

*** REVISED Minutes**
CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL CONFERENCE CALL MEETING
July 1, 2010

The Non-Agricultural Pool Conference Call Meeting was held via conference call using the Chino Basin Watermaster conference call number on July 1, 2010 at 2:30 p.m.

NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL

Bob Bowcock, Chair	Vulcan Materials (Calmat Division)
Brian Geye	Auto Club Speedway
Steve Arbelbide	California Steel Industries
David Penrice	Aqua Capital Management LP
Curtis Stubbings	Praxair, Inc.
David Starnes	Swan Lake Mobile Home Park
Bob, Lawhn	RRI Etiwanda

NON-AGRICULTURAL POOL MEMBER PRESENT AT WATERMASTER WHO SIGNED IN

Scott Burton	City of Ontario
--------------	-----------------

Watermaster Staff Present at Watermaster

Kenneth R. Manning	Chief Executive Officer
Joe Joswiak	Chief Financial Officer
Sherri Lynne Molino	Recording Secretary
Ben Pak	Senior Project Engineer
Danni Maurizio	Senior Engineer

Watermaster Consultants Present at Watermaster

Michael Fife	Brownstein, Hyatt, Farber & Schreck
Mark Wildermuth	Wildermuth Environmental Inc.

Others Present on Conference Call

Allen Hubsch	Hogan Lovells US LLP
Marguerite Battersby	Sheppard Mullin
Kevin Sage	Vulcan Materials (Calmat Division)

Others Present at Watermaster who Signed in

Mohamed El-Amamy	City of Ontario
David DeJesus	Three Valleys Municipal Water District
Jill Willis	Best Best & Krieger
Mark Kinsey	Monte Vista Water District
John Shatz	John J. Schatz, Attorney at Law
Steven G. Lee	Reid & Hellyer
Jennifer Novak	State of California, Dept. of Justice, CIM

Chair Bowcock called the Non-Agricultural Pool Conference Call Meeting to order at 2:32 p.m.

AGENDA - ADDITIONS/REORDER

It was noted Consent Calendar item D has a new staff letter which was sent out via email and is available on the back table. It was noted Legal Reports/Updates for item 3 Policy Manual / Data Base Management will be moved to CEO Reports/Updates as item 5.

I. CONSENT CALENDAR

A. MINUTES

1. Minutes of the Non-Agricultural Pool Conference Call Meeting held June 3, 2010

*Motion by Geye, second by Arbelbide, and by majority vote – City of Ontario abstained
Moved to approve Consent Calendar item A, as presented*

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of May 2010
2. Watermaster Visa Check Detail for the month of May 2010
3. Combining Schedule for the Period July 1, 2009 through May 31, 2010
4. Treasurer's Report of Financial Affairs for the Period May 1, 2010 through May 31, 2010
5. Budget vs. Actual July 2009 through May 2010

No vote was taken on the Financial Reports

C. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – Cucamonga Valley Water District is purchasing 500 acre-feet of water from West Valley Water District. This purchase is made from WVWD's water in storage and is to be placed in CVWD's Excess Carryover Account – Date of Application: June 14, 2010
2. **Consider Approval for Notice of Sale or Transfer** – The lease and/or purchase of 765 acre-feet from San Antonio Water Company to the City of Ontario. This lease is made first from San Antonio's net under-production in Fiscal Year 2009-2010, with any remainder to be recaptured from storage – Date of Application: June 21, 2010
3. **Consider Approval for Notice of Sale or Transfer** – Monte Vista Water District is purchasing 19.245 acre-feet of water from the San Antonio Water Company. This purchase is made first from San Antonio's net underproduction, if any, in Fiscal Year 2009-2010, with any remainder to be recaptured from storage – Date of Application: June 7, 2010
4. **Consider Approval for Notice of Sale or Transfer** – Fontana Water Company ("Company") has agreed to purchase from The Nicholson Trust annual production right in the amount of 6.082 acre-feet to satisfy a portion of the Company's anticipated Chino Basin replenishment obligation for Fiscal Year 2009/2010 – Date of Application: June 23, 2010

*Motion by Geye, second by Arbelbide, and by unanimous vote
Moved to approve Consent Calendar item C, as presented*

D. LOCAL STORAGE AGREEMENT (REVISED)

Notice of Application for a Local Storage Agreement – The City of Fontana ("City") has submitted an application for a Local Storage Agreement for 5,000 acre-feet to be placed into a Local Supplemental Storage Account – Date of Application: May 18, 2010

Mr. Manning presented item D and a discussion regarding local storage agreements ensued.

Item 3 was taken from the Legal Reports section and put on the CEO Report section of the agenda:

II. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Paragraph 31 Motion
Counsel Fife reported on this item.
2. CDA Facilitation
Counsel Fife reported on this item.

3. Policy Manual / Database Management
Counsel Fife noted this report will be given under the CEO/Staff Reports
4. Non-Agricultural Pool Volume Vote Changes
Counsel Fife reported on this item.

B. CEO/STAFF REPORT

1. Legislative Update
Mr. Manning reported on this item.
2. Recharge Update
Mr. Manning reported on this item.
3. Policy Manual / Database Management
Mr. Manning reported on this item.

III. INFORMATION

1. Newspaper Articles
No comment was made regarding this item.

IV. POOL MEMBER COMMENTS

No comment was made regarding this item.

V. OTHER BUSINESS

Mr. Schatz stated at the Appropriative Pool confidential session the Pool directed legal counsel to pursue all legal means, including negotiation with Non-Agricultural Pool representatives to recover legal fees associated with the Paragraph 31 Motion.

The regular open Non-Agricultural Pool meeting was convened to hold its confidential session at 3:01 p.m.

VI. 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.

The confidential session was convened at 3:55 p.m.

* There was no reportable action taken at the closed session as reported by Chair Bowcock verbally to Alex Perez and then Alex Perez sent an email to board secretary on July 1, 2011 at 4:10 p.m.

VII. FUTURE MEETINGS

Thursday, July 1, 2010	1:00 p.m.	Appropriative Pool Meeting @ CBWM
Thursday, July 1, 2010	2:30 p.m.	Non-Agricultural Pool Meeting @ CBWM
Thursday, July 8, 2010	9:00 a.m.	Agricultural Pool Meeting @ IEUA
Thursday, July 15, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, July 15, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, July 22, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM
Tuesday, July 27, 2010	9:00 a.m.	GRCC Technical Committee Meeting @ CBWM

The Non-Agricultural Pool meeting was dismissed by Chair Bowcock at 3:56 p.m.

Secretary: _____

Minutes Non-Ag Pool Conference Call Meeting

July 1, 2010

Original Minutes Approved: August 5, 2010

Revised Minutes Approved: _____