

SANTA ANA RIVER - MILL CREEK COOPERATIVE WATER PROJECT

MINUTES OF THE 130th MEETING OF THE MANAGEMENT COMMITTEE

December 13, 2019

The 130th Meeting of the Management Committee was called to order by Chairperson Robert Martin at 9:12 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
Doug Headrick	San Bernardino Valley MWD

Guests

Athena Monge	San Bernardino Valley WCD
Katelyn Scholte	San Bernardino Valley WCD
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

APPROVAL OF MINUTES OF 129TH MEETING ON OCTOBER 7, 2019

It was moved by Doug Headrick and seconded by Daniel Cozad to approve the minutes of the 129th Meeting held on October 7, 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. Matt Howard, with Valley Municipal, reviewed the handout and the binder update that was provided; the Big Bear Watermaster exchange, Bucket for Bucket, Power Agreements, Water rights, and Seven Oaks Dam Accord. The purpose of the information provided is so that all information on the Exchange Plan is included in one binder and easily accessible. A summary of the post-it exercise was provided to the group as a handout.

Ms. Carlson provided a copy of the slides, agenda, maps, and spaghetti diagram for reference. She reviewed the agenda and framework. The Exchange Plan tour was discussed in brief. Jeff

Szytel, with WSC, recommended obtaining one or two vans for the tour. Bob Martin, with Bear Valley Mutual Water Company (Mutual), will coordinate, and staff will follow-up with Exchange Plan partners regarding tour attendees. The key points to be discussed are Cooperation, Local Control, Reliability and Resilience, Education, Expansion, and Collaborative Facility Use. Mr. Szytel reviewed the Groundwater Link and Facility Use and Maintenance via PowerPoint. He asked for clarification on how the Groundwater Council (GC) relates to the Exchange Plan. Mr. Headrick, with Valley Municipal, discussed the interrelationship with GC. He indicated there might be a possibility to shift some of the benefits of the GC to the shareholders. Mutual is treated differently than other entities because they do not have groundwater production to offset the GC charge. Discussion ensued regarding possibilities, credits, and the equitable allocation model. Mr. Szytel discussed the Facility Use and Maintenance. He asked which facilities are critical, which are reaching the end of their life and usefulness, which have vulnerabilities and which are appropriate for redundancy. He said that there is no apparent understanding of the answers to these questions. Mr. Headrick said that the agreement in its new form has to provide protections and to consider use rights, ownership, repair, and rehabilitation. Mr. Cozad said that everyone shares facilities and has old facilities, but who is responsible for repairing those facilities when other entities are using it has to be determined. Mr. Szytel asked if we are talking about bucket for bucket. Mr. Headrick stated that it should not be a limiting factor; there are elevation and timing impacts. Bucket for bucket is not a rigorous definition. Sam Fuller said the original agreement did have an elevation charge in it; there was a charge for energy. Mr. Headrick stated that the new agreement should contain enough flexibility for operational flexibility. The process that is used should be explained within the Exchange Plan.

The Problem Statement was reviewed. The group suggested rewording the problem statement as follows:

Develop a flexible and adaptable agreement that:

- Maintains cooperation and builds trust through partnership.
- Is equitable and fair to every party
- Uses infrastructure and water supplies to optimize local beneficial use of water
- Improves reliability and resilience for the Exchange Plan parties
- Enables each party to better serve its customers' cost-effectively
- Is implementable under a variety of conditions and scenarios.
- Is transparent and easy to understand and explain.

Mr. Cozad suggested changing the name of it from the problem statement and it was changed to Guiding Statement. The potential implementation framework was discussed, and it was noted that we should add Groundwater Council to this slide. Mr. Szytel suggested a hydraulic model to transfer knowledge and operational plan testing. Mr. Headrick said that could be beneficial, but he is concerned about who will keep that going. Mr. Cozad said that it has to be useable. Mr. Szytel said that the model could help evaluate redundancy and resilience. The current data management platform is the Daily Flow Report (DFR) prepared and distributed by the Conservation District. The data is kept in an excel spreadsheet, which is updated by Katelyn Scholte, Assistant Engineer. Mr. Cozad said that most data is kept in SCADA, which is

available to everyone. Mr. Headrick suggested putting some examples together showing how the data can be used. These resources need to be available to all partners. Currently, there is only a small number of users that utilize the data collected and distributed by the Conservation District. Mr. Szytel suggested performing an analysis of criticality on risk and resilience.

The Exchange Plan Summary was reviewed in brief. This item will be discussed in detail at the next workshop.

Mr. Headrick said that Valley Municipal and Mutual met with Southern California Edison (SCE). There was a range of alternatives discussed, including contracting with SCE for hydroelectric facilities or potentially an operations agreement. Sam Fuller from Mutual and Wen Huang with Valley Municipal will put together the written proposal to send to SCE from the Exchange Plan Group. The SCE facilities will need to be relicensed, and Valley Municipal will need to be lead on that. The FERC relicensing process was discussed in brief. Mr. Szytel indicated that relicensing had changed dramatically since the last go-round. The ownership of the facilities is yet to be determined. Mr. Headrick would rather it be a community effort. Mr. Fuller said that Mutual has the rights to divert through Mentone Power part of the pre-1914 water rights. Discussion ensued regarding alternatives. An update to this item will be discussed at the next workshop. There is a Memorandum of Understanding being entered into between Mutual, Valley Municipal, and the Conservation District on how the entities are going to work together to discuss how we are going to use the Exchange Plan.

A brainstorming exercise was performed, and a worksheet was handed out asking how the Exchange Plan group will achieve the guiding statement, what scenarios it should consider, and what would be the scheme for each scenario. Mr. Cozad said that being able to optimize moving water from Santa Ana to Mill Creek is of interest. There are facilities that other entities have that could be utilized, but there is no agreement in place. Mr. Headrick said that East Valley Water District expressed interest in moving North Fork water over to their treatment plant, so that is another scenario to consider. Salt and nutrient management objectives could be another item to discuss. Under the Exchange Plan, we will need to have facilities in place when there is an outage of SWP water. There will need to be agreements and facilities in place to fully utilize. Mr. Headrick said another scenario is what to do with the Bear Valley Highline Pipeline. The Greenspot Pipeline is available to do the same thing. WSC will send out scenarios to those who were absent today to obtain feedback.

SCHEDULE WORKSHOPS AND MEETINGS FOR 2020

Working Session 2 projected for February 2020, and the summary of proposed changes is projected for March 2020. A legal review will need to be done, and the addendum is projected to be finalized by June 2020. The facilities tour will be on December 19th.

ADJOURNMENT

There being no further business, the meeting was adjourned at 12:11 p.m.

Respectfully submitted,



Robert Martin, Chairperson