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GROUNDWATER COUNCIL MEETING AGENDA

MONDAY, APRIL 8, 2019 - 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 (4), City of Loma Linda (10), City of Redlands (0), City of Rialto (12), East Valley Water District (20), Fontana Water Company (0), Loma Linda University (1), San Bernardino Municipal Water Department (53), San Bernardino Valley Municipal Water District, San Bernardino Valley Water Conservation District, West Valley Water District (0), Yucaipa Valley Water District (0)

INTRODUCTIONS

Approval of Minutes.

1. *February 11, 2019, Meeting (Page 3)*

NEW BUSINESS

1. *Consider Request from Fontana Water Company to join the Groundwater Council (Page 7)*

REGULAR BUSINESS

1. **Budget Committee.**
 - A. *Revised Groundwater Council EAM Budget 2019-2020 (Page 9)*
2. **Operations Committee.**
 - A. *Consider Guidelines for the Delivery of Water Purchased by the Groundwater Council*



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B. Consider 2019 Delivery Plan for Water Purchased by the Groundwater Council

3. Agreement Approvals.

A. Update on Agreement Approvals

OTHER BUSINESS

ADJOURNMENT

The next regularly scheduled Groundwater Council Meeting will be on June 10, 2019 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**

February 11, 2019

Registered Guests:

Michael Plinski, Riverside Public Utilities
Jeff Noelte, East Valley Water District
Cindy Saks, San Bernardino Valley Municipal Water District
Tim Kellett, San Bernardino Valley Municipal Water District
Patrick Soto, Fontana Water Company
Jarb Thaipejr, City of Loma Linda
Russ Handy, City of Loma Linda
Miguel Guerrero, San Bernardino Municipal Water Department
Katelyn Scholte, San Bernardino Valley Water Conservation District
Jennifer Ares, Yucaipa Valley Water District
Karly Gaynor, Western Municipal Water District
Linda Jadeski, West Valley Water District
Jesus Gastelum, Elsinore Valley Municipal Water District
Issac Mora, City of Colton
Sam Fuller, Consultant for Bear Valley Mutual Water Company
Wen Huang, San Bernardino Valley Municipal Water District
Hye Jin Lee, City of Colton
Ed Petti, Loma Linda University
Tom Crowley, City of Rialto
Daniel Cozad, San Bernardino Valley Water Conservation District
Douglas Headrick, San Bernardino Valley Municipal Water District
Bob Tincher, San Bernardino Valley Municipal Water District
Lillian Hernandez, San Bernardino Valley Municipal Water District
Stephen Dopuja, West Yost Associates

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 there was a quorum for voting purposes. The meeting proceeded with the following agenda items.

Agenda Item 1. Approval of Minutes.

1. **December 10, 2018, Meeting.** Sam Fuller questioned a sentence in paragraph 2A of the minutes. Mr. Headrick requested to place a period after the word rules and add Governance Committee before the word will.

Jarb Thaipejr moved to approve the minutes of the December 10, 2018, Groundwater Council meeting. Daniel Cozad seconded. The motion was unanimously adopted.

Agenda Item 2. Regular Business.

1. Budget Committee

- A. **Budget Committee Policy Update.** Daniel Cozad reported that the policy will be changed to reflect the newly established Operations Committee.
- B. **Groundwater Council EAM Budget 2019-2020.** Daniel Cozad reviewed how the Groundwater Council (GC) budget is formulated. He went through the corrections that were discussed at the last GC meeting, the Operations and Maintenance Budget Revenue and Expenses, and the 2019-2020 budget recommendation. Katelyn Scholte and Bob Tincher talked about the pumping adjustment correction between West Valley Water District (WVWD) and the City of Rialto (Rialto) and it is incorporated into the spreadsheets. There were some minor corrections. There was a correction for Fontana Water Company (FWC) and it was also included in the spreadsheet. There is a future correction for the City of San Bernardino because of a change in what would be reported to the Watermaster. There was an error in the Watermaster reporting so it results in a higher number for the coming year and the future years will be a lower number. He reviewed the San Bernardino Valley Water Conservation District (SBVWCD) budget components and where it comes from and what was done differently this year. The groundwater charge is still paid by agriculture customers. SBVWCD implemented a unitary fee last year so everybody pays the same rate. However, agriculture has a three-year phase in to that rate. There was a change in Superior Court which caused that to be triggered so agriculture is slowing coming up to the non-agriculture rate. The SBVWCD groundwater revenue budget for 2019-2020 is estimated at \$1,407,087 less expenses for a net budget of \$645,000. Mr. Headrick requested that next year the Budget Committee take a look at procedures on how that calculation is made so future generations of water managers have a historical record on how that was developed. Mr. Cozad will bring back a revised draft budget at the next meeting to consider and approve. He reviewed the 2019-2020 Equitable Allocation Model (EAM) budget and breakdown. There was discussion among the group about the EAM budget and its correlation to the GC.

2. Operations Committee

- A. Consider Guidelines for the Delivery of Water Purchased by the Groundwater Council.** Jeff Noelte referred to the handout titled the Guidelines for the Delivery of Water Purchased by the Groundwater Council. There are five guidelines. The introduction goes through how the Operations Committee will feed its recommendations through the Budget Committee. After approval by the Budget Committee, the delivery plan will be forwarded to the GC for final approval. The first goal is to import all GC water within the calendar year. Direct deliveries will be given first priority. Recharge locations and amounts will be based on the Basin Technical Advisory Committee's (BTAC) recharge thresholds, their designated areas for recharge, special agency needs, and facility constraints. Real-time adjustments can be made by San Bernardino Valley Municipal Water District (SBVMWD) and deliveries on behalf of the GC will be tracked on the SBVMWD Operations Report and the BTAC monthly statements.
- B. Consider 2019 Delivery Plan for Water Purchased by the Groundwater Council.** Jeff Noelte handed out a map with overlay graphics with recharge locations and amounts where GC water deliveries could go. There is 10,490 acre-feet of carryover water from 2018 and the calendar year target for 2019 is 29,329 acre-feet. The handout also showed the tracking amounts and the GC guidelines.

3. Agreement Approvals

- A. Update on Agreement Approvals.** Work on agreement approvals continue with the City of Redlands and West Valley Water District.

Agenda Item 3. Other Business.

Douglas Headrick stated that based on the rainfall and snow pack in Northern California and Southern California, he believes this will be a year where the GC does not have enough money put away to purchase all of the water that is going to be made available to SBVMWD. He is going to approach the SBVMWD Board and request that they approve purchasing water to refill the basin to its operational range.

The next regularly scheduled Groundwater Council Meeting will be on April 8, 2019, 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 11:16 a.m.

<p>APPROVAL CERTIFICATION I hereby certify to approval of the foregoing Minutes of the Groundwater Council.</p> <hr/> <p>Secretary Date _____</p>

Respectfully submitted,

Lillian Hernandez
Board Secretary



DATE: April 8, 2019

TO: San Bernardino Basin Groundwater Council

FROM: Douglas Headrick, General Manager

SUBJECT: Fontana Water Company Membership in San Bernardino Basin Groundwater Council

Summary

The San Bernardino Basin Groundwater Council Framework Agreement (Agreement) became effective on February 27, 2018. Fontana Water Company was listed as an eligible party in the preamble of the Agreement, but did not execute the Agreement by June 30, 2018. This was the deadline established in Section 2.1 for joining the Groundwater Council without triggering the requirements of a membership vote on a party desiring to join.

In November 2018, a request to join the Groundwater Council from Fontana Water Company was received and agendaized for action at the Groundwater Council meeting on December 10, 2018. However, due to potential impacts to settlement negotiations to resolve ongoing litigation, the item was pulled from the agenda without action. Since then, the litigation has settled and all remaining issues resolved. Therefore, the request for Groundwater Council membership from Fontana Water Company is now ready for consideration.

Section 3.5 of the Agreement provides the procedures for additional members of the Groundwater Council.

“The Groundwater Council may permit admission of additional members upon an eighty percent (80%) vote of the Equitable Allocation weighted votes among all then-existing

Parties, upon such terms and conditions as the Groundwater Council in its discretion may impose. Such conditions may include requiring contributions to any Groundwater Council initiatives for securing imported water supplies, or maintenance and operations expenses of groundwater replenishment facilities, to assure equitable distribution of the costs of such initiatives or facilities to those benefitting from them.”

In anticipation of Fontana Water Company joining the Groundwater Council, the Equitable Allocation Model calculated and included an equitable contribution from Fontana Water Company. As part of the settlement referenced above, Fontana Water Company has agreed to pay all costs associated with participation in the San Bernardino Basin Groundwater Council. Their first year's allocation of costs is paid in full.

Recommendation

Approve Fontana Water Company's request to join the San Bernardino Basin Groundwater Council

Groundwater Council Equitable Allocation Budget for FY 2019-20

Agency	Party Gap FY 2019-20 (\$)	Sustainability FY 2019-20 (\$)	Equitable O&M Costs FY 2019-20 (\$)	Total Party Costs 2019-20	Cost Increase from 2018-19 (\$)	Voting Weight 2019-20
Bear Valley Mutual Water Company	\$ -	\$ 187	\$ 89	\$ 277	\$ 155	0.01%
City of Colton	\$ -	\$ 66,608	\$ 28,596	\$ 95,204	\$ (19,912)	3.1%
City of Loma Linda	\$ 151,766	\$ 79,486	\$ 37,736	\$ 268,988	\$ 14,340	8.8%
City of Redlands	\$ -	\$ 516,253	#N/A	\$ 516,253	\$ (53,147)	#N/A
City of Rialto	\$ 95,250	\$ 48,801	\$ 32,273	\$ 176,324	\$ (146,583)	7.7%
City of San Bernardino	\$ 858,965	\$ 703,430	\$ 314,725	\$ 1,877,120	\$ 461,031	61.7%
East Valley Water District	\$ -	\$ 212,537	\$ 113,237	\$ 325,774	\$ (117,781)	14.7%
Fontana Union Water Company	\$ -	\$ 75,157	\$ 5,158	\$ 80,315	#N/A	2.6%
Loma Linda University	\$ -	\$ 17,566	\$ 7,369	\$ 24,935	\$ (6,298)	0.8%
San Bernardino Valley M.W.D.	\$ -	\$ 8,006	\$ -	\$ 8,006	\$ -	0.3%
West Valley Water District	\$ -	\$ 68,503	#N/A	\$ 68,503	\$ (138,713)	#N/A
Yucaipa Valley Water District	\$ 4,365	\$ 2,032	\$ 819	\$ 7,216	\$ (7,400)	0.2%
Total GC Parties:	\$ 1,110,346	\$ 1,798,566	\$ 540,000	\$ 3,448,912	\$ (90,417)	100%
Mountain View Power Co.	\$ 8,747	\$ 35,985	#N/A	\$ 44,732	\$ (24,804)	#N/A
Muscoy Mutual Water Company No. 1	\$ -	\$ 25,888	#N/A	\$ 25,888	\$ (6,621)	#N/A
San Bernardino County - Facility Management	\$ -	\$ 11,617	#N/A	\$ 11,617	\$ (2,896)	#N/A
Terrace Water Company	\$ -	\$ 8,699	#N/A	\$ 8,699	\$ (3,208)	#N/A
Other San Bernardino Extractions	\$ -	\$ 130,978	#N/A	\$ 130,978	\$ (42,059)	#N/A
San Bernardino Non-Parties Total:	\$ 8,747	\$ 213,167	\$ -	\$ 221,914	\$ (79,588)	0%
Western Entities Total:	\$ -	\$ -	#N/A	\$ -	\$ (249,755)	0%
Total:	\$ 1,119,093	\$ 2,011,733	\$ 540,000	\$ 3,670,826	\$ (419,760)	100%

1- Rialto and WVWD receive credit for water for the AF purchased under the Baseline Feeder Agreement

2- Cost increase for Redlands, WVWD, and GC Non-Parties is only comparing water cost for 2018-19 to water cost for 2019-20