

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

May 11, 2017

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 May 11, 2017.

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

Brian Geye, Chair	Auto Club Speedway
Bob Bowcock, Vice-Chair	Calmat Company (Vulcan Materials Co.)
Ramsey Haddad	California Steel Industries (CSI)
Andrew Silva for Bob Page	County of San Bernardino

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

Michael Sigsbee for Tom O'Neill	Ontario City Non-Agricultural
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**WATERMASTER STAFF PRESENT AT WATERMASTER**

Peter Kavounas	General Manager
Joseph Joswiak	Chief Financial Officer
Edgar Tellez Foster	Senior Environmental Engineer
Anna Truong	Executive Services Director/Board Clerk
Justin Nakano	Water Resources Senior Associate
Janine Wilson	Senior Accountant

**WATERMASTER CONSULTANTS PRESENT AT WATERMASTER**

Brad Herrema	Brownstein Hyatt Farber Schreck, LLP
Mark Wildermuth	Wildermuth Environmental, Inc.
Andy Malone	Wildermuth Environmental, Inc.

**NON-AGRICULTURAL POOL LEGAL COUNSEL PRESENT ON CALL**

Allen Hubsch	Loeb & Loeb, LLP
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**OTHERS PRESENT AT WATERMASTER**

Pete Hall	State of California – CIM
Ken Jeske	California Steel Industries (CSI)
Shaun Stone	Inland Empire Utilities Agency

**CALL TO ORDER**

Chair Geye called the Non-Agricultural Pool meeting to order at 11:03 a.m.

**ROLL CALL**

Ms. Truong conducted the roll call.

**AGENDA – ADDITIONS/REORDER**

None

**I. BUSINESS ITEMS - ROUTINE**

**A. MINUTES**

1. Minutes of the Non-Agricultural Pool Meeting held April 13, 2017

(0:01:38)

*Motion by Mr. Bob Bowcock, seconded by Mr. Ramsey Haddad. 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 March 2017
2. Watermaster VISA Check Detail for the month of March 2017
3. Combining Schedule for the Period July 1, 2016 through March 31, 2017
4. Treasurer's Report of Financial Affairs for the Period March 1, 2017 through March 31, 2017
5. Budget vs. Actual Report for the Period July 1, 2016 through March 31, 2017

(0:01:58)

*Motion by Mr. Bob Bowcock, seconded by Mr. Ramsey Haddad. 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. CHINO BASIN WATERMASTER 39<sup>TH</sup> ANNUAL REPORT**

Recommend to Advisory Committee to recommend to the Board to adopt the 39th Annual Report, along with filing a copy with the Court, subject to any necessary non-substantive changes.

(0:02:31) Mr. Hubsch suggested that Watermaster make the necessary changes to Appendices F-2 of the Chino Basin Watermaster 39<sup>th</sup> Annual Report, to reflect the current pool members as of June 30, 2016. A discussion ensued.

(0:04:55)

*Motion by Mr. Ramsey Haddad, 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 with the changes noted above and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate.***

**D. AGREEMENT WITH SAN BERNARDINO COUNTY FOR CREATION OF GSA FOR SGMA FRINGE AREAS**

Recommend to Advisory Committee to approve the proposed Cooperation Agreement between Chino Basin Watermaster and the County of San Bernardino for the creation of a GSA for the SGMA Fringe Areas in San Bernardino County.

**E. WATER TRANSACTIONS**

1. Notice of Sale or Transfer – The purchase of 4,000.000 acre-feet of water from the City of Pomona by Cucamonga Valley Water District. This purchase is made from the City of Pomona's Excess Carryover Account. Date of application: May 3, 2017.
2. Notice of Sale or Transfer – The purchase of 500.000 acre-feet of water from West Valley Water District by Cucamonga Valley Water District. This purchase is made from West Valley Water District's Excess Carryover Account. Date of application: May 3, 2017.
3. Notice of Sale or Transfer – The purchase of 3,000.000 acre-feet of water from Cucamonga Valley Water District by Fontana Water Company. This purchase is made from Cucamonga Valley Water District's Annual Production Right/Operating Safe Yield first, then any additional from storage. Date of application: May 3, 2017.
4. Notice of Sale or Transfer – The purchase of 4,000.000 acre-feet of water from Cucamonga Valley Water District by Fontana Water Company. This purchase is made from Cucamonga Valley Water District's Annual Production Right/Operating Safe Yield first, then any additional from storage. Date of application: May 3, 2017.
5. The purchase of 399.260 acre-feet of water from the City of Chino by the City of Ontario. This purchase is made from the City of Chino's Excess Carryover Account. Date of application: May 2, 2017.

- F. THIRD AMENDMENT TO TASK ORDER NO. 1 (2013 RMPU AMENDMENT YIELD ENHANCEMENT PROJECTS – PLANNING, PERMITTING, AND DESIGN)**  
Recommend to Advisory Committee to recommend to the Board to approve the amended Task Order No. 1 to reflect the change in scope and cost.
- G. FIRST AMENDMENT TO TASK ORDER NO. 2 (LOWER DAY BASIN IMPROVEMENT PROJECT)**  
Recommend to Advisory Committee to recommend to the Board to approve the amended Task Order No. 2 (Lower Day Basin Improvement Project).
- H. FIRST AMENDMENT TO TASK ORDER NUMBERS 5 (JURUPA PUMP STATION AND HVAC IMPROVEMENTS), AND 6 (WINEVILLE PROOF OF CONCEPT)**  
Recommend to Advisory Committee to recommend to the Board to approve the amended Task Orders No. 5 and No. 6 and conclude associated obligations.
- I. SECOND AMENDMENT TO TASK ORDER NO. 8 (SAN SEVAINE BASIN RMPU IMPROVEMENT PROJECT)**  
Recommend to Advisory Committee to recommend to the Board to approve the amended Task Order No. 8 (San Sevaïne Basin Improvement Project).
- J. TASK ORDER NO. 9 UNDER MASTER AGREEMENT FOR COLLABORATIVE RECHARGE PROJECTS (RMPU IMPROVEMENT PROJECT 23a)**  
Recommend to Advisory Committee to recommend to the Board to approve Task Order No. 9, RMPU Improvement Project 23a (2013 RMPU proposed Wineville PS to Jurupa, expanded Jurupa PS to RP3 Basin and 2013 RP3 Improvements Project).
- K. TASK ORDER NO. 10 UNDER MASTER AGREEMENT FOR COLLABORATIVE RECHARGE PROJECTS (VICTORIA BASIN IMPROVEMENT PROJECT)**  
Recommend to Advisory Committee to recommend to the Board to approve Task Order No. 10, Victoria Basin Improvement Project (PID 11).

(0:05:40)

*Motion by Mr. Ramsey Haddad, 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 Items I.D. through I.K. 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. CSI BASIN IMPROVEMENT PROJECT (DISCUSSION ONLY)**

(0:06:03) Mr. Kavounas gave a report, and introduced Mr. Ramsey to give a status update. A discussion ensued. This item will likely be brought back as a business item in June 2017.

### **B. TASK ORDER NO. 11 UNDER MASTER AGREEMENT FOR COLLABORATIVE RECHARGE PROJECTS (MONTCLAIR BASIN IMPROVEMENT PROJECT)**

Recommend to Advisory Committee to recommend to the Board to approve Task Order No. 11, Montclair Basins Improvement Project (PID 2).

(0:08:08) Mr. Kavounas gave a report. A discussion ensued.

(0:08:51)

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

***Moved to direct the Pool representatives to support Business Item II.B. at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate.***

**C. FISCAL YEAR 2016/17 BUDGET AMENDMENT (FORM A-17-04-01)**

Recommend Advisory Committee approve the Budget Amendment Form A-17-04-01 for FY 2016/17 in the amount of \$100,000 for the increased cost associated with the CalPERS Personnel Matter regarding Alvarez and the Safe Yield Redetermination and Reset, as presented.

(0:09:19) Mr. Joswiak gave a report.

(0:11:20)

*Motion by Mr. Ramsey Haddad, 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 II.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. RESOLUTION TO LEVY DESALTER REPLENISHMENT ASSESSMENTS FOR PRODUCTION YEAR 2013/14 (BASED ON ASSESSMENT PACKAGE FOR PRODUCTION YEAR 2013/14)**

Review Resolution 2017-05 as presented, and offer advice to Watermaster.

(0:11:47) Mr. Kavounas gave a report. A discussion ensued.

**E. WATERMASTER FISCAL YEAR 2017/18 PROPOSED BUDGET**

Recommend Advisory Committee approval of the proposed FY 2017/18 budget as presented.

(0:19:44) Mr. Joswiak gave a report. A discussion ensued.

(0:23:58)

*Motion by Mr. Bob Bowcock, seconded by Mr. Ramsey Haddad. 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 II.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.***

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

1. Any proposed transfer of Safe Yield by a Member.
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.

(0:24:15) There were no changes to report.

**III. REPORTS/UPDATES**

**A. LEGAL COUNSEL REPORT**

1. Safe Yield Reset
2. Overlying (Agricultural) Pool Committee's Contest to Application for Storage Agreements
3. Rules and Regulations Update

(0:24:34) Mr. Herrema gave a report. A discussion ensued.

**B. ENGINEER REPORT**

1. Prado Basin Habitat Sustainability Program
2. Other Compliance Reporting

Due to time constraints, this report was taken out of order, after the GM Report.

(0:39:46) Mr. Malone gave a report.

**C. CFO REPORT**

None

**D. GM REPORT**

1. Safe Yield Reset – Implementation of Court Order
2. Safe Storage Capacity
3. Storage Applications
4. SGMA Update
5. Ambient Water Quality Study
6. Other

Due to time constraints, this report was taken after the Legal Counsel Report.

(0:34:32) Mr. Kavounas gave reports regarding Items III.D.1, III.D.2 and III.D.3.

(0:36:25) Mr. Kavounas left the meeting after his report to rejoin the Appropriative Pool meeting in open session.

(0:38:43) Mr. Tellez Foster gave reports regarding Items III.D.4 and III.D.5.

**IV. INFORMATION**

1. Cash Disbursements for April 2017
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 a confidential session at 11:49 a.m. to discuss Safe Yield Reset, Applications for Storage and Storage Agreements. Confidential session concluded at 12:17 p.m. with no reportable action.

**ADJOURNMENT**

Chair Geye adjourned the Non-Agricultural Pool meeting at 12:18 p.m.

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

Approved: June 8, 2017 \_\_\_\_\_