

Draft Minutes
CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL CONFERENCE CALL MEETING
January 18, 2010

The Non-Agricultural Pool Conference Call Meeting was held on January 18, 2010 at 9:00 a.m.

NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL

Bob Bowcock, Chair	Vulcan Materials Company (Calmat Division)
Mohammad El-Amamy	City of Ontario
Chris Stubbings	Praxair, Inc.
Dave Penrice	Aqua Capital Management
Lisa Hamilton	General Electric Company
David Starnes	Swan Lake Mobile Home Park
Jim Barr	Reliant Energy

Watermaster Staff Present at Watermaster

Kenneth R. Manning	Chief Executive Officer
Sheri Rojo	CFO/Asst. General Manager
Ben Pak	Senior Project Engineer
Sherri Lynne Molino	Recording Secretary

Board Members Present on Call

Bob Kuhn	Three Valleys Municipal Water District
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Watermaster Consultants Present on Call

Michael Fife	Brownstein, Hyatt, Farber & Schreck
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Others Present on Call

Kevin Sage	Vulcan Materials Company (Calmat Division)
David DeJesus	Three Valleys Municipal Water District
Chris Helm	Praxair, Inc. consultant
Ken Jeske	City of Ontario

Chair Bowcock called the Non-Agricultural Pool Conference Call Meeting to order at 9:05 a.m.

AGENDA - ADDITIONS/REORDER

No additions or reorders were made to the agenda.

A roll call was taken by the recording secretary.

I. BUSINESS ITEM

A. Sale of Non-Agricultural Pool Water to the Appropriate Pool

There was an inquiry if this meeting was noticed and if an agenda was sent out with the notice. Mr. Manning stated this meeting was noticed and an agenda was included in the email. Chair Bowcock noted there will be no action taken regarding the one business item listed on the agenda today; this meeting is for discussion purposes only. Clarification on the parties' names and who they were representing was discussed. Chair Bowcock offered background on why this meeting was called and clarified the issues that will be addressed today.

Mr. Penrice discussed the letter he received recently that was written by Mr. Manning dated January 14, 2010. Chair Bowcock offered comment on the contents of the letter which was sent to the members of the Overlying Non-Agricultural Pool. A discussion regarding the letter ensued.

Chair Bowcock asked that Counsel Fife review the chronology regarding the Notice of Intent to Purchase due to a question that was brought up by Mr. Penrice at the January 7, 2010, Appropriative and Non-Agricultural Pool meeting. Counsel Fife gave a detailed chronological account regarding the Notice of Intent to Purchase from the Purchase and Sale Agreement. Counsel Fife reiterated, several times during his recap of events, that the Notice of Intent to Purchase notice satisfied the terms of the Purchase and Sale Agreement on August 27, 2009 but that there was also a full year of Watermaster process that is relevant to the notice. A question regarding Chino Basin Watermaster's website address was presented and Mr. Manning gave the website address. Counsel Fife continued with his account of sequence of events. When Counsel Fife was finished, Chair Bowcock asked if there were any questions. Mr. Penrice presented a question regarding the notice for the Notice of Intent to Purchase. Counsel Fife stated the Notice of Intent was issued in written form and was included in the package for the August 27, 2009, meetings. Mr. Penrice presented other questions regarding the notice and the 2,652 acre-feet of water. Counsel Fife stated the notice was presented in written form at the August 27, 2009, Watermaster Board meeting and was approved by the Watermaster Board with representation from the Non-Agricultural Pool being present. Counsel Fife noted the 2,652 acre-feet of water was included in the notice which stated the water would be used for Desalter replenishment. A discussion regarding this matter ensued. Mr. Penrice inquired about a punch list that was distributed at one of the past meetings. Counsel Fife noted he did not have that list in front of him and would have to get it and review it before any reply could be given. A discussion regarding the punch list ensued. Chair Bowcock affirmed the participation of the Non-Agricultural Pool during this process and noted he and/or Mr. Sage did not engage in the closed sessions regarding this item. Mr. Penrice asked for clarification on a trust account for the water. Mr. Manning explained where the word trust account came from. A discussion regarding the use of the words "trust account" ensued. Counsel Fife offered further comments on the chronology of events. Mr. Manning offered further comments on this matter. A lengthy discussion regarding this matter ensued.

Chair Bowcock inquired if a confidential session should be called and there was no reply.

II. CONFIDENTIAL SESSION - POSSIBLE ACTION

Pursuant to the Non-Agricultural Pool Rules & Regulations, a Confidential Session may be held during the Watermaster Pool meeting for the purpose of discussion and possible action.

No confidential session was called.

The Non-Agricultural Pool conference call meeting was dismissed by Chair Bowcock at 10:08 a.m.

Secretary: _____

Minutes Approved: _____