

MINUTES
CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL MEETING

November 9, 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 November 9, 2017.

NON-AGRICULTURAL POOL MEMBERS PRESENT AT WATERMASTER

Brian Geye, Chair	California Speedway Corporation
Bob Page	County of San Bernardino

NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL

David Penrice	Aqua Capital Management, LP
Ramsey Haddad	California Steel Industries (CSI)
Tom O'Neill	City of Ontario (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
Frank Yoo	Water Resources Senior Associate

WATERMASTER CONSULTANTS PRESENT AT WATERMASTER

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

NON-AGRICULTURAL POOL LEGAL COUNSEL PRESENT ON CALL

Allen Hubsch	Loeb & Loeb, LLP
--------------	------------------

CALL TO ORDER

Chair Geye called the Non-Agricultural Pool meeting to order at 2:00 p.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 October 12, 2017

(0:01:52)

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 receive and file Business Item I.A. as presented.

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of September 2017
2. Watermaster VISA Check Detail for the month of September 2017
3. Combining Schedule for the Period July 1, 2017 through September 30, 2017
4. Treasurer's Report of Financial Affairs for the Period September 1, 2017 through September 30, 2017

5. Budget vs. Actual Report for the Period July 1, 2017 through September 30, 2017

(0:02:19)

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. ANNUAL FINDING OF SUBSTANTIAL COMPLIANCE WITH THE RECHARGE MASTER PLAN

Recommend to the Advisory Committee to recommend to the Watermaster Board to adopt the finding that Watermaster is in substantial compliance with the Recharge Master Plan.

(0:02:56)

Motion by Mr. Tom O'Neill, 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.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.

II. BUSINESS ITEMS**A. FISCAL YEAR 2017/2018 ASSESSMENT PACKAGE**

Recommend Advisory Committee approval of the Fiscal Year 2017/18 Assessment Package as presented, including no credit for Stormwater New Yield, and postponing the assessment of Desalter Replenishment Obligation.

(0:03:22) Mr. Kavounas prefaced Business Item II.A. and gave a presentation.

(0:13:37)

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 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. In making and adopting the action, the Pool directed that the minutes reflect that the Pool may not be obligated under the Judgment to pay assessments for some of the costs included, that approval of the assessment for these costs) and any other costs which the Pool is not obligated to pay) is and has been voluntary, and that the members of the Pool reserve the right not approve or pay such assessments in the future.

B. RESOLUTION TO LEVY REPLENISHMENT AND ADMINISTRATIVE ASSESSMENTS FOR FISCAL YEAR 2017/18

Review Resolution 2017-07 as presented, and offer advice to Watermaster.

(0:14:02) Mr. Kavounas gave a report.

C. INCREASE OF FISCAL YEAR 2017/18 DRY YEAR YIELD PROGRAM DELIVERY LIMIT

Recommend Advisory Committee approval of amending the DYY Annual Operating Plan and increasing the annual delivery limit from 25,000 ac-ft to 50,000 ac-ft for Fiscal Year 2017/18.

(0:14:54) Mr. Kavounas gave a report.

(0:16:40)

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

D. CALENDAR YEAR 2018 NON-AGRICULTURAL POOL VOLUME VOTE

Approve the Calendar Year 2018 Overlying (Non-Agricultural) Pool Volume Vote as presented subject to Advisory Committee and Board approval of the 2017/18 Assessment Package at the November 16, 2017 meetings.

(0:17:03) Mr. Kavounas gave a report. A discussion ensued.

(0:20:38) Chair Geye deferred the item to Confidential Session to wait for Mr. Hubsch to join the meeting.

The reportable action is provided in Section VII.1. below.

E. 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).
 - NRG California South LP Bankruptcy Proceeding
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.
 - Status of Mr. Dennis Dooley (Angelica Corporation) in Non-Agricultural Pool

(0:21:12) Mr. Herrema gave a report on Item II.E.3. A discussion ensued

(0:23:21) Mr. Hubsch joined the meeting.

(0:23:33) Chair Geye stated that Mr. Dooley would like to remain on Watermaster's Active Party List, as noted in Item II.E.4.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Appeal of April 28, 2017 Order

(0:24:01) Mr. Herrema gave a report.

B. ENGINEER REPORT

1. Storage Management
2. Northwest MZ-1
3. Salinity Management

(0:25:37) Mr. Malone gave a report.

C. CFO REPORT

1. Fiscal Year 2017/18 Assessment Invoicing

(0:29:41) Mr. Joswiak gave a report.

D. GM REPORT

1. December Meeting Schedule
2. Other

(0:31:03) Mr. Kavounas reported that Watermaster plans to cancel regularly scheduled December meetings due to lack of business to bring forth, and if there is a need to have special meetings, staff is happy to host.

IV. INFORMATION

- 1. Cash Disbursements for October 2017

V. POOL MEMBER COMMENTS

None

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Geye called for a confidential session at 2:33 p.m. to discuss Business Item II.D., Calendar Year 2018 Non-Agricultural Pool Volume Vote, Exhibit "G" Transfer Rate, Desalter Replenishment Obligation and Storage Agreements. Confidential session concluded at 3:19 p.m. with the following reportable actions:

(0:32:12)

- 1. The Pool approved Business Item II.D., the 2018 Non-Agricultural Pool Volume Vote with the name change from Angelica Corporation to Southern Service Company.
- 2. The Pool requested that the list of Non-Agricultural Pool Committee agencies that Mr. Hubsch provided be used for all Watermaster related documents.

ADJOURNMENT

Chair Geye adjourned the Non-Agricultural Pool meeting at 3:20 p.m.

Secretary: _____

Approved: _____ January 11, 2018