

Minutes
CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL CONFERENCE CALL MEETING
June 14, 2012

The Non-Agricultural Pool Meeting was held via conference call on June 14, 2012 at 11:00 a.m. using the Chino Basin Watermaster conference call number

NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL

Bob Bowcock, Chair	Vulcan Materials Company (Calmat Division)
Dave Penrice	Aqua Capital Management LP
Brian Geye	Auto Club Speedway
Tom O'Neill	Ontario City Non-Agricultural
Michael Sigsbee, alternate	Ontario City Non-Agricultural

NON-AGRICULTURAL POOL MEMBERS PRESENT AT WATERMASTER

Curtis Aaron	California Steel Industries
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Watermaster Staff Present at Watermaster

Ken Jeske	Interim CEO
Danielle Maurizio	Senior Engineer
Joe Joswiak	Chief Financial Officer
Sherri Molino	Recording Secretary

Watermaster Board Counsel Present at Watermaster

Brad Herrema	Brownstein, Hyatt, Farber & Schreck
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Non-Agricultural Pool Counsel Present on Call

Allen Hubsch	Hogan Lovells US LLP
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Others Present at Watermaster

Dave Crosley	City of Chino
Scott Burton	City of Ontario
Jim Erickson	Law Offices of Jimmy Gutierrez

Chair Bowcock called the Non-Agricultural Pool Conference Call meeting to order at 11:00 a.m.

ROLL CALL

Ms. Molino called roll call.

AGENDA - ADDITIONS/REORDER

Mr. Jeske stated there will be an item added to Business Items regarding the Non-Agricultural Pool special assessment or a financial mechanism to be able to pay legal bills.

I. BUSINESS ITEMS - ROUTINE

A. MINUTES

1. Minutes of the Non-Agricultural Pool Conference Call Meeting held May 10, 2012

Motion by Aaron, second by Geye, and by unanimous vote
Moved to approve the May 10, 2012 minutes

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of April 2012
2. Watermaster VISA Check Detail for the month of April 2012
3. Combining Schedule for the Period July 1, 2011 through April 30, 2012
4. Treasurer's Report of Financial Affairs for the Period April 1, 2012 through April 30, 2012
5. Budget vs. Actual Report for the Period July 1, 2011 through April 30, 2012

Motion by Aaron, second by O'Neill, and by unanimous vote

Moved to receive and file the financial reports, without approval

C. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – The purchase of 1,000,000 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: May 29, 2012
2. **Consider Approval for Notice of Sale or Transfer** – The lease and/or purchase of 782,000 acre-feet of water 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 2011-12, with any remainder to be recaptured from storage. Date of Application: June 1, 2012

Motion by Aaron, second by Geye, and by unanimous vote

Moved to approve staff recommendation and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they determine to be appropriate

II. BUSINESS ITEMS

A. MATERIAL PHYSICAL INJURY ANALYSIS

Mr. Jeske gave a report. A discussion regarding this item ensued.

Motion by Aaron, second by Geye, and by unanimous vote

Moved to continue this item and note the date of record is June 14, 2012

B. INTERVENTION INTO THE OVERLYING NON-AGRICULTURAL POOL

Mr. Jeske gave a report.

Defer for 60 days

C. WEST VENTURE DEVELOPMENT WATER RIGHTS TRANSFER TO CITY OF CHINO

Mr. Jeske gave a report. A discussion regarding this item ensued.

Defer for 60 days

Added Business Item D.

D. NON-AGRICULTURAL POOL FINANCIAL MATTERS

Mr. Jeske gave a report. A discussion regarding this item ensued.

#1 Motion by Aaron, second by Geye, and by unanimous vote

Moved to approve a special assessment in the amount of \$53,797.84 for the remainder of the Paragraph 31 Motion matters assessed pro rata based on storage water held by pool members as of June 30, 2007 for the end of the 2011/2012 fiscal year billing

#2 Motion by Geye, second by Aaron and by unanimous vote

Moved to approve a special assessment for July, 2012 in the amount of \$60,000 for fiscal year 2012/2013 for Non-Agricultural Pool legal fees assessed pro rata based on the 2010/2011 production numbers.

III. REPORTS/UPDATES

A. LEGAL REPORT

1. Day Creek and San Sevaine Recharge Permit Time Extensions
Counsel Herrema gave a report.
2. Filings for the Recharge Master Plan Status Report and Motion for Order After Hearing on the Motion For Approval of the Watermaster Resolution 2010-04
Counsel Herrema gave a report.
3. Report Regarding West Venture Development Rights
Mr. Hubsch gave a report.
4. Report Regarding Possible Intervention of the City of Chino Into the Overlying Non-Agricultural Pool
Mr. Hubsch gave a report.

B. CEO REPORT

1. Recharge and Storage Planning Progress
Mr. Jeske gave a report. Mr. Bowcock offered comment on this item. A discussion regarding this matter ensued. It was decided that Watermaster will schedule a conference call between the Non-Agricultural Pool members for them to offer suggestions on storage.

IV. INFORMATION

1. Cash Disbursements for May 2012
No comment was made.

V. POOL MEMBER COMMENTS

No comment was made.

VI. OTHER BUSINESS

No comment was made.

VII. 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.

VIII. FUTURE MEETINGS AT WATERMASTER

Thursday, June 14, 2012	9:00 a.m.	Appropriative Pool Meeting
Thursday, June 14, 2012	11:00 a.m.	Non-Agricultural Pool Conference Call Mtg.
Thursday, June 14, 2012	1:30 p.m.	Agricultural Pool Meeting
Thursday, June 21, 2012	9:00 a.m.	Advisory Committee Meeting
Thursday, June 21, 2012	10:00 a.m.	CB RMPU Steering Comm. and Storage Mtg.
Thursday, June 28, 2012	11:00 a.m.	Watermaster Board Meeting

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Chair Bowcock adjourned the Agricultural Pool meeting at 11:34 a.m.

Secretary: _____

Minutes Approved: July 12, 2012