

**Minutes**  
**CHINO BASIN WATERMASTER**  
**NON-AGRICULTURAL POOL CONFERENCE CALL MEETING**  
May 5, 2011

The Non-Agricultural Pool Conference Call Meeting was held via conference call using the Chino Basin Watermaster conference call number on May 5, 2011 at 2:30 p.m.

**NON-AGRICULTURAL POOL MEMBERS PRESENT AT WATERMASTER**

Ken Jeske, Vice-Chair  
California Steel Industries

**NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL**

Brian Geye  
Auto Club Speedway  
Bob Lawhn  
Genon Electric  
Tom O'Neill  
City of Ontario Non-Agricultural Pool  
David Penrice  
Aqua Capital Management LP  
Dennis Poulsen, Alternate  
California Steel Industries

**Watermaster Staff Present at Watermaster**

Desi Alvarez  
Chief Executive Officer  
Danni Maurizio  
Senior Engineer  
Joe Joswiak  
Chief Financial Officer  
Ben Pak  
Project Engineer  
Janine Wilson  
Recording Secretary

**Watermaster Board Counsel Present at Watermaster**

Michael Fife  
Brownstein, Hyatt, Farber & Schreck

**Watermaster Consultants Present at Watermaster**

Andy Malone  
Wildermuth Environmental, Inc.

Vice-Chair Jeske called the Non-Agricultural Pool Conference Call meeting to order at 2:32 p.m.

Chair Bob Bowcock was absent for this meeting.

**ROLL CALL**

Janine Wilson called roll call.

Allen Hubsch gave a report on the closed session approved items (***see separate legal Confidential Session Public Report attached***)

**AGENDA - ADDITIONS/REORDER**

No additions or reorders were made to the agenda.

**I. BUSINESS ITEMS**

**A. MINUTES**

1. Minutes of the Non-Agricultural Pool Conference Call Meeting held April 7, 2011

*Motion by Geye second by O'Neill, and by unanimous vote*  
***Moved to approve April 7, 2011 minutes, as presented***

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of March 2011
2. Watermaster VISA Check Detail for the month of March 2011

3. Combining Schedule for the Period July 1, 2010 through March 31, 2011
4. Treasurer's Report of Financial Affairs for the Period March 1, 2011 through March 31, 2011
5. Budget vs. Actual July through March 2011

*Motion by Geye, second by O'Neill, and by unanimous vote*

***Receive and file Watermaster Financial Reports without approval***

**C. WATER TRANSACTIONS**

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 1,100,000 acre-feet of water from Santa Ana River Water Company (SARWC) to Jurupa Community Services District (JCSD). This purchase is made first from SARWC's Annual Production Right, with any additional from storage. Date of Application: April 26, 2011

*Motion by Geye, second by O'Neill, and by unanimous vote*

***Moved to direct the chairs to support at the Advisory Committee and Watermaster Board meetings subject to changes which they determine to be appropriate***

**D. OUTSIDE AUDIT FIRM**

Staff Recommends Approval of the Request to Award a Five Year Contract (with Optional Two Years) to Charles Z. Fedak & Company, an Outside Audit Firm

*Motion by Geye, second by O'Neill, and by unanimous vote*

***Moved to direct the chairs to support Charles Z. Fedak & Company as Watermaster's new outside audit firm at the Advisory Committee and Watermaster Board meetings subject to changes which they determine to be appropriate***

**E. PROPOSED FISCAL YEAR 2011-2012 BUDGET (Discussion & Possible Action)**

For Discussion and Possible Action the Proposed Fiscal Year 2011-2012 Watermaster Budget

*No motion was made.*

**F. ADJUSTMENT TO NON-AGRICULTURAL POOL FISCAL YEAR 2010/2011 LEGAL FEES SPECIAL ASSESSMENT**

The Non-Agricultural Pool requests that their Fiscal Year 2010/2011 Legal Fees Special Assessment be adjusted to use the formula described in Staff Letter

*This item was discussed during the closed session – see attached*

**G. NON-AGRICULTURAL POOL FY 11-12 SPECIAL ASSESSMENT**

The Non-Agricultural Pool Requests that its Parties be Invoiced \$60,000 for a Fiscal Year 2010/2011 Legal Fees Special Assessment

*This item was discussed during the closed session – see attached*

**II. REPORTS/UPDATES**

**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**

1. Paragraph 31 Appeal  
Counsel Fife gave a report on this item.
2. Restated Watermaster Judgment  
Counsel Fife gave a report on this item.
3. California Steel Industries (CSI) Request for Assessment Package Correction  
Counsel Fife gave a report on this item.

**B. ENGINEERING REPORT**

- 1. GE Application for Recharge Description and Status  
Mr. Malone gave a report on this item.
- 2. Summary of HCMP Annual Report  
Mr. Malone gave a report on this item.

**C. CEO/STAFF REPORT**

- 1. Recharge Update  
Ms. Maurizio gave a report on this item.
- 2. Horizontal Extensometer Update  
Ms. Maurizio gave a report on this item.

**III. INFORMATION**

- 1. Cash Disbursements for April 2011  
No comment was made regarding this item.
- 2. Newspaper Articles  
No comment was made regarding this item

**IV. POOL MEMBER COMMENTS**

No comment was made regarding this item.

**V. OTHER BUSINESS**

No comment was made regarding this item.

**VI. FUTURE MEETINGS**

Thursday, May 5, 2011	1:00 p.m.	Appropriative Pool Meeting @ CBWM
Thursday, May 5, 2011	2:30 p.m.	Non-Agricultural Pool Conference Call Meeting
Thursday, May 12, 2011	9:00 a.m.	Agricultural Pool Meeting @ IEUA
Thursday, May 19, 2011	8:00 a.m.	IEUA Dry Year Yield Meeting @ CBWM
Thursday, May 19, 2011	9:00 a.m.	Advisory Committee Meeting @ CBWM
* Thursday, May 19, 2011	10:30 a.m.	Watermaster 2 <sup>nd</sup> Budget Workshop @ CBWM
** Tuesday, May 24, 2011	9:00 a.m.	GRCC Meeting @ CBWM or CBWCD (?)
Thursday, May 26, 2011	11:00 a.m.	Watermaster Board Meeting @ CBWM
Friday, July 8, 2011	10:30 a.m.	Watermaster Court Hearing @ Chino Court

\* This time slot was originally set for the Land Subsidence Committee Meeting which has now been cancelled and replaced with the Watermaster 2<sup>nd</sup> Budget Workshop

\*\* It has not been decided if the GRCC meeting will be held at Chino Basin Watermaster or the Chino Basin Conservation District – a notice will go out prior to the meeting

The Non-Agricultural Pool Committee meeting was dismissed by Vice-Chair Jeske at 2:50 p.m.

Secretary: \_\_\_\_\_

Minutes Approved: June 6, 2011