

MINUTES
CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL MEETING

June 8, 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 June 8, 2017.

NON-AGRICULTURAL POOL MEMBERS PRESENT AT WATERMASTER

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

NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL

Ramsey Haddad	California Steel Industries (CSI)
Michael Sigsbee for Tom O'Neill	Ontario City Non-Agricultural

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

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 ON CALL

Ken Jeske	California Steel Industries (CSI)
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CALL TO ORDER

Chair Geye called the Non-Agricultural Pool meeting to order at 11:02 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 May 11, 2017

(0:02:10)

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 April 2017
2. Watermaster VISA Check Detail for the month of April 2017
3. Combining Schedule for the Period July 1, 2016 through April 30, 2017
4. Treasurer's Report of Financial Affairs for the Period April 1, 2017 through April 30, 2017
5. Budget vs. Actual Report for the Period July 1, 2016 through April 30, 2017

(0:02:37)

Motion by Mr. Bob Page, 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 receive and file Business Item I.B. without approval as presented.

C. COST-SHARING AGREEMENT BETWEEN CHINO BASIN WATERMASTER AND CITY OF CHINO HILLS REGARDING THE CHINO HILLS ASR PILOT PROJECT

Recommend that the Advisory Committee approve the Cost Sharing Agreement Between Chino Basin Watermaster and City of Chino Hills Regarding the Chino Hills ASR Pilot Project and authorize the General Manager to sign the agreement on behalf of Watermaster.

(0:03:06)

Motion by Mr. Bob Page, 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. WATER TRANSACTIONS

1. The purchase of 180.000 acre-feet of water from the San Antonio Water Company by Monte Vista Water District. This purchase is made from San Antonio Water Company's Annual Production Right / Operating Safe Yield first, then any additional from Local Supplemental Storage. Monte Vista Water District is utilizing this transaction to produce its San Antonio Water Company shares. Date of application: May 22, 2017
2. The purchase of 162.000 acre-feet of water from the San Antonio Water Company by the City of Ontario. This purchase is made from San Antonio Water Company's Annual Production Right / Operating Safe Yield first, then any additional from Local Supplemental Storage. The City of Ontario is utilizing this transaction to produce its San Antonio Water Company shares. Date of application: May 22, 2017
3. The purchase of 558.000 acre-feet of water from the San Antonio Water Company by the City of Upland. This purchase is made from San Antonio Water Company's Annual Production Right / Operating Safe Yield first, then any additional from Local Supplemental Storage. The City of Upland is utilizing this transaction to produce its San Antonio Water Company shares. Date of application: May 22, 2017
4. 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 Local Supplemental Storage Quantified (Pre 7/1/2000) Account. Date of application: May 31, 2017
5. The purchase of 4,000.000 acre-feet of water from the Cucamonga Valley Water District by Fontana Water Company. This purchase is made from Cucamonga Valley Water District's Local Supplemental Storage Quantified (Pre 7/1/2000) Account. Date of application: May 31, 2017
6. The purchase of 3,000.000 acre-feet of water from the Cucamonga Valley Water District by Fontana Water Company. This purchase is made from Cucamonga Valley Water District's Local Supplemental Storage Quantified (Pre 7/1/2000) Account. Date of application: May 31, 2017

(0:03:37)

Motion by Mr. Bob Page, 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.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.

II. BUSINESS ITEMS

A. FISCAL YEAR 2016/17 BUDGET TRANSFER (FORM T-17-05-01)

Recommend Advisory Committee Approval of Budget Transfer Form T-17-05-01 for FY 2016/17 as presented.

(0:04:05) Mr. Joswiak gave a report. A discussion ensued.

(0:06:15)

Motion by Mr. Bob Page, 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.A. at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate.

B. FISCAL YEAR 2016/17 BUDGET AMENDMENT (FORM A-17-05-01)

Recommend Advisory Committee approve the Budget Amendment Form A-17-05-01 for FY 2016/17 in the amount of \$100,000 for the increased cost associated with the Safe Yield Redetermination and Reset, along with other Agricultural Pool matters, as presented.

(0:06:55) Mr. Joswiak gave a report. A discussion ensued.

(0:08:22)

Motion by Mr. Bob Page, 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. MEMBER STATUS CHANGES (For Discussion and Possible Action)

1. Any proposed transfer of Safe Yield by a Member.
 - Angelica Textile (Southern Service Company) June 14, 2017 Hearing date for sale of water rights through bankruptcy proceeding.
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.
 - Praxair representative, Roger Han's emails are being returned undeliverable; no response from alternate representative, Jose Galindo.

(0:08:51) Mr. Herrema gave a report on Business Item II.C.1. A discussion ensued.

(0:10:38) Ms. Truong gave a report on Business Item II.C.4., indicating that Praxair has a new representative who will be starting on July 1, 2017. A discussion ensued.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Overlying (Agricultural) Pool Committee's Contests
2. Rules and Regulations Update
3. Outline Of Annual Report Presentation To Judge

(0:12:10) Mr. Herrema gave a report.

B. ENGINEER REPORT

1. 2016 Annual Report of the Prado Basin Habitat Sustainability Committee
2. Other Technical Support

(0:18:34) Mr. Malone gave a report. A discussion ensued.

C. CFO REPORT

1. Exhibit "G" Transactions

(0:23:22) Mr. Joswiak gave a report.

D. GM REPORT

1. Storage Agreements
2. Storage Workshop #2
3. SGMA Update
4. CSI Basin Improvement Project
5. DYY Program Update
6. Resolution To Levy Desalter Replenishment Assessments For Production Year 2013/14
7. Other

(0:24:09) Mr. Kavounas gave a report on Items III.D.1 and III.D.2. A discussion ensued.

(0:28:27) Mr. Kavounas introduced Mr. Tellez Foster to give a report on Item III.D.3.

(0:30:29) Mr. Kavounas introduced Mr. Nakano to give a report on Item III.D.4. A discussion ensued.

(0:32:27) Mr. Kavounas gave reports on Items III.D.5., III.D.6. He also added a report on the Ambient Water Quality Study update, and announced that Watermaster will go dark in August 2017, with no standing meetings, and that if parties need assistance scheduling any other meetings, staff is happy to assist. A discussion ensued.

IV. INFORMATION

1. Cash Disbursements for May 2017
2. Recharge Investigations and Projects Committee (RIPCom)

V. POOL MEMBER COMMENTS

(0:41:48) Mr. Bowcock introduced Dr. Phillip Snyder, PhD Hydrogeologist from Switzerland.

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Geye called for a confidential session at 11:45 a.m. to discuss Storage Applications and Storage Agreements. Confidential session concluded at 12:15 p.m. with no reportable action.

(0:43:02) The Pool requested that the Storage Agreements be available for review before the next Pool meeting in July 2017. A discussion ensued.

ADJOURNMENT

Chair Geye adjourned the Non-Agricultural Pool meeting at 12:16 p.m.

Secretary: _____

Approved: _____ July 13, 2017