9), East Valley Water District (14), Fontana Water Company, Loma Linda University (1), San Bernardino Municipal Water Department (38), San Bernardino Valley Municipal Water District, San Bernardino Valley Water Conservation District, West Valley Water District (7), Yucaipa Valley Water District

INTRODUCTIONS

Approval of Minutes.

1. *April 9, 2018, Meeting (Page 3)*

REGULAR BUSINESS

1. ***Budget Committee.***

- A. *A Presentation on Proposed Draft Final Budget and Approve Budget Policy Document (Page 7)*

2. ***Governance Committee.***

- A. *Report from April 24, 2018, Meeting (Page 15)*

3. ***Agreement Approvals***

- A. *Update on Agreement Approvals*

4. ***Imported Water Availability***

- A. *Update on Imported Water Availability*

OTHER BUSINESS



ADJOURNMENT

The next regularly scheduled Groundwater Council Meeting will be on June 11, 2018 at 10:00 a.m., at San Bernardino Valley Municipal Water District 380 East Vanderbilt Way San Bernardino, CA 92408

**MINUTES
OF
THE
GROUNDWATER COUNCIL**

April 9, 2018

Registered Guests:

Daniel Cozad, San Bernardino Valley Water Conservation District
 Karly Garnor, Western Municipal Water District
 Bob Tinch, San Bernardino Valley Municipal Water District
 Katelyn Scholte, San Bernardino Valley Water Conservation District
 Jesus Gastelum, Elsinore Valley Municipal Water District
 Sam Fuller, Consultant for Bear Valley Mutual Water Company
 Russ Handy, City of Loma Linda (7)
 Miguel Guerrero, San Bernardino Municipal Water Department (38)
 Tom Crowley, City of Rialto (9)
 Cecilia Griego, City of Redlands
 Paul Toor, City of Redlands (21)
 Bruce Mackenzie, MSG, Southern California Edison
 Jennifer Ares, Yucaipa Valley Water District
 Jarb Thaipejr, City of Loma Linda
 Wen Huang, San Bernardino Valley Municipal Water District
 Douglas Headrick, San Bernardino Valley Municipal Water District
 Cindy Saks, San Bernardino Valley Municipal Water District
 Lillian Hernandez, San Bernardino Valley Municipal Water District

The Groundwater Council meeting was called to order by Tom Crowley at 10:03 a.m. at the San Bernardino Valley Municipal Water District office, 380 E. Vanderbilt Way, San Bernardino.

Roll Call was taken and a quorum was noted present.

Agenda Item 1. Approval of Minutes.

1. March 12, 2018, Meeting.

Douglas Headrick moved to approve the minutes of the March 12, 2018, Groundwater Council meeting. Miguel Guerrero seconded. The motion was unanimously adopted.

Agenda Item 2. Regular Business.

1. Budget Committee.

A. Presentation on Proposed Draft Budget and Approve Budget Policy Document.

Daniel Cozad stated that the Draft Budget Committee Policy was provided in the packet. He indicated that John Mura and Miguel Guerrero had reviewed it. Mr. Cozad provide an updated table and map as handouts. The policy includes rules and practices for the Committee. Mr. Mura made a recommendation that when appointments are made, one appointment is a one-year term and the second appointment is a two-year term so there is an alternating schedule and one person will be carried over each time. The Budget Committee will elect the Chair and communicate that election to the President of the Groundwater Council (GC). They will have meetings which include telephonic and in-person meetings. The Committee will set its own dates. To the extent possible, the Committee will let the full GC know of their meetings so if anyone wants to attend they can. The Budget Development and Findings is the result of what the Committee will be undertaking. Table 1 identifies everything that goes into the development of the budget. The Committee will meet each November to make sure they have all of the information required. The Committee is recommending that the GC work one year in arrears. 2016 was the date that was developed for this year. If they don't do that, they will not have all of the data and information necessary to complete their task. The Committee recommendation is that the GC stay with the same approach as this year. Mr. Headrick requested that imported water get combined into the estimated Operation and Maintenance (O&M) costs. Mr. Cozad stated that there may be Attachment A1 & A2 which will be the water part and then all the costs. The Budget Committee will meet in November to make sure they have all of the necessary information and review it. This is where they integrate locations where people want water delivered to if they are a purchaser of that water. He will ask the Basin Technical Advisory Committee (BTAC) Engineering Committee to review the information. The Budget Committee at its first meeting in early March or late February would propose a budget. In the agreement there is a provision for administrative costs and none were proposed for this year. Mr. Mura felt strongly the Committee should make a determination every year that there are not administrative costs. They developed the Budget Process and Timing for the Committee. In October the Watermaster and staff would all collect the data that is outlined. In November there would be the preliminary water purchase and the O&M budgets would come together. In February the Budget Committee would meet and review the Equitable Allocation Model (EAM) and send out the preliminary budget to the GC for review. In February/March there would be a presentation to the GC. In April/May the GC would approve the budget formally. The recommendation of the Committee is to bill at the beginning of the year each year in July and collections are due 30 days thereafter with a request to the Chair, Vice-Chair and Secretary of the GC. There is a provision to allow for a budget change should it be needed due to changed circumstances. Cindy Saks reviewed the Collection and Payment section which includes how each of the entities would bill. San Bernardino Valley Municipal Water District (SBVMWD) and the San Bernardino Valley Water Conservation District

(SBVWCD) would bill slightly differently. This is the policy proposal from the Budget Committee to the GC that it is billed once a year and agencies pay it when they are billed. He indicated that if anyone had any other ideas to let him know. He would like to receive everyone's comments. The Budget Committee Chair will send an email and outline the options and preference. The Budget Committee proposes that SBVMWD invest the funds for water purchase in accordance with their investment policy. Mr. Headrick requested that the Budget Committee add monthly reports to the GC on the current balance by agency. Mr. Headrick will set-up a Governance Committee meeting with interested parties.

2. Agreement Approvals.

- A. Update on Agreement Approvals.** Douglas Headrick reported that he met with Paul Toor from the City of Redlands and he is working the GC agreement through their process. Mr. Headrick is scheduled to present the agreement to a Committee of the West Valley Water District (WVWD) Board on May 10th. Based on the result of that meeting, that will determine whether or not WVWD will be approving it. They appear to be willing to pay costs that are associated with their recharge even if they don't approve the agreement. Their reluctance to sign the agreement is not related to funding. President Crowley requested that all agencies send a letter to him or the Secretary with their appointees to the GC.

3. Imported Water Availability.

- B. Update on Imported Water Availability.** Douglas Headrick reported that the State Water Project modeling shows that the current 20 percent allocation can be maintained through June. Due to a recent storm there is a possibility it could increase to 25 percent. Bob Tincher is working on a tool to take the numbers when they become available and help the GC and others to do planning. At 25 percent there is no water for refilling the basin.

Agenda Item 3. Other Business.

The next regularly scheduled Groundwater Council Meeting will be on May 14, 2018, at 10:00 a.m. at San Bernardino Valley Municipal Water District, 380 E. Vanderbilt Way, San Bernardino, CA 92408.

Agenda Item 4. Adjournment.

There being no further business, President Crowley adjourned the meeting 10:48 a.m.

APPROVAL CERTIFICATION

I hereby certify to approval of the foregoing Minutes of the Groundwater Council.

Secretary

Date _____

Respectfully submitted,

Lillian Hernandez
Board Secretary

SAN BERNARDINO BASIN GROUNDWATER COUNCIL

BUDGET COMMITTEE POLICY

DRAFT FINAL April 9, 2018

This policy document was prepared by the committee to provide operating policy, rules and guidelines for the committee and the Groundwater Council (GC) related to budget, fiscal, and reporting issues. The following members participated in the development of the policy.

John Mura, East Valley Water District
Daniel Cozad, SBV Water Conservation District
Miguel Guerrero, City of San Bernardino Municipal Water Department

This document was presented to the GC at its April 9, 2018 and will be considered for approval at the May 13, 2018 meeting.

Committee Policy, Rules, and Practices

1. COMMITTEE APPOINTMENTS AND ELECTION OF CHAIR

- a. The GC will appoint members to serve on the Budget Committee (BC). The BC recommends that GC appoint all new members alternatively in one or two-year terms, so at least one member has served on the BC in the prior year.
- b. The BC will elect a Chair and communicate this election to the President of the GC in its Action Minutes.

2. MEETING AND GENERAL ISSUES

- a. The Chair will schedule in person or telephone conference meetings at dates and times to meet the needs of the BC.
- b. BC meetings, to the extent possible, will be noticed so other members can participate if they wish.

3. BUDGET DEVELOPMENT AND FINDINGS

The BC is documenting the development process and efforts undertaken in the following areas to cover the requirements and sources of information for each finding that is listed in the Framework Agreement section 4.6. **Table 1** identifies the sources, timing, and processing of data needed to update the Equitable Allocation Model (EAM) each year. The committee will meet in November each year to ensure all information has been collected from the prior year and the updated EAM. The original EAM developed for approval of agreement uses certified Watermaster and other data from 2016. The EAM will be one year in arrears for allocation. SBVMWD and SBVWCD will provide budget information and backup for the development of the budget for Water Purchase and O&M.

- a) Amount of imported or other water supplies to be acquired will be calculated in the EAM in accordance with Framework Agreement, Exhibit B. This information will be combined into a summary table similar to the one shown in Attachment A-1 to this policy.
- b) Estimated O&M costs and any supporting information will be prepared by the SBVWCD in coordination with any other entity performing O&M on recharge basins for the BC. This information will be combined with costs for imported or other water supplies and incorporated into the summary table similar to Attachment A-2.
- c) The Budget Committee in November will coordinate with the BTAC Engineering Committee recommended application or distribution of imported water locations and quantities based on the EAM. This would be developed by the BTAC Engineering Committee and be incorporated into a summary table and map similar to the one shown in Attachment B to this policy.
- d) The Budget Committee, at its first meeting, will discuss and determine if any administrative costs for the GC operations should be included in the budget and assess collection and uses. No administrative costs are budgeted, but if costs are planned in future years, they would be incorporated into Attachment A.
- e) Finally, based on the EAM, a proposed allocation of costs for Water Purchase and O&M will be determined and shown in summary in Attachment A

4. BUDGET PROCESS AND TIMING

In accordance with Section 4.6.2 and 4.6.3, the committee recommends the following schedule for development of the background surface and groundwater data needed to update the EAM and budget development.

- October – Staff collect Watermaster and other data identified in Table 1 and process and review it to update the EAM. Much of this data should be included in the annual basin groundwater report. If needed, GC will coordinate with the BTAC Engineering Committee.
- November – BC meets to review EAM and preliminary water purchase and O&M budgets, as well as any other preliminary information needed.
- February – BC meets to review EAM and send the preliminary budget to the GC.
- February/March – BC presents the EAM and budget to the GC, incorporates comments or changes and prepares a final budget for GC member budgets
- April/May – GC meets to approve the GC budget formally
- July – SBVMWD and SBVWCD send invoices for EAM allocated member costs.

- September /October – GC meets to review actual revenue and expenses and plan for the next year's budget. The GC may provide an informal or formal report the GC on actual income and expenses for the prior year

A request for a Budget Amendment may be made by any member of the GC to the Chair of the BC for consideration at its next meeting. Budget amendments may be rare but are likely the result unexpected circumstances or changes in hydrology or member participation.

5. COLLECTION PAYMENT AND REPORTING

In accordance with the Framework Agreement, SBVMWD will collect Water Purchase funds from members in a procedure described below:

After approval of the GC Budget and July 1 of each year, SBVMWD will prepare an invoice for the Water Purchase component of the GC's EAM for each participating agency. This invoice will be due within 30 days from the date of the invoice unless the entity has requested and the Executive Committee (President, vice president, and secretary) or GC has approved another payment term. Should another payment term be accepted, the amount due will be collected with those terms. If the payment is not made within the appropriate time, a late notice shall be prepared and sent to the agency and reported to the BC and GC President. If the GC approves terms where an agency can hold funds to be remitted at a later date, the entity will remit a warrant or credit letter committing to remit the funds within 30 days of a request for remittance plus any interest or fee the GC approves. Funds received from members or interest shall be segregated into a separate GC Water Purchase account or fund which allows the SBVMWD to account and report on the transactions of the fund apart from other district funds.

In accordance with the Framework Agreement SBVWCD will collect O&M funds from members in a procedure described below:

After the GC approves the annual budget and shortly after July 1 of each year, SBVWCD will prepare an invoice for each member's assigned O&M contribution from the EAM and approved Budget. This invoice will be due within 30 days from the date of the invoice unless the entity has requested and the Executive Committee or GC has approved another payment term. Should another payment term be accepted, the amount due will be collected with those terms. If the payment is not be made within the appropriate time, a late notice shall be prepared and sent to the agency and reported to the BC and GC President. Funds received shall be segregated into an account which allows the SBVWCD to account for and report this income separately from other water enterprise funds.

Both SBVMWD and SBVWCD will collaborate to prepare a financial report for the GC on a monthly basis or for each meeting of the GC. The report will show amounts collected from each member for O&M and Water Purchase and any expenses paid for imported water or held/invested for future purchases.

6. INVESTMENT OF FUNDS FOR WATER PURCHASE

As members remit funds to SBVMWD in accordance with the procedures above, it is likely in some years some funds will be in excess of that needed for Water Purchase. SBVMWD shall invest any funds in excess of those required in interest-bearing investments in accordance with the Districts then applicable Investment Policy. Interest earned by these funds shall accrue to the GC Water Purchase Fund. Should other remittance terms be needed by members, those terms would be approved by the Budget Committee and or Executive Committee, and interest on the funds should not exceed that actually earned by funds invested from the Water Purchase Fund.

Budget Policy Table 1
GC EAM Data Sources for Updates

Data	Source	Use	Expected Availability
Groundwater			
Verified Total Extractions	Watermaster Report Volume 1 Table 3	Gap/O&M	August
Pumping Adjustments	SBVMWD Calculation	Gap/O&M	Spring
Other Distribution of Verified Extractions	Watermaster Report Volume 1 Change in Ownership from Base Period	Base Period Gap	Existing
BVMWC Base Period Wells	1971 Watermaster Volume 1 Table 1	Base Period Gap	Existing
BVMWC Well Usage	Watermaster Report Volume 1 Table 1	Gap/O&M	August
Imported Water			
Imported Water Spreading Delivery	SBVMWD Orders and Accounting	Gap	Spring
Imported Water Direct Delivery	SBVMWD Orders and Accounting	Gap	Spring
Lytle Creek Surface Water			
FUWC	Watermaster Report Volume 7 Table 1	Gap/O&M	August
Cemex	Watermaster Report Volume 7 Table 1	Gap/O&M	August
City of Rialto	Watermaster Report Volume 7 Table 3	Gap/O&M	August
West Valley Water District	Watermaster Report Volume 1 Table 7	Gap/O&M	August
Mt Vernon Water	Watermaster Report Volume 1 Table 7	Gap/O&M	August
City of San Bernardino	Watermaster Report Volume 1 Table 7	Gap/O&M	August
Mill Creek Surface Water			
Yucaipa Regional Park and Wilson Creek	Watermaster Report Volume 1 Table 5	Gap/O&M	August
Redlands Tate Filter Plant	Watermaster Report Volume 1 Table 5	Gap/O&M	August
Redlands Upper Mill Creek Wells	Watermaster Report Volume 1 Table 5	Gap/O&M	August
Cooley Hat Deliveries	Watermaster Report Volume 1 Table 7	Gap/O&M	August
Tate Pump Station	Watermaster Report Volume 1 Table 5	Gap/O&M	August
Transfer of Mill Creek Water to BV Highline	Watermaster Report Volume 1 Table 5	Gap/O&M	August
Transfer of SAR Water to Zanja	Watermaster Report Volume 1 Table 5	Gap/O&M	August
Crafton Water Company Zanja0	Watermaster Report Volume 1 Table 5	Gap/O&M	August
SBVMWD Unger Lane Turnout	Watermaster Report Volume 1 Table 5	Gap/O&M	August
Santa Ana River Surface Water			
Edwards Canal	Watermaster Report Volume 1 Table 6	Gap	August
Northfork Canal	Watermaster Report Volume 1 Table 6	Gap	August
Diversions at Morton Canyon Connection	Watermaster Report Volume 1 Table 6	Gap	August
Redlands Canal Weir at Redlands Sandbox	Watermaster Report Volume 1 Table 6	Gap	August
Bear Valley Highline	Watermaster Report Volume 1 Table 6	Gap	August
Greenspot Pipe Line	Watermaster Report Volume 1 Table 6	Gap	August
Water Received at Hinckley	Redlands Operations	Gap	Spring
SWP Delivered to Hinckley	SBVMWD Orders and Accounting	Gap	Spring
SARC to Redlands Aqueduct Sandbox	SBVMWD Operations	Gap	Spring
BVMWC SWP Purchases	SBVMWD Accounting	Gap	Spring
In-Lieu Wells	SBVMWD Operations	Gap	Spring
In-Lieu SWP Water Total	SBVMWD Operations	Gap	Spring
North Fork In-Lieu	SBVMWD Operations	Gap	Spring
Base Period Santa Ana River Diversions	BVMWC and Watermaster	Base Period Gap	Existing
Redlands Tunnel Base Period	1971 Watermaster Volume 1 Table 2	Base Period Gap	Existing
EVWD Actual SAR deliveries to Plant	EVWD Operations	Gap	Spring
Regional Supplies Provided By Agencies			
Recycled Water	RUWMP	Gap/Regional Credit	Existing
North Fork Spreading	SBVMWD Daily Flow Report	Regional Credit	Spring
Tate Treatment Plant Spreading	Watermaster Volume 1 Table 5	Regional Credit	August

Attachment A-1: G roundwater Council Sustainable Water for 2018-2019

Agency	Party Gap (AF)	Sustainability (AF)	Total Water (AF)	Credit for Water (AF)
Bear Valley Mutual Water Company	-	-	-	-
City of Colton	-	779	779	-
City of Loma Linda	994	859	1,854	-
City of Redlands	-	5,824	5,824	(999)
City of Rialto	1,271	1,166	2,436	(24)
City of San Bernardino	2,093	7,559	9,652	-
East Valley Water District	-	3,638	3,638	(707)
Fontana Union Water Company	#N/A	#N/A	#N/A	-
Loma Linda University	-	199	199	-
San Bernardino Valley M.W.D.	-	17	17	-
West Valley Water District	-	1,756	1,756	-
Yucaipa Valley Water District	92	22	113	-
Total GC Parties:	4,450	21,818	26,268	(1,730)
Mountain View Power Co.	186	403	589	#N/A
Muscoy Mutual Water Company No. 1	-	275	275	#N/A
San Bernardino County - Facility Management	-	123	123	#N/A
Terrace Water Company	-	101	101	#N/A
Other San Bernardino Extractions	-	1,466	1,466	#N/A
San Bernardino Non-Parties Total:	186	2,369	2,555	-

Attachment A-2: Groundwater Council Equitable Allocation Budget for 2018-2019

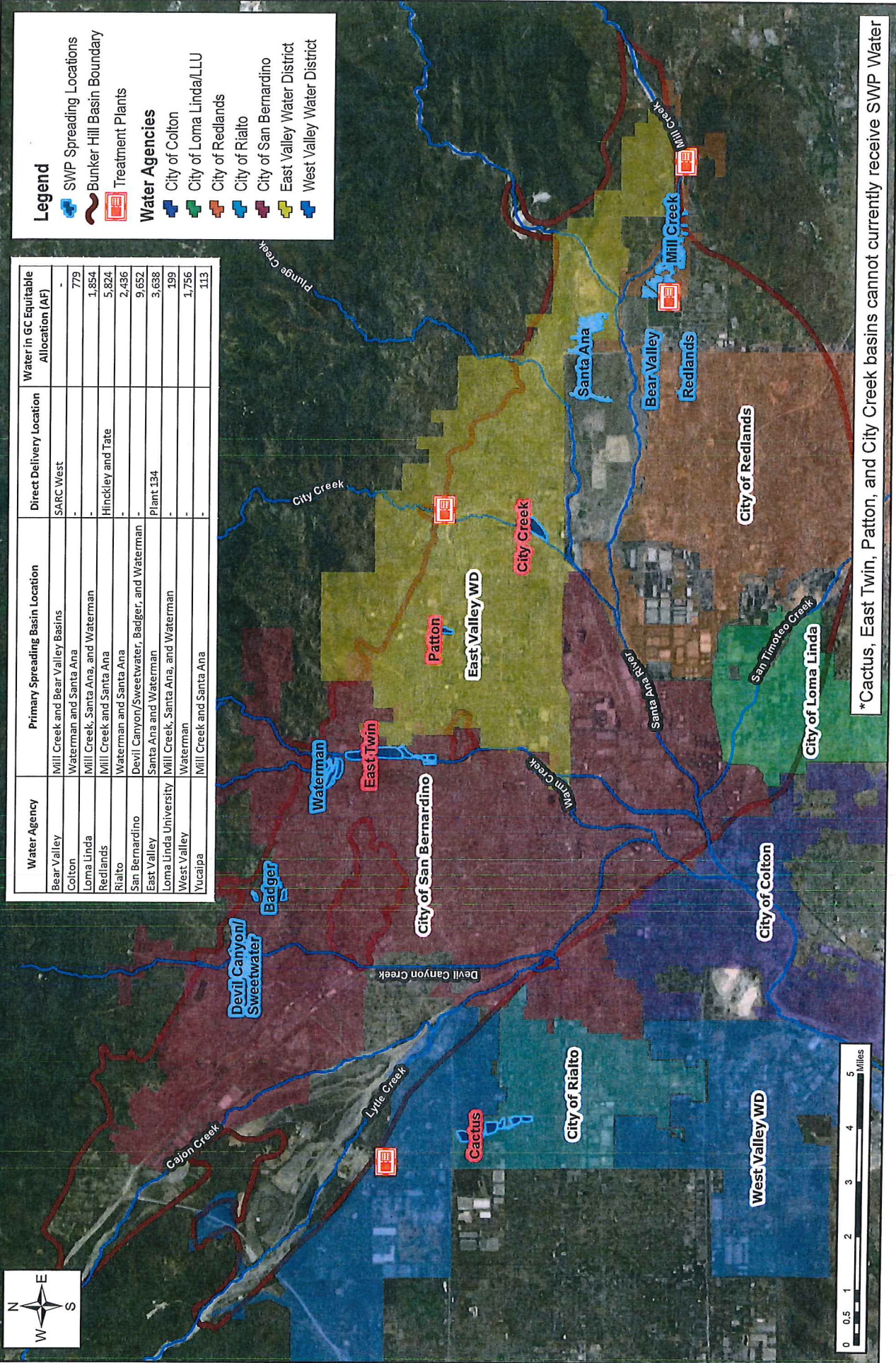
Agency	Party Gap (\$)	Sustainability (\$)	Equitable O&M Costs	Total Party Costs	Voting Weight
Bear Valley Mutual Water Company	\$ -	\$ -	\$ 121	\$ 121	0.003%
City of Colton	\$ -	\$ 91,875	\$ 23,240	\$ 115,116	3.1%
City of Loma Linda	\$ 117,345	\$ 101,373	\$ 35,929	\$ 254,647	6.8%
City of Redlands	\$ -	\$ 569,400	\$ 106,757	\$ 676,157	21.2%
City of Rialto	\$ 149,924	\$ 134,733	\$ 38,250	\$ 322,907	8.7%
City of San Bernardino	\$ 246,970	\$ 891,954	\$ 277,164	\$ 1,416,088	37.8%
East Valley Water District	\$ -	\$ 345,898	\$ 97,656	\$ 443,555	14.1%
Fontana Union Water Company	#N/A	#N/A	#N/A	#N/A	#N/A
Loma Linda University	\$ -	\$ 23,453	\$ 7,780	\$ 31,233	0.8%
San Bernardino Valley M.W.D.	\$ -	\$ 1,987	\$ -	\$ 1,987	#N/A
West Valley Water District	\$ -	\$ 207,215	\$ 55,688	\$ 262,903	7.0%
Yucaipa Valley Water District	\$ 10,818	\$ 2,560	\$ 1,237	\$ 14,616	0.4%
Total GC Parties:	\$ 525,057	\$ 2,370,450	\$ 643,822	\$ 3,539,329	100%
Mountain View Power Co.	\$ 21,998	\$ 47,537	#N/A	\$ 69,536	#N/A
Muscoy Mutual Water Company No. 1	\$ -	\$ 32,509	#N/A	\$ 32,509	#N/A
San Bernardino County - Facility Management	\$ -	\$ 14,513	#N/A	\$ 14,513	#N/A
Terrace Water Company	\$ -	\$ 11,907	#N/A	\$ 11,907	#N/A
Other San Bernardino Extractions	\$ -	\$ 173,037	#N/A	\$ 173,037	#N/A
San Bernardino Non-Parties Total:	\$ 21,998	\$ 279,503	\$ -	\$ 301,502	0%
Western Entities Total:	\$ -	\$ -	\$ 249,755	\$ 249,755	0%
Total:	\$ 547,056	\$ 2,649,953	\$ 893,577	\$ 4,090,586	100%

Bunker Hill Spreading Basin Locations and GC Agencies Basin Preferences

Coordinate System:
NAD 1983 StatePlane California V FIPS 0405 Feet
Projection: Lambert Conformal Conic
Datum: North American 1983
Source: SBVWCD, CASIL, SBVWWD
GIS Contact: K. Scholte
M:\2017 Projects\BTAO Basins
April 6, 2018



Water Agency	Primary Spreading Basin Location	Direct Delivery Location	Water in GC Equitable Allocation (AF)
Bear Valley	Mill Creek and Bear Valley Basins	SARC West	-
Colton	Waterman and Santa Ana	-	779
Loma Linda	Mill Creek, Santa Ana, and Waterman	-	1,854
Redlands	Mill Creek and Santa Ana	Hinkley and Tate	5,824
Rialto	Waterman and Santa Ana	-	2,436
San Bernardino	Devil Canyon/Sweetwater, Badger, and Waterman	-	9,652
East Valley	Santa Ana and Waterman	Plant 134	3,638
Loma Linda University	Mill Creek, Santa Ana, and Waterman	-	199
West Valley	Waterman	-	1,756
Yucaipa	Mill Creek and Santa Ana	-	113



Report from Governance Committee

For the

San Bernardino Basin Groundwater Council

May 14, 2018

The San Bernardino Basin Groundwater Council established a Governance Committee (GCGC) at its meeting on April 9, 2018. Four agencies volunteered to serve on the GCGC; City of Loma Linda, Yucaipa Valley Water District, City of Rialto, and San Bernardino Valley Municipal Water District.

The GCGC met on April 24, 2018 and files the following report from that meeting.

Groundwater Council Executive Committee

The GCGC determined there would likely be a need to further define the authorities of the Groundwater Council Executive Committee (EC) that was formed in April 2018. The Budget Committee recommended that the EC provide oversight for the invoice payment process of the Groundwater Council. The GCGC agreed to develop a list of other duties that the EC could perform. This list will be brought back to the Groundwater Council when complete.

Audit Procedures

The GCGC recommends that the Groundwater Council appoint the Budget Committee to develop basic annual audit procedures for the tracking and reporting of funds in the Water Purchase Fund and Operations and Maintenance Fund.

Web Based Information Portal

The GCGC recommends that the Groundwater Council authorize the development of a password protected website (or other appropriate format) that would store all Groundwater Council and Committee documents (i.e. Minutes, Agendas, Policies).

Telephone Participation

The GCGC recommends that the Groundwater Council develop procedures to allow telephonic participation of meetings.