

**Record of the Minutes of the
Beaumont Basin Committee Meeting of the
Beaumont Basin Watermaster
Regular Meeting
Wednesday, February 3, 2021**

Meeting Location:

*There was no public physical meeting location due to the coronavirus pandemic.
Meeting held via video teleconference pursuant to:
California Government Code Section 54950 et. seq. and
California Governor's Executive Orders N-29-20 and N-33-20*

I. Call to Order

Chairman Arturo Vela called the meeting to order at 10:01 a.m.

II. Roll Call

<i>City of Banning</i>	<i>Arturo Vela</i>	<i>Present</i>
<i>City of Beaumont</i>	<i>Jeff Hart</i>	<i>Present</i>
<i>Beaumont-Cherry Valley Water District</i>	<i>Daniel Jagers</i>	<i>Present</i>
<i>South Mesa Water Company</i>	<i>George Jorritsma</i>	<i>Present</i>
<i>Yucaipa Valley Water District</i>	<i>Joseph Zoba</i>	<i>Present</i>

Thierry Montoya was present representing legal counsel for the Beaumont Basin Watermaster (BBWM). Hannibal Blandon and Thomas Harder were present as engineers for the BBWM.

Members of the public who registered and / or attended:

*Lance Eckhart, San Geronio Pass Water Agency
Mark Swanson, Beaumont-Cherry Valley Water District
Erica Gonzales, Beaumont-Cherry Valley Water District
Allison Edmisten, Yucaipa Valley Water District
Luis Cardenas, City of Banning
Michele Staples
Steve Anderson
Jennifer Ayres, Yucaipa Valley Water District
Steven Lehtonen, San Geronio Pass Water Agency
Brian Rupp
Todd Parton, City of Beaumont
David Fenn, Councilmember, City of Beaumont
John Ohanian, Oak Valley Partners
Greg Newmark
Lloyd White, City of Beaumont
Loni Granlund, Yucaipa Valley Water District
John Bakker
Brandy Llanes, Beaumont-Cherry Valley Water District*

Kristine Day, City of Beaumont
Ashley Gibson
Larry Smith, San Gorgonio Pass Water Agency

III. Pledge of Allegiance

Chair Vela led the pledge.

IV. Public Comments:

None.

V. Consent Calendar

1. Meeting Minutes for December 2, 2020

It was moved by Member Jagers and seconded by Chair Vela to approve the Meeting Minutes of December 2, 2020:

AYES:	Hart, Jagers, Jorritsma, Vela, Zoba
NOES:	None.
ABSTAIN:	None.
ABSENT:	None.
STATUS:	Motion Approved

VI. Reports

- A. Report from Engineering Consultant – Hannibal Blandon, ALDA Engineering

Mr. Blandon recommended including in the annual report a section to document and track the changes that have occurred in previous years.

- B. Report from Hydrogeological Consultant – Thomas Harder, Thomas Harder & Co.

Mr. Harder noted he would be reporting later in the meeting.

- C. Report from Legal Counsel – Thierry Montoya, Alvarado Smith

Mr. Montoya said that since the last meeting, he had conversations with Michele Staples regarding the water transfer request of Brian Rupp and the I-10 entities, which has now been taken off calendar.

VII. Discussion Items

- A. Reorganization of the Beaumont Basin Watermaster Committee – Chairman, Vice Chairman, Secretary and Treasurer

Recommendation: That the members of the Watermaster either reaffirm the existing officers or conduct nominations for the appointment of new officers of the Beaumont Basin Watermaster.

It was moved by Member Jaggars and seconded by Member Zoba to continue with the current officers:

- *Chair Arturo Vela*
- *Vice Chair George Jorritsma*
- *Secretary Dan Jaggars*
- *Treasurer Joe Zoba*

and approved by the following vote:

AYES:	Hart, Jaggars, Jorritsma, Vela, Zoba
NOES:	None.
ABSTAIN:	None.
ABSENT:	None.
STATUS:	Motion Approved

- B. Status Report on Water Level Monitoring throughout the Beaumont Basin through January 18, 2021

Recommendation: Presentation - No recommendation

Mr. Bandon reviewed the report and advised the Committee that Yucaipa Well No. 34 experienced a sudden drop in water level likely due to a probe malfunction. A similar drop was recorded at Banning Well M-9, likely due to a communications cable issue, he said. Mr. Jaggars asked Mr. Bandon to document the data discrepancies and to report on the follow up to the repairs.

Mr. Bandon advised the Committee that the level logger at Yucaipa Well No. 34 which had disappeared has now been replaced. There are no equipment needs at this time, he said.

Mr. Zoba indicated that at Well 34, some of the equipment may have dropped down into the well.

C. Monitoring Sites – Safety and Security

Recommendation: No recommendation; informational only

Mr. Blandon explained the parts and workings of the monitoring mechanisms. He provided the Committee with a PowerPoint tour of well locations and reassured that all the locations are very secure.

Ms. Jennifer Ayres of YVWD acknowledged the extra security measure at Well 34 to prevent the equipment from falling into the well. She indicated that YVWD may be able to retrieve the other items from the bottom of the well. Mr. Jagers made recommendations.

D. A Comparison of Production and Allowable Extractions for Calendar Year 2020

Recommendation: No recommendation; informational only

Mr. Blandon shared the table of Production vs. Allowable Extractions and pointed out the Transfer of Overlying Rights from 2015 of 4,614 acre-feet (AF) and the Transfer of Overlying Rights from Oak Valley Partners to YVWD of 183 AF.

Blandon noted due to overproduction of the allowable extractions, 672 AF will have to come from the storage account. Chair Vela explained that historically, the City of Banning had not overproduced its allotment, but this storage impact may be the new norm for the City of Banning as there has been more housing production in the last two months that was seen in the last decade.

Production of 16,725 AF by appropriators in 2020 is the highest production in the Basin in recent years, Blandon stated. Mr. Jagers reminded that BVCWD has validated numbers for production from wells co-owned with the City of Banning and those numbers will be forthcoming. Mr. Blandon confirmed that the adjustments will be reflected in this table, but the overall production will be the same.

Member Zoba pointed out that the table reflects a new concept. He said he had always seen the Watermaster as the accounting entity for reporting water in and water out at the end of the year. He said the table seems to imply that the transfer of overlying water rights from 2015 are actually the water utilized in 2020. He said he did not recall the Committee setting that forth as a policy and noted that it impacts the storage account.

Mr. Blandon pointed to the last item on the agenda (proposed Resolution 2021-01) and said this has been a carry-on since the beginning; in which underproduction by overliers is distributed among the various agencies. The annual report documents it back to 2004, with implementation for 2009 continuing to this day, Blandon explained.

Member Zoba asked if it was a policy of the Committee indicating it had agreed that the right is being consumed straightaway in the year that it is received – five years after the overliers do not use it. Mr. Blandon reiterated it has been like this since the beginning. Member Zoba responded that this table is only a couple of years old.

Chair Vela indicated that Member Zoba had made a good point that the 183 acre-feet inclusion in the table reflects the transfer but does not necessarily reflect the extraction of that water. Mr. Blandon explained he had developed the table about two and a half years ago to give appropriators an idea of where they are throughout the year. Mr. Blandon said the initial table did not include the lines related to the 183 acre-feet, or the storage impact line in the initial table as those items were not previously at issue.

Mr. Zoba suggested a table or discussion that tabulates the accrual of overlying water rights and consumption versus other stored water in the agencies' storage accounts. He noted that consumption is not broken out from storage, which implies that water is being utilized in the year it is received by the appropriator. Mr. Blandon explained the inclusion of the transferred overlying rights and storage impact lines and disagreed that the Table implied the water was actually consumed, which would be impossible to determine. The Table indicates how the storage accounts are closed at the end of the year, he said.

The table included in the Annual Report is different and summarizes this on a year-by-year basis, and calculates what the ending storage should be, Blandon continued. Member Zoba suggested future discussion on how the water is used at the storage accounts. He suggested that with overlying rights and unused overlying water rights transferred in, and the addition of supplemental water, that this is not put into a general fund and consumed in whatever proportions, but instead showing where the water is coming in and creating a table that shows from where the appropriators are pulling that water to better track what is happening in the basin and what supplies exist, where they exist from, and how that fits into the judgment.

Chair Vela pointed to the Facts About the Beaumont Basin Watermaster that had been included in previous agendas and Member Zoba said he would include it in the next packet.

Mr. Blandon said he was surprised by the higher production and shared a comparison of prior years. The 2020 production of 16,725 was the highest on record, he noted, and acknowledged Member Jaggars' point that it was probably significantly related to the fact that people are at home as the result of COVID-19. Mr. Jaggars added that there was a significant amount of grading going on for home sites, which is a one-time use of water and is not a long-term projection.

E. Task Order No. 17 – Progress Report

Recommendation: Presentation - No recommendation

Mr. Tom Harder provided brief background on the proposed amendment to Return Flow Methodology and addressed the comments received. He detailed the uncertainty in indoor/outdoor water use and recommended the continued use of the methodology described in the draft Technical Memorandum. He noted that the impacts will average over time and said he did not recommend accounting for sewer pipeline losses as the estimates vary widely and there is not a method available to quantify those losses.

Mr. Harder also posited that water use efficiency will be reflected in the ratio of delivered water to the wastewater treatment plant inflows. If there is less irrigation, then indoor water use will more closely match what is delivered to the treatment plant.

Harder described additional studies of the City of Banning and YVWD and explained the re-evaluation of landscape irrigation efficiency, recommending use of the single 75 percent efficiency value.

Member Zoba requested the opinion of engineers and legal counsel on the relationship to the judgment regarding which agency receives the return flow credit and why in order to produce policy.

Chair Vela asked about opportunity to fine-tune outdoor use estimates given the current ongoing work on Department of Water Resources residential landscape area measurement. Mr. Harder cautioned that with too much detail, uncertainty could become too great and the numbers meaningless, and said he would have to see what was proposed. Member Jaggars pointed to Beaumont's landscape ordinances and noted that there will be change over time. He said he would share data sets with this information.

F. 2019 Task Order No. 22

Recommendation: No recommendation; informational only

Mr. Harder reminded the Committee that the Board authorized ALDA to conduct an analysis of the potential impacts of return flow on groundwater quality in the Beaumont Basin, focused on total dissolved solids (TDS) or salts. He explained the analysis process and noted that the water quality in the Basin is very good with all wells in the range of 250 to 330 milligrams per liter (mg/L) which is low, and historically has changed very little.

Considered in the analysis was the exception of BCVWD Well No. 16 at the north part of the Basin in an area of active individual sewer systems, known to have impacted the groundwater quality, Harder stated.

Harder presented the preliminary water quality results and explained the projections. Basin-wide, he advised, the average is not projected to reach the 330 mg/L maximum benefit objective. Member Jagers clarified that the septic system contribution to the groundwater basin around well No. 16 is what is exceeding the maximum objective. BCVWD is still extracting water and it is still within the drinking water standards, he stated. Harder agreed.

Member Zoba suggested that an agency credited with the return flow should absorb the liability of salt removal and make a contribution to maintain the TDS of the Basin to achieve the Basin Plan Objective. He suggested this would demonstrate to the Regional Water Quality Control Board that the Beaumont Basin is ahead of the curve in attaining the Maximum Benefit Objectives. He recommended keeping this concept together with the return flow analysis rather than just looking at the volume of wet water.

Member Jagers agreed with Member Zoba and suggested attuned treatment to blend to a point of non-negative balance. He noted that each district recharges in the area differently and BCVWD is bringing in a salt-balancing component via imported water from a Basin-blended perspective.

Chair Vela acknowledged the relationship of the two task orders and asked about time frame for completion. Mr. Harder estimated that the Technical Memorandum would be finalized, or at least another draft ready, by the end of February to inform any potential policy concerns.

G. 2019 Revised Draft of the Beaumont Basin Watermaster Annual Report

Recommendation: No recommendation.

Mr. Jagers made a point of order indicating that a communication from YVWD related to the 2019 Revised Draft was made available to the Board members but not made available to the public in potential violation of the Brown Act. Legal Counsel Montoya agreed and recommended it be re-agendized.

Chair Vela tabled the 2019 Revised Draft of the Beaumont Basin Watermaster Annual Report to a special meeting on February 18, 2021 at 10 a.m.

- H. Discussion Regarding Task Order No. 23 with ALDA Inc. for the Preparation of the 2020 Consolidated Annual Report, Estimate of the Basin Safe Yield, Update of the Groundwater Model, and Associated Consulting Services for 2021

Recommendation: That the Watermaster authorizes up to 90 percent of the initial budget of \$95,970 and uses the remaining 10 percent as a contingency.

Engineer Blandon reminded the Committee of discussion at the December 2, 2020 meeting and concerns raised about the cost. He explained the activities included at the same fee since 2017.

In the last few years, actual expenditures for similar tasks averaged 90 percent of the budget, Blandon explained. He recommended the Committee authorize up to 90 percent of the budget and use the remaining amount as contingency. Chair Vela indicated support.

It was moved by Member Jagers and seconded by Member Jorritsma authorizing up to 90 percent of the initial budget of \$95,970 and use of the remaining 10 percent as a contingency as outlined in Memorandum 21-08. The motion was approved by the following vote:

AYES:	Hart, Jagers, Jorritsma, Vela, Zoba
NOES:	None.
ABSTAIN:	None.
ABSENT:	None.
STATUS:	Motion Approved

- I. Consideration of Resolution 2021-01 Amending Section 7 of the Rules and Regulations of the Watermaster by eliminating Rule 7.3¹ Availability of Unused Overlying Production and Allocation to the Appropriator Parties

Recommendation: That the Watermaster Committee adopts Resolution No. 2021-01.

The Resolution was NOT adopted.

Member Joe Zoba advised that the retailers in the San Geronio Pass Water Agency are beginning to develop the Regional Urban Water Management Plan that is due later this year and have been asked to look at ways to reduce reliance on the Delta.

In 2008, the Watermaster Committee approved Rule 7.8 to lay claim to unproduced groundwater from the overlying parties and allocating that water supply to the appropriators, Zoba explained. Water not used by an overlier, five years later gets distributed per the allocation table.

Zoba expressed concern that there is claim to groundwater supplies that is increasing. He reminded the Watermaster Committee that that there has been previous discussion about transfer and acquisition of overlying water rights. He read from Rule 7.8:

Neither this rule nor its operation shall be deemed or constructed in any way to change, limit or otherwise affect any rights awarded to and held by the overlying parties pursuant to the Judgment. Nor shall this rule or its operation result in any liability to the overlying parties or be deemed or construed as a transfer, assignment, forfeiture, or abandonment of any overlying rights under the Judgment.

Mr. Zoba opined that the Committee has seen some of that in past discussions and said the application of the rule concerns him from an application and use perspective. He pointed to the staff report of September 9, 2008 and pointed out there were last minute changes as recommended by Best Best & Krieger (BB&K), counsel for the overlying parties, regarding the change of the word "transfer" to "allocate" throughout.

¹ Resolution 2019-02 modified the Rules and Regulations of the Beaumont Basin Watermaster resulting in a numbering change of former Rule 7.8 to current Rule 7.3.

He pointed out that via allocation using the table in Rule 7.8, there is now close to 90,000 AF of water in the Basin that has been claimed through this methodology, waiting to be extracted by the appropriators, but the water levels are not going up. He questioned whether there would be adverse impacts as each one of the appropriators tries to extract the water to meet future demands.

Zoba presented four charts of unused overlying water and indicated concern that if no additional water were added, by 2022 the full storage account could theoretically be made up of the unused overlying water right. He suggested that Rule 7.8 as now stated should be rescinded as it does not serve its purpose and is not consistent with the Judgment, and said he is concerned with the overall operational health of the Basin.

Mr. Zoba made the motion to adopt Resolution 2021-01. Member Hart requested legal counsel input.

Counsel Thierry Montoya indicated he had no concern with the legality of Rule 7.8 or 7.3: an appropriative right, as a matter of law, is limited to what is surplus in the Basin, he explained. An overlying party does not necessarily lose its overlying right but can lose amounts of water not pumped, which then go to the appropriators based on their allocation. That is legal, he advised, and is consistent with the purpose and intent of the Judgment. The purpose of the Judgment is to have a legal and practical means for making maximum, reasonable beneficial use of the Beaumont Basin for the benefit of all of those who have rights, he stated. Rule 7.8 was vetted by the public as noted and commented on by Pater Garcia of BB&K, and there has been no overlying party objection, Montoya continued.

Mr. Montoya reminded the Committee about an ad hoc group meeting two years ago to go over the rules and regulations, and modifications were presented to the Watermaster noting that all were of the opinion that it was consistent with the Judgment. Mr. Montoya added that he is still of the opinion that Rule 7 is consistent with the Judgment and explained it is consistent with water rights law. He said he sees no harm to the Basin and said he did not concur with the recommendation. Montoya further stated that he did not think that anything improper had happened, and the appropriator should continue to have the right to pick up surplus to the extent that it exists and to put it to use.

Member Jorritsma asked how the original 160,000 AF of temporary surplus under the Judgment relates to the current question and reflects on the charts provided by Member Zoba. Member Zoba referred to the table 3-8 tracking the additions to the storage accounts and noted that it was mentioned earlier that extractions (i.e., the water being consumed) are not tracked. Overliers will lose their water and it is claimed by the appropriators after five years, but there is no tracking or

demonstration that shows it is being put to beneficial use, Zoba noted. He asked why the overlies lose this after five years but there is no similar rule for the appropriators who are not putting the water to beneficial use? The temporary surplus was a separate item, Zoba said, but similarly was not tracked for beneficial use or if it is still in storage accounts at all.

Chair Vela suggested that the table accounting for each agency's production is tracking beneficial use. Zoba responded that the increase in the storage accounts is largely associated with the unused overlying water rights so that if the water was being used, there would not be 90,000 AF in storage. A positive number remaining over the years means it is not being put to use, he opined. Member Zoba added that he believes the water is not being tracked appropriately to be able to make statements about putting water to beneficial use and about some people losing water and others not losing water.

Chair Vela posited that the amount of unused overlying water right moving into the future is going to be less than today as transfers move forward due to overlying water right transfers. Mr. Zoba said he agreed in theory. He said he believes that the filing of the Form 5 by Oak Valley Partners is consistent with the Judgment and should be removed from the table but is instead allocated to the other appropriators. Member Jagers pointed out the analysis is over simplistic and pointed to the Urban Water Management Plan. He said this table allows for the Basin to be understood moving through time to assure there is not more extraction. Jagers indicated that his thoughts parallel those of Mr. Montoya.

Member Jagers made an alternative motion to reject Resolution 2021-01 based on legal counsel's recommendation.

Chair Vela pointed out there are many unknowns not reflected in the graphs such as development trends.

Chair Vela invited public comment.

City of Beaumont Councilmember David Fenn said he believes that unused water from the Basin should continue to be allocated back to the other overlies within the Basin with the purpose that Basin water should be used within Basin boundaries only. As a Beaumont resident, he continued, he is concerned that any water from the Basin could ultimately end up being used outside of the boundaries and that could cause problems with sustainability. He said he agreed with counsel and suggested that if it were to move forward, there should be additional information and research done, and perhaps discussion with water rights owners to assure parallel with the adjudication and if changes made may

open up that adjudication for other changes. He recommended following the advice of counsel and not delete Rule 7.3.

Mr. Harder said that as a hydrogeologist and from a water balance perspective, Mr. Zoba has brought up some good points, one that has been on his mind for quite a while. The annual reports look at physical storage in the Basin and indicated concern with comparing what is physically changing in the Basin with what is actually going on paper in terms of storage accounts. Additionally, water losses are not accounted for, he pointed out. He said he pictures this as a "run on the bank" where all the water was removed. He wondered what would happen physically in the basin if everybody drew their storage accounts to zero and if there would be undesirable results. He explained that potential adverse circumstances should be thought about so as to be avoided. Mr. Harder also noted that while current groundwater levels in the Basin are stable and going up, they are not going up commensurately with artificial recharge and accounting for storage accounts.

Mr. Blandon said his thoughts are aligned with Mr. Harder's and acknowledged Mr. Zoba's point in terms of whether the storage accounts are real water. He said that he and Mr. Harder had discussed this issue in terms of storage losses. He pointed out that the issue of accounting for water storage losses as a result of imported water spreading has been a "future agenda item" for two years but hasn't been addressed. It is a delicate issue because it implies loss of water which was paid for, he noted, but the issue of overlying transfers combined with the issue of storage losses is an issue that must be addressed sooner or later and must be faced by the Basin managers because the water may not physically be there. He wondered if the basin would be impacted negatively.

Mr. Montoya referred to comments by Councilmember Fenn and said he did not think the Judgment would accommodate a use outside of the Basin boundaries. Pursuant to the Judgment, if there was an attempt to do that, it could be enjoined, he opined.

Chair Vela acknowledged Member Zoba's point and indicated this is something at which the Committee should continue to look, but at this point it is not appropriate to jump to approval of the resolution relating to elimination of the Rule as a whole.

It was moved by Member Zoba to adopt Resolution 2021-01 Amending Section 7 of the Rules and Regulations of the Watermaster by eliminating Rule 7.3 Availability of Unused Overlying Production and Allocation to the Appropriator Parties. The motion died for lack of a second.

Alternative Motion

It was moved by Member Jagers and seconded by Member Hart to reject Resolution 2021-01 Amending Section 7 of the Rules and Regulations of the Watermaster by eliminating Rule 7.3 Availability of Unused Overlying Production and Allocation to the Appropriator Parties. The motion was approved 4-1 by the following vote:

AYES:	Hart, Jagers, Jorritsma, Vela
NOES:	Zoba
ABSTAIN:	None.
ABSENT:	None.
STATUS:	Motion Approved

Resolution 2021-01 was NOT adopted.

VIII. Topics for Future Meetings

- a. Development of a methodology and policy to account for groundwater storage losses in the basin resulting from the artificial recharge of water resources.
- b. Development of a methodology and policy to account for recycled water recharge.
- c. Develop policies and procedures to formalize the process for agenda preparation.
- d. 2020 initial draft Annual Report (April 7, 2021)

IX. Comments from the Watermaster Committee Members

None.

X. Announcements

- a. The next regular meeting of the Beaumont Basin Watermaster is scheduled for Thursday, February 18, 2021 at 10:00 a.m.
- b. Future Meeting Dates:
 - i. Wednesday, April 7, 2021 at 10:00 a.m.
 - ii. Wednesday, June 2, 2021 at 10:00 a.m.
 - iii. Wednesday, August 4, 2021 at 10:00 a.m.
 - iv. Wednesday, October 6, 2021 at 10:00 a.m.
 - v. Wednesday, December 1, 2021 at 10:00 a.m.

XI. Adjournment

Chairman Vela adjourned the meeting at 12:15 p.m.

Attest:

A handwritten signature in blue ink, appearing to read 'D. Jagers', is written over a horizontal line.

Daniel Jagers, Secretary
Beaumont Basin Watermaster