

**MINUTES**  
**CHINO BASIN WATERMASTER**  
**NON-AGRICULTURAL POOL MEETING**

June 11, 2015

The Non-Agricultural Pool meeting was held at the offices of Chino Basin Watermaster and via conference call using the Chino Basin Watermaster conference call number on June 11, 2015.

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

Brian Geye, Chair	Auto Club Speedway
Bob Bowcock, Vice-Chair	Calmat Company (Vulcan Materials)
Bob Page	County of San Bernardino

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

Ken Jeske	California Steel Industries (CSI)
Tom O' Neill	Ontario City Non-Agricultural
David Penrice	Aqua Capital Management LP

**WATERMASTER BOARD MEMBER PRESENT AT WATERMASTER**

Mark Kinsey	Monte Vista Water District
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**WATERMASTER STAFF PRESENT AT WATERMASTER**

Peter Kavounas	General Manager
Danielle Maurizio	Assistant General Manager
Joseph Joswiak	Chief Financial Officer
Anna Truong	Recording Secretary
Janine Wilson	Recording Secretary

**WATERMASTER CONSULTANT PRESENT AT WATERMASTER**

Andy Malone	Wildermuth Environmental, Inc.
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**NON-AGRICULTURAL POOL LEGAL COUNSEL PRESENT ON CALL**

Allen Hubsch	Hogan Lovells US, LLP
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**OTHERS PRESENT ON CALL**

Ramsey Haddad	California Steel Industries (CSI)
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**OTHERS PRESENT AT WATERMASTER**

Pete Hall	State of California – CIM
Tracy Egoscue	Egoscue Law Group
Van Jew	Monte Vista Irrigation Company
Justin Scott-Coe	Monte Vista Water District
Dave Crosley	City of Chino

**CALL TO ORDER**

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

**ROLL CALL**

Ms. Wilson conducted the roll call.

**AGENDA – ADDITIONS/REORDER**

(0:01:48) Ms. Maurizio requested that Business Item II.B., Chino Basin Safe Yield Redetermination and Reset is deferred as late as possible in the meeting to allow the Appropriative Pool to conclude their discussion and take action.

**I. BUSINESS ITEMS - ROUTINE**

**A. MINUTES**

1. Minutes of the Non-Agricultural Pool Meeting held May 14, 2015

(0:02:39)

*Motion by Mr. Bob Page, seconded by Mr. Tom O'Neill. The Chair called for dissent, and, none being noted, the motion was deemed passed by unanimous vote of those present.*

***Moved to receive and file Business Item I.A. as presented.***

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of April 2015
2. Watermaster VISA Check Detail for the month of April 2015
3. Combining Schedule for the Period July 1, 2014 through April 30, 2015
4. Treasurer's Report of Financial Affairs for the Period April 1, 2015 through April 30, 2015
5. Budget vs. Actual Report for the Period July 1, 2014 through April 30, 2015

(0:03:00)

*Motion by Mr. Bob Page, seconded by Mr. Tom O'Neill. The Chair called for dissent, and, none being noted, the motion was deemed passed by unanimous vote of those present.*

***Moved to receive and file Business Item I.B. without approval as presented.***

**C. MONTE VISTA WATER DISTRICT AQUIFER STORAGE AND RECOVERY AGREEMENT**

(0:03:32) Ms. Maurizio gave a report.

(0:03:57)

*Motion by Mr. Ken Jeske, seconded by Mr. Bob Bowcock. The Chair called for dissent, and, none being noted, the motion was deemed passed by unanimous vote of those present.*

***Moved to approve staff recommendation of Business Item I.C. as presented and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate.***

**D. MONTE VISTA WATER DISTRICT OVERLYING (NON-AGRICULTURAL) POOL INTERVENTION REQUEST**

(0:04:23) Ms. Maurizio gave a report.

(0:04:55)

*Motion by Mr. Ken Jeske, seconded by Mr. Bob Page. The Chair called for dissent, and, none being noted, the motion was deemed passed by unanimous vote of those present.*

***Moved to approve staff recommendation of Business Item I.D. as presented and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate.***

**E. WATER TRANSACTION**

Notice of Sale or Transfer – The permanent transfer of 50,000 acre-feet of Safe Yield from Aqua Capital Management by Monte Vista Water District (MVWD Non-Ag), effective as of the beginning of fiscal year 2015/16. Date of application: May 18, 2015.

(0:05:32) Ms. Maurizio gave a report. A discussion ensued.

(0:06:18)

*Motion by Mr. Ken Jeske, seconded by Mr. Tom O'Neill. The Chair called for dissent, and, none being noted, the motion was deemed passed by unanimous vote of those present.*

***Moved to approve staff recommendation of Business Item I.E. as presented and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate.***

**II. BUSINESS ITEMS**

**A. CITY OF ONTARIO OVERLYING (NON-AGRICULTURAL) POOL PROPOSED WATER RIGHT USE AND PROPOSED METHODOLOGY**

(0:07:30) Ms. Maurizio gave a report. A discussion ensued.

(0:11:20)

*Motion by Mr. Ken Jeske, seconded by Mr. David Penrice. The Chair called for dissent, and, none being noted, the motion was deemed passed by unanimous vote of those present.*

***Moved to support the proposed use and defer to the ad hoc committee's recommendation on the methodology.***

**B. CHINO BASIN SAFE YIELD REDETERMINATION AND RESET (Potential Action)**

Offer advice and assistance to the Board by making recommendations on the Key Principles.

(0:30:09) Mr. Kavounas reported that the Appropriative Pool approved the Key Principles as modified by input from the Non Agricultural and the Agricultural Pools. A discussion ensued and the item was considered further in Confidential Session.

**C. MEMBER STATUS CHANGES (For Discussion and Possible Action)**

1. Any proposed transfer of Safe Yield by a Member. (See I.E. above).

(0:13:05) Mr. Kavounas reported that Item I.E. above ties in with Item II.C.1. and noted the permanent transfer of 50,000 acre-feet of Safe Yield from Aqua Capital Management by Monte Vista Water District as indicated above.

2. Any transfer of Safe Yield that has actually closed or been completed.
3. Any change in name or corporate identity of a Member (such as results from a merger or filing of a change of name certificate).
4. Any change in the name of a representative or alternate representative of a Member, or a change in e-mail address for either such person.

(0:12:18) Watermaster was informed by Gerdau/TAMCO on May 29, 2015 that Mr. Jesse White is the new Environmental Manager for the facility and is replacing Mr. Jeff Dambrun as primary representative on the Non-Agricultural Pool. Ms. Giannina Espinoza remains as their alternate representative. Watermaster has updated its records to reflect this change.

(0:12:30) Chair Geye confirmed Mr. Jeske's e-mail address has changed and asked that it be reflected in next month's agenda.

(0:13:30) Mr. Hubsch asked that when the Monte Vista Water District's Non-Agricultural Pool intervention request has been approved that the District inform Watermaster of their primary and alternate representatives, and for the information to be formally noted for the records. Mr. Kavounas replied that staff will track and report out at a future meeting once the intervention is approved.

**III. REPORTS/UPDATES****A. LEGAL COUNSEL REPORT**

1. Appropriative Pool Request to Review State Water Resources Control Board Drought Regulations
2. Waters of the United States Rulemaking

(0:14:40) Mr. Herrema gave a report. A discussion ensued.

**B. ENGINEER REPORT**

1. Prado Basin Habitat Sustainability Program
  - Well Drilling, Construction, and Development
  - Monitoring Program Begins
  - Well Completion Report
  - Adaptive Management Plan (Draft)
2. CASGEM Compliance

(0:17:42) Mr. Malone gave a report.

**C. CFO REPORT**

1. Exhibit "G" Water Transfers Invoicing
2. Five Year Projection of Watermaster Expenses
3. Response to Pool Request Regarding Administrative Expenses of the Agricultural Pool

(0:23:18) Mr. Joswiak gave a report.

**D. GM REPORT**

1. City of Ontario Agreement for the Conditional Contribution of Safe Yield to Offset Future Desalter Replenishment
2. Other

(0:28:18) Mr. Kavounas gave a report.

**IV. INFORMATION**

1. Cash Disbursements for May 2015
2. Recharge Investigations and Projects Committee (RIPCom)

**V. POOL MEMBER COMMENTS**

None.

**VI. OTHER BUSINESS**

None.

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Chair Geye called for confidential session at 11:44 a.m. to discuss the Safe Yield Redetermination and Reset. Confidential concluded at 11:55 a.m. with the following reportable actions:

(0:40:12) Chair Geye reported that the Pool supports the Key Principles document and directs the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate.

1. Paragraph 4 – Storage Management Plan: The Pool recommends that issues related to this item be scoped by December 31, 2015 including a cost estimate and that the Storage Management Plan process is completed no later than June 30, 2016.
2. The Pool would like the FANDA expenses be reallocated to participants of that process only; any costs allocated to the NAP should be credited.

**ADJOURNMENT**

Chair Geye adjourned the Non-Agricultural Pool meeting at 11:58 a.m.

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

Approved: July 9, 2015