

Minutes
CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL CONFERENCE CALL MEETING
May 9, 2013

The Non-Agricultural Pool conference call meeting was held via conference call using the Chino Basin Watermaster conference call number on May 09, 2013 at 11:04 a.m.

NON-AGRICULTURAL POOL MEMBERS PRESENT AT WATERMASTER

Brian Geye, Chair	Auto Club Speedway
Ken Jeske	California Steel Industries

NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL

Dave Penrice	Aqua Capital Management LP
Dennis Paulson	California Steel Industries
Tom O'Neill	Ontario City Non-Agricultural
Bob Bowcock	Vulcan Materials Company (Calmat Division)

Watermaster Staff Present at Watermaster

Danielle Maurizio	Assistant General Manager
Janine Wilson	Recording Secretary

Non-Agricultural Pool Counsel Present on Call

Allen Hubsch	Hogan Lovells US LLP
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Chair Geye called the Non-Agricultural Pool Conference Call meeting to order at 11:04 a.m.

ROLL CALL

Ms. Wilson called roll call.

AGENDA - ADDITIONS/REORDER

There were no additions to the agenda.

Ms. Maurizio requested one reorder: that part of the GM Report, Item 3C, Part 1, be taken before Business Item B.

I. BUSINESS ITEMS - ROUTINE

A. MINUTES

1. Minutes of the Non-Agricultural Pool Meeting held April 11, 2013

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

Moved to approve the April 11, 2013 minutes with the correction to Item 2A.

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of February 2013
2. Watermaster VISA Check Detail for the month of February 2013
3. Combining Schedule for the Period July 1, 2012 through February 28, 2013
4. Treasurer's Report of Financial Affairs for the Period February 1, 2013 through February 28, 2013
5. Budget vs. Actual Report for the Period July 1, 2012 through February 28, 2013

Motion by Jeske, 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 2,000.000 acre-feet of water from the City of Upland by Fontana Water Company. This purchase is made from the City of Upland’s storage account. Date of Application: April 8, 2013
2. **Consider Approval for Notice of Sale or Transfer** – The purchase of 6.500 acre-feet of water from The Nicholson Trust by Fontana Water Company. This purchase is made from The Nicholson Trust’s Annual Production Right/Operating Safe Yield first, then any additional from storage. Date of Application: April 17, 2013
3. **Consider Approval for Notice of Sale or Transfer** – The purchase of 782.000 acre-feet of water from San Antonio Water Company by the City of Ontario. This purchase is made first from San Antonio Water Company’s net underproduction in Fiscal Year 2012-13, with any remainder to be recaptured from storage. The City of Ontario is utilizing this transaction to produce its San Antonio Water Company shares. Date of Application: May 1, 2013

Motion by Jeske, 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. CDA REQUEST RE REMEDIATION OF CHINO AIRPORT GROUNDWATER PLUME

Consider CDA’s Request and Provide Advice and Counsel to Watermaster Board

Ms. Maurizio gave a report.

This item was taken out of order.

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.

Confidential session was convened at 11:23am.

The confidential session concluded at 12:15 p.m.

Chair Geye reported that the Pool:

Unanimously moved to request that Watermaster validates whether Well 18 is required for Hydraulic Control; and to defer action on draft Pleading; and further requests Watermaster to confirm whether Non Ag Pool counsel fees will be reimbursed by CDA to allow for review of the draft Pleading; and direct Non Ag Pool representatives to abstain from the vote at the Advisory Committee and Board meeting subject to changes which they deem appropriate.

This item was taken out of order earlier in the agenda.

III. C. GM REPORT

1. Personnel Committee Recommendations

Ms. Maurizio gave a report. A discussion ensued.

B. WATERMASTER FISCAL YEAR 2013-2014 PROPOSED BUDGET

Approve the Proposed FY 2013/2014 Budget as Presented

Ms. Maurizio gave a report.

Motion by Jeske second by Bowcock 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

C. OVERLYING (AGRICULTURAL) POOL MOTION TO MODIFY FEBRUARY 19, 1998 RULING APPOINTING NINE-MEMBER WATERMASTER BOARD

For Non-Agricultural Pool: Information Only

Ms. Maurizio gave a report.

No action required – for information only.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. CalPERS Appeal

Ms. Maurizio gave a report on behalf of Mr. Herrema via an email.

B. ENGINEERING REPORT

1. State of the Basin Part II Presentation

Ms. Maurizio gave a report. The Pool declined viewing the presentation.

C. GM REPORT

2. CBWM Prior Compensation Schedules

Ms. Maurizio gave a report.

IV. INFORMATION

1. Cash Disbursements for March 2013

No comment was made.

V. POOL MEMBER COMMENTS

A discussion ensued regarding the CDA Request (Business Item A). Mr. Jeske stated that one of the reasons the Pool deferred action on the Pleading is because they didn't get the Pleading in a timely manner.

VI. OTHER BUSINESS

No comment was made.

VIII. FUTURE MEETINGS AT WATERMASTER

Tuesday, April 9, 2013	10:00 a.m.	Personnel Committee Meeting
Thursday, April 11, 2013	9:00 a.m.	Appropriative Pool Meeting
Thursday, April 11, 2013	11:00 a.m.	Non-Agricultural Pool Conference Call Meeting
Thursday, April 11, 2013	1:30 p.m.	Agricultural Pool Meeting
Tuesday, April 16, 2013	9:30 a.m.	Budget Workshop
Thursday, April 18, 2013	8:00 a.m.	IEUA DYY Meeting
Thursday, April 18, 2013	9:00 a.m.	Advisory Committee Meeting
Thursday, April 18, 2013	10:00 a.m.	RMPU Amendment Steering Committee Meeting
Thursday, April 18, 2013	1:00 p.m.	Watermaster Board Confidential Conference Call
Tuesday, April 23, 2013	9:30 a.m.	Potential 2 nd Budget Workshop
Thursday, April 25, 2013	10:00 a.m.	Watermaster Board Confidential Session Meeting
Thursday, April 25, 2013	11:00 a.m.	Watermaster Board Meeting

Chair Geye adjourned the Non-Agricultural Pool meeting at 12:35 p.m.

Secretary: _____

Minutes Approved: June 13, 2013