

SANTA ANA RIVER - MILL CREEK COOPERATIVE WATER PROJECT

MINUTES OF THE 131st MEETING OF THE MANAGEMENT COMMITTEE

March 3, 2020

The 131st Meeting of the Management Committee was called to order by Chairperson Robert Martin at 9:06 a.m. in the San Bernardino Valley Water Conservation District Board Room, 1630 West Redlands Boulevard, Suite A, Redlands, California.

Members Present

Daniel Cozad	San Bernardino Valley WCD
Robert Martin	Bear Valley Mutual Water Company
David B. Knight	Lugonia Water Company
Heather Dyer	San Bernardino Valley MWD
Joe Zoba	Yucaipa Valley Water District
Cecilia Griego	City of Redlands
John Mura	East Valley Water District

Guests

Richard Corneille	San Bernardino Valley WCD
Robert Stewart	San Bernardino Valley WCD
Athena Monge	San Bernardino Valley WCD
Katelyn Scholte	San Bernardino Valley WCD
T. Milford Harrison	San Bernardino Valley MWD
Bob Tincher	San Bernardino Valley MWD
Matthew Howard	San Bernardino Valley MWD
Sam Fuller	Bear Valley Mutual Water Company
Jeffery Szytel	Water Systems Consulting
Laine Carlson	Water Systems Consulting
Jeff Noelte	East Valley Water District

APPROVAL OF MINUTES OF 130TH MEETING ON DECEMBER 13, 2019

It was moved by John Mura and seconded by Daniel Cozad to approve the minutes of the 130th Meeting held on December 13, 2019. The motion carried with those present voting in the affirmative.

EXCHANGE PLAN UPDATE/EXPANSION-WSC

Laine Carlson, with Water Systems Consulting (WSC), presented a PowerPoint presentation. She performed an overview of Workshop 1, noting that a summary of Workshop 1 was sent out to the Committee via email, and a handout of the slides have been provided to each member. Ms. Carlson noted that a gap and alignment analysis was performed after initial individual meetings, and there are a lot of areas of alignment among members. The guiding statement was reviewed in brief with no revisions proposed by Committee.

Wen Huang from Valley Municipal gave a brief overview of discussions with Southern California Edison (SCE). He said Valley Municipal submitted a written proposal to SCE with multiple options, some of which include taking over maintenance for SCE to get operations back online quicker. Mr. Corneille asked about FERC licensing. Mr. Fuller said that they are still trying to obtain the status of FERC permits. Ms. Dyer indicated that through discussions with SCE regarding the translocation of the Santa Ana Sucker, it is believed the FERC permits expire in 2033; re-permitting begins four years prior to expiration. There is an additional teleconference with SCE, Valley Municipal, and the Conservation District scheduled for tomorrow.

Ms. Carlson reviewed the existing Exchange Plan Agreement; noting the following:

- Exhibit A – Entitlements to Water
- Exhibits B – Entitlement Water Maximum Instantaneous Rates of Flow and Delivery Points
- Exhibit C – Determination and Measurement of Exchangeable Water
- Exhibit D – Facilities to be Constructed as the First Increment of the Cooperative Water Project

She reviewed key definitions, simultaneous exchange, deferred exchange, deferred exchange water credit; cooperative water project facilities, and associated water facilities. A summary of new exchange scenarios was reviewed via PowerPoint. Mr. Mura noted that East Valley Water District (EVWD) is looking into building a new higher elevation surface water treatment plant. This has the potential to increase capacity and reduce costs; there is a feasibility study being performed. Mr. Cozad indicated that he believes there is a potential link between the Exchange Plan and the Groundwater Council because some of the imported water is purchased by the Groundwater Council (GC) for delivery and recharge in various locations. If there are costs differences identified, it would be a way to add or subtract credits if we decided one type of water provides more value than another. Potential exchanges were discussed. Mr. Martin said that permissive language to allow exchanges for North Fork should be included in the agreement. It was the consensus of the Committee that flexibility is important. Mr. Cozad said that an improvement to add is how to track simultaneous exchanges. The most streamlined approach should be included in the agreement. It was the consensus of the Committee to request the Project Manager to administratively track exchanges, but would not be required to authorize exchanges. Mr. Martin said that the Committee should meet on a consistent basis. Mr. Zoba said that his primary concern is being kept abreast of exchanges and having a mechanism where it is tracked and documented so that agencies can look back at the data in future years.

A handout of scenarios was provided to Committee members as a handout, and a brainstorming exercise was performed. Scenario 1 involves a potential change of section 5D of the agreement. It would add associated water facilities and cooperative water facilities. Mr. Martin said that the agreement is pretty consistent, but we need to update the facilities map. He indicated that there are facilities at the airport that are used for recharge; they could expand and include in associated facilities. Plate 1 will need to be reviewed along with facilities map, and Committee will have to advise consultants of what facilities need to be included. Scenario 1 also includes potential changes to sections 5G and 16D of agreement. Discussion on the wheeling charge ensued. The Committee discussed removing the wheeling charge and allowing the parties amongst the exchange to make their own agreement outside of the Exchange Plan for the utilization of associated facilities. It was discussed that the maintenance of the facilities should be paid for by the owner of that facility; therefore, the wheeling charge should be removed. Mr. Martin concurred and said that there is no need for billing language within the agreement. Mr. Cozad said that it would make sense to have cost listed within section 16D. Section 16A was discussed relating to charge for supplemental water; each agency has its own rates. The consultants will work on rewording Section 16A and 16D of the agreement.

Mr. Szytel introduced the discussion on Scenario 2A within handout; City of Redlands related to extended SWP supply interruption upstream of Devil Canyon or in the upper reach of Foothill Pipeline. The Committee concurred with the consultant's suggested operation during this scenario. Deliveries to Hinckley were discussed in brief. Potential changes to the agreement include: 1) Section 2i-incorporate import water on both sides of exchange; 2) Section 5e-edit to enable the use of associated water facilities for this purpose and 3) Section 5f-add "subject to the availability of deferred exchange water" and updates to exhibit B and plate 1. Ms. Carlson reviewed Scenario 2B within handout: YVWD related to extended SWP supply interruption upstream of Devil Canyon or in the upper reach of Foothill Pipeline. Potential changes to agreement include; 1) Section 2i-incorporate import water on both sides of exchange; 2) Section 5e-edit to enable the use of associated water facilities for this purpose and 3) Section 5f-add "subject to the availability of deferred exchange water" and update plate 1.

Mr. Szytel reviewed the next steps; they have begun creating an excel table with suggested changes and will update with today's discussion. The potential change table will be sent out to the group for review and feedback and to legal counsel for him to prepare a draft agreement.

SCHEDULE WORKSHOPS AND MEETINGS FOR 2020

The next Meeting is scheduled for April 13 at Valley Municipal's Office, 12:00 p.m. to 2:00 p.m.

ADJOURNMENT

There being no further business, the meeting was adjourned at 12:07 p.m.

Respectfully submitted,



Robert Martin, Chairperson