

**Record of the Minutes of the
Beaumont Basin Committee Meeting of the
Beaumont Basin Watermaster
Regular Meeting
Wednesday, June 7, 2023**

Meeting Location:

Beaumont-Cherry Valley Water District
560 Magnolia Ave.
Beaumont, CA 92223

I. Call to Order

Chair Art Vela called the meeting to order at 11:01 a.m.

II. Roll Call

<i>City of Banning</i>	<i>Art 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>Dan Jagers</i>	<i>Present</i>
<i>South Mesa Water Company</i>	<i>David Armstrong</i>	<i>Present</i>
<i>Yucaipa Valley Water District</i>	<i>Jennifer Ares</i>	<i>Present</i>

Hannibal Blandon and Thomas Harder were present as engineers for the Beaumont Basin Watermaster (BBWM).

Thierry Montoya was present as BBWM legal counsel.

Steve Stuart of Dudek was present as BBWM administrator.

Members of the public who registered and / or attended:

Nyles O'Harra, Yucaipa Valley Water District
Joyce McIntire, Yucaipa Valley Water District
Lance Eckhart, San Geronio Pass Water Agency
Emmett Campbell, San Geronio Pass Water Agency
Matt Howard, San Geronio Pass Water Agency
Ron Duncan, San Geronio Pass Water Agency
Kevin Walton, San Geronio Pass Water Agency

III. Pledge of Allegiance: Chair Vela led the pledge.

IV. Public Comments: None.

V. Consent Calendar

Chair Vela pulled Item C for discussion upon request of Member Jagers.

A. Meeting Minutes

April 5, 2023 Regular Meeting

B. Status Report on Water Level Monitoring throughout the Beaumont Basin through May 16, 2023

D. Financial Status Report

It was moved by Chair Vela and seconded by Member Hart to approve Consent Calendar items A, B, and D.

AYES:	Arcs, Armstrong, Hart, Jaggars, Vela
NOES:	None
ABSTAIN:	None
ABSENT:	None
STATUS:	Motion Approved

C. A Comparison of Production versus Extraction Credits through April 2023

Member Jaggars pointed to the Table in the staff report and noted that it includes items that will be discussed under Item VII-B on the agenda related to transfers of overlier water rights from Oak Valley Partners (OVP) to YVWD. He recommended discussion on the amount credited and footnote 1 in the table prior to approval.

Mr. Blandon provided information. He noted that the 2023 final amount credited will be at the end of the year once it is known how much water YVWD has delivered to the parcels. Alternatively, if the 790.3 acre-feet (af) has been accepted as of 2022, YVWD would have at least 790.3 af in 2023, he stated.

Chair Vela indicated that the item could be corrected at the next meeting and made a motion to accept the report.

It was moved by Chair Vela and seconded by Member Hart to approve Consent Calendar item C.

AYES:	Ares, Armstrong, Hart, Vela
NOES:	Jaggars
ABSTAIN:	None
ABSENT:	None
STATUS:	Motion Approved 4-1

VI. Reports

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

Mr. Blandon reminded that at the April meeting, it had been requested to include the total amount of production by BCVWD and amount delivered to the City of Banning, and this has been done.

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

Mr. Harder reported:

- 1. Response to the data request from West Yost regarding a study they are doing for SAWPA was provided on April 20, 2023.*
- 2. The model for the safe yield calculation has been completed the process of calibrating the model has begun. By the end of the month, field analysis should begin.*
- 3. Contact has been made with Terry Erlewine from Provost & Pritchard, which was recently awarded a grant to install some monitoring wells. One of the wells would be near Banning on the east side of the fault between the Beaumont Basin and downstream basin and would provide valuable information. There will be a meeting between Mr. Harder and Terry Erlewine in July.*
- 4. Storage change in the basin is recalculated each year for the annual report. The Watermaster is on a calendar year, and the State required reporting under SGMA is on the water year – October 1 to September 30. To prepare the annual report due April 1 is challenging. He proposed preparing the storage change map for the water year for the State and preparing a second storage change map for the calendar year for the Watermaster. No change in budget is anticipated, but the data request would come to the members in October rather than January. There were no objections.*

C. Report from Administrative Consultant – Steve Stuart, Dudek

Mr. Stuart reported that he is working with Mr. Blandon and Mr. Harder to develop a timeline to address all the BBWM open topics and to look at setting some deadlines. It will be presented for consideration at the next meeting.

D. Report from Legal Counsel – Thierry Montoya - Frost, Brown, Todd

Mr. Montoya reported that a motion to add alternate members for South Mesa Water Company and the City of Banning is set for hearing at Riverside Superior Court Department 5 that has jurisdiction over the

amended judgment set for June 13 at 8:30 in the morning. He expects that the requirements for members and alternates have been met to be presented to the BBWM.

Mr. Montoya stated that Steve Stuart has been very helpful regarding the Forms 5 for water transfers to the Beaumont-Cherry Valley Recreation and Park District. He will talk about discussions on this item later in the agenda.

VII. Discussion Items

A. Consideration of the Watermaster Budget for Fiscal Year 2023-24.

Recommendation: Approve the Budget for Fiscal Year 2023-24.

Chair Vela noted the recommendation is for approval of a budget for fiscal year 2023-2024 of \$36,950. Year to date expenses total \$17,934.

It was moved by Member Ares and seconded by Member Jaggars to approve the Watermaster Budget for Fiscal Year 2023-24 and the motion was approved by the following vote:

AYES:	Ares, Armstrong, Hart, Jaggars, Vela
NOES:	None
ABSTAIN:	None
ABSENT:	None
STATUS:	Motion Approved

B. Resolution 2023-01: Recognizing the Designation of a Specific Amount of Overlying Water Rights to Specific Parcels (Transfer of Water Rights to Beaumont-Cherry Valley Recreation and Park District)

Recommendation: Adopt Resolution 2023-01.

Dudek consultant Mr. Steve Stuart explained the resolution transferring water rights between the former Sunny Cal North parcels to the new owner, the Beaumont-Cherry Valley Recreation and Park Improvement Corporation and then to the Beaumont-Cherry Valley Recreation and Park District (BCVRPD). The parcels to which the water rights were transferred per Resolution 2006-02 were identified, and those corresponding parcel numbers are now being transferred to the BCVRPD and correspond with the parcels identified in Exhibit B of the judgment. With the revised safe yield, the water right of 232.4 af per year will be transferred from the Sunny Cal North parcels to BCVRPD.

Mr. Jagers noted that this action is informed by how the BBWM has previously done reassignments of transfers. He acknowledged the work done on this item.

It was moved by Member Jagers and seconded by Member Hart to adopt Resolution 2023-01 Recognizing the Designation of a Specific Amount of Overlying Water Rights to Specific Parcels (Transfer of Water Rights to Beaumont-Cherry Valley Recreation and Park District) by the following vote:

AYES:	Ares, Armstrong, Hart, Jagers, Vela
NOES:	None
ABSTAIN:	None
ABSENT:	None
STATUS:	Motion Approved

C. Transfer of Overlying Water Rights from Oak Valley Partners to Yucaipa Valley Water District

Recommendation: Receive and file or direct staff as desired

Mr. Stuart provided some background on the transfer of all Oak Valley Partners (OVP) water rights to a select number of parcels they owned for the Summerwind Ranch project via Resolution 2017-02. When water service was provided to the Summerwind project parcels by YVWD, then transfer of those water rights would be to YVWD. Subsequently, YVWD filed documents transferring water rights in 2018 and 2019 for specific tracts. Resolution 2019-02 created the Form 5 which documented the transfer of overlying water rights from an overlier to an appropriator and acknowledged that the transfer of water rights would only occur when the water was provided to that particular overlier.

YVWD filed a Form 5 in November 2019 acknowledging the complete transfer of OVP rights to YVWD associated with the parcels of the Summerwind Ranch project. Litigation in 2021 confirmed the overlying water rights are transferred to the appropriator when that water is provided to the overlier and only for that amount at that time, per the judgment.

In 2023, YVWD submitted five Forms 5 representing transfers from 2018 to 2022 documenting the following transfers based on the water served to OVP and the parcels associated with Resolution 2017-02:

DATE	ACRE-FEET	TRACT NO.
3/21/2018	90.94	32702 and 32702-5
7/27/2018	59.89	32792-1 and 32702-2
9/26/2018	29.57	32702 3
1/11/2019	2.65	33105-6

The cumulative total is 790.38 af from OVP to YVWD, Stuart concluded.

Legal Counsel Thierry Montoya reminded that with transfer from an overliar to an appropriator, the appropriator agrees to provide water service to the overlying properties. The total numbers, as confirmed by Dudek, have transferred over. There are various Forms 5 that take over for the previous 180.4 af that were transferred prior to the litigation. There are water service letters from YVWD stating service has been provided and signatures on the Forms 5 from OVP that they have accepted water service.

Montoya said he confirmed with Member Zoba of YVWD that the water service provided was for the parcels identified in Resolution 2017-02. Mr. Zoba was not aware of OVP owning any of the property within his jurisdiction, but the water service went to all the parcels identified in Resolution 2017-02. Member Ares confirmed the parcels are being served.

The balance of OVP's water rights as having transferred to YVWD as adjusted add up, Montoya continued. There is clear accounting on the BBWM side and also protection for YVWD in case of a claim by an overlying party, and seems to meet the requirements of the amended judgment, he said, and recommended the transfer be approved.

Chair Vela noted that the documentation did not indicate specific phases or tracts being served. He said he would like to confirm that the water delivered is outside of the tracts noted in previous Forms 5 and these are new developments for which transfers have not been accepted. Montoya said it was his understanding that development continued, and this is additional water provided by YVWD for the service of the remaining undeveloped parcels. He pointed out that "water service" is not narrowly defined in the amended judgment, and it may also include recycled water for the benefit of the parcels. This is for the balance of OVP's water rights. Mr. Montoya added that during the litigation, Mr. Zoba had declared that YVWD will use all of OVP's water rights, at OVP's request, because they will need it for their development. Ms. Ares referred to the chart shown above with tract numbers. Vela cautioned

against double counting. Ares suggested a future agenda item to refine the process for beginning to end.

Member Jagers asked for clarification on an adjustment of transfers from 2018. Mr. Stuart indicated that the 0.2 af was in lieu of the previously presented requests.

Member Jagers acknowledged Member Ares' request to refine the process, and posited that the process of transfers needs to be a complete process. He reminded about the passage of AB 1668 and SB 606 requiring reduction in per capita water use per house, and pointed out that there may be potential to be oversupplying water. He said he would like confirmation that figures are a true accounting of water supply over the period and pointed out they could include water consumption related to grading activities.

Previous rules and regulations under Section 7 required accounting to be done every year, but that was deleted at the proposal of Member Zoba, Jagers reminded. He said he now questions whether this will be accurate moving through time given the legislation and reductions in total water supply, and having grading activities aggregated in when the grading process may consume more than some future building or housing. He said he prefers the method where it is known where the water goes and approximate amounts, and there is a handle on it rather than general aggregate activities.

As a minimum, Jagers suggested, the BBWM should have discussion on quantities, as this does not follow the outline set forth in Resolution 2017-02. Further, previous Forms 5 already filed are being duplicated and there is some confusion, he said.

In response to Member Ares, Member Jagers said he did not think the submittal follows the past process and clarifications are needed before receiving and filing. He added that it does not follow the form of Resolution 2017-02 as was previously done. He recalled previous discussion with legal counsel regarding perfection of transfer rights and filings were approved based on the anticipation of the action within a certain period. This is a different thing, he noted.

Member Ares noted this is a matter of interpretation, and the intention / goal moving forward was for informational purposes only, as the recommendation is to receive and file, not to approve.

Member Jagers emphasized clarity; that what was being received and filed was understood. He reiterated that the process now being followed is not what was done previously, which was created to comply with Resolution 2017-02.

Chair Vela acknowledged the difference in process and that the document does not identify the specific phase to which water was delivered as identified in the Resolution. If it had been clear in the correspondence to what phase of development the water was being provided, then the question is whether the water being delivered is associated with those tracts which the transfers had been previously accepted. He reiterated the potential for double counting.

Member Ares suggested agendaizing the process discussion at a later meeting and confirmed that these requests supersede the previous.

In response to Member Jagers, Mr. Bandon indicated he confirmed with Mr. Zoba that there was not an addition.

Member Jagers posited that the current Forms 5 do not provide the information as required by Resolution 2017-02 and requested clarity. He stated that his preference would be to follow the form of that resolution. If there is desire to deviate from it the resolution should be amended, he said.

Chair Vela indicated that he had not picked up that the 790.3 supersedes the previous transfers and those do go away and now there is a total transfer of 790.3 acre-feet. Mr. Bandon discussed how that might be reflected in the annual report. Chair Vela stated there must be a way to streamline this and assure the accounting is as accurate as possible. He noted the challenge of physical confirmation of the transfer taking place when the water is delivered, and said the BBWM should consider some level of confirmation.

Chair Vela invited public comment. There was none.

Member Ares moved to receive and file the fully executed Form 5 document for calendar years 2018, 2019, 2020, 2021 and 2022. There was no second.

Member Jagers offered a substitute motion to receive and file the Form 5 as provided by YVWD with further documented clarification of the rescission of the previous requests for water rights transfers, and further discussion, resolution, and adherence to the format of Resolution 2017-02. The motion was seconded by Member Armstrong and was approved by the following vote:

AYES:	Armstrong, Hart, Jagers, Vela
NOES:	Ares
ABSTAIN:	None
ABSENT:	None
STATUS:	Motion Approved 4-1

D. 2022 Consolidated Annual Report and Engineering Report – Presentation on Comments Received on Draft Report

Recommendation: That the Watermaster Committee Consider Approving the 2022 Annual Report after Comments Received on the Draft Report are Presented and Discussed

Mr. Blandon reviewed comments received by BCVWD.

Mr. Blandon noted that the impact of YVWD's Form 5 submittal would be documented in the final report, and detailed the revisions by section and table. Mr. Blandon asked for guidance given the discussion and motion under the previous agenda item. In response to Chair Vela, Mr. Blandon indicated it is not imperative to have the annual report approved at this meeting.

Chair Vela advised to hold off on those sections until further discussion. Member Jagers and others concurred.

Mr. Blandon continued the presentation and provided a brief summary of storage accounts.

Chair Vela tabled the item to the next meeting. Mr. Blandon requested agencies submit any further comments by mid-July.

Chair Vela commented on a table regarding water imported by Banning using BCVWD's facilities.

E. Proposal for Development of Data Management System

Recommendation: Consider the proposal from Dudek to develop a GIS-based Data Management System for the Beaumont Basin

Mr. Stuart reminded of the presentation of the proposal at the May meeting without a representative of the City of Banning present. Two members also intended to present the proposal to their respective boards, he noted.

Chair Vela indicated support and noted there is benefit and value for the cost.

Mr. Lance Eckhart, general manager of the San Geronio Pass Water Agency (SGPWA) professed support. He noted that the Groundwater Sustainability entities on either side have developed data management systems as part of their ongoing reporting to the state. "if you can't measure it, you can't manage it," he stated. The data is important, and

having all look at the same thing at the same time with the same tools will be fundamental to good management of the basin, he posited. He recommended the SGPWA participate with an equal share with the Watermaster members.

Chair Vela invited public comment. There was none.

It was moved by Member Jagers and seconded by Chair Vela to approve the proposal from Dudek to develop a GIS-based Data Management System for the Beaumont Basin with equal cost share between the BBWM members and the SGPWA was approved by the following vote:

AYES:	Ares, Armstrong, Hart, Jagers, Vela
NOES:	None
ABSTAIN:	None
ABSENT:	None
STATUS:	Motion Approved

F. Update on Well Survey Project and Request for Proposals for Licensed Surveyors to Survey Wells in the Beaumont Basin Monitoring Network

Recommendation: No recommendation.

Mr. Stuart explained this is an update to the information presented at the last meeting. So far, information has been received only from SMWC, he reported. Member Jagers explained that BGVWD has contacted one of its contractors to obtain the data in short order.

Mr. Eckhart said he wanted to make sure that even if there is additional cost that SGPWA is plugged in with whomever is used for the data to assure that they are synced up and calibrated with the network.

G. Discussion of Agenda Items for Proposed July Special Meeting / Workshop

Mr. Harder reminded the Committee about an October 2021 presentation on storage and storage balances and comparison to the physical condition of the basin. Issues raised were:

- Per the judgment, this basin in the first 10 years had a ramp up of its allowable storage, which is inconsistent with physical storage in the basin, and there was concern that pulling that water out could create impacts.*
- To date, there has been no accounting for Basin storage losses, but a study has shown that those are occurring in certain areas, and this should be done.*

A workshop was held in March 2022 and a follow up workshop is recommended in July to begin to articulate some of the issues, Harder advised. He recommended discussion regarding:

- Production from Storage Accounts that prevents impact*
- Possible delineation of management zones in the Basin*
- Preliminary identification and prioritization of other issues to address*
- Development of the Committee's vision for the Basin*
- Identify next steps*

A next workshop would be agendaized to carry forward, Harder noted. Ultimately, he said he would look at development of a plan to address the issues, and execution of the plan.

Chair Vela said he appreciated the effort to add these items to the workshop agenda.

Member Jagers reminded that the prior report had identified some current losses from the Basin and recalled that based on more extraction in certain areas might change those conditions. He asked about further refinement of the model and discussion of new SGPWA recharge facilities. Mr. Harder said he did not envision analysis, but more of a big picture of what happens in terms of extraction and the way the Basin is operated. He recommended articulation of issues and identification of impediments to addressing those issues, and figuring out what to do to analyze it and arrive at an informed policy.

Mr. Jagers asked for philosophical ideas that can be developed moving forward.

Mr. Hart recommended, as part of any policy decisions that affect the region, discussion about the structure of the BBWM itself, and whether there is benefit or desire to have an elected representative from each agency with the existing primary representative serving as an alternate, or a technical advisory committee to the electeds. He recognized the stipulations for specific background and experience but not all are identical.

VIII. Topics for Future Meetings

- A. Monitoring of future west side well sites and methodologies, and potential collaboration with USGS
- B. Procurement Policy including thresholds for RFP process
- C. Evaluation of Storage Issues in the Basin (tabled from 12/2/2021 meeting)

- D. Development of a methodology and policy to account for groundwater storage losses in the basin / groundwater management
- E. Incidental discharge
- F. Development of a Recycled Water Policy
- G. Development of a return flow accounting policy
- H. Update on SGPWA water supply portfolio

IX. Comments from the Watermaster Committee Members

None.

X. Announcements

- a. Special Meeting / Workshop to be scheduled in July
- b. The next regular meeting of the Beaumont Basin Watermaster is scheduled for August 2, 2023 at 11:00 a.m.
- c. Future Meeting Dates:
 - i. October 4, 2023 at 11:00 a.m.
 - ii. December 6, 2023 at 11:00 a.m.
 - iii. February 7, 2024 at 11:00 a.m.

XI. Adjournment

Chair Vela adjourned the meeting at 12:21 p.m.

Attest:



Daniel Jaggers, Secretary
Beaumont Basin Watermaster