

MINUTES
CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL MEETING
February 8, 2018

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 February 8, 2018.

NON-AGRICULTURAL POOL MEMBER PRESENT AT WATERMASTER

Brian Geye, Chair California Speedway Corporation

NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL

Bob Bowcock, Vice-Chair CalMat Co.
Tom O'Neill City of Ontario (Non-Ag)
Bob Page County of San Bernardino (Non-Ag)

WATERMASTER BOARD MEMBER PRESENT

Eunice Ulloa City of Chino

WATERMASTER STAFF PRESENT AT WATERMASTER

Peter Kavounas General Manager
Edgar Tellez Foster Senior Environmental Engineer
Anna Truong Executive Services Director/Board Clerk

WATERMASTER CONSULTANTS PRESENT AT WATERMASTER

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

OTHERS PRESENT AT WATERMASTER

Bill Blomquist Indiana University

OTHERS PRESENT ON CALL

Andrew Silva County of San Bernardino (Non-Ag)

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 11:00 a.m.

ROLL CALL

Ms. Truong conducted the roll call.

AGENDA – ADDITIONS/REORDER

None

I. BUSINESS ITEMS - ROUTINE

A. MINUTES

1. Minutes of the Annual Non-Agricultural Pool Meeting held January 11, 2018

(0:02:29)

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 December 2017
2. Watermaster VISA Check Detail for the month of December 2017
3. Combining Schedule for the Period July 1, 2017 through December 31, 2017
4. Treasurer's Report of Financial Affairs for the Period December 1, 2017 through December 31, 2017
5. Budget vs. Actual Report for the Period July 1, 2017 through December 31, 2017

(0:02:51)

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. CONSIDERATION OF LOCAL STORAGE AGREEMENTS

Recommend to the Advisory Committee to recommend the Watermaster Board to approve the storage agreements as presented.

(0:03:15) Mr. Kavounas noted that Item I.C. along with January 2018 storage applications will be brought to the Advisory Committee and the Watermaster Board for consideration during March 2018 meetings. A discussion ensued.

(0:12:53)

Motion by Mr. Bob Bowcock, 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.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. WATER TRANSACTIONS

Provide advice and assistance to the Watermaster Board on the proposed transactions:

1. The purchase of 4.375 acre-feet of water from San Antonio Water Company by CalMat Co. This purchase is made from San Antonio Water Company's Excess Carryover Account. CalMat Co. is utilizing this transaction to produce its San Antonio Water Company shares. Date of application: December 19, 2017.
2. The transfer of 4.000 acre-feet of water from CalMat Co. to NCL Co., LLC. This transfer is made from CalMat Co.'s Local Supplemental Storage Account. Date of application: December 19, 2017.

(0:13:22) Mr. Kavounas noted that the Appropriative Pool approved Items I.D.1. and I.D.2., and gave advice to Watermaster to check the appropriateness of the transaction. The advice was given because the application states that San Antonio Water Company is selling from their Excess Carryover Account to CalMat Co.'s Local Supplemental Account, which is not permissible. The transaction of water is permissible, however, Watermaster will ensure that the accounting is tracked in accordance with existing rules.

(0:14:31)

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

1. Any proposed transfer of Safe Yield by a Member.
 - The permanent transfer of 55.239 acre-feet of Safe Yield rights, 55.239 acre-feet of Excess Carryover, and 388.081 acre-feet of stored water from Ameron International Corporation to City of Ontario (Non-Ag). Date of application: October 31, 2017.
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.

(0:15:00) Ms. Truong gave a report on Business Item II.A.1. and noted the permanent safe yield transfer of 55.239 acre-feet from Ameron International Company to the City of Ontario that was presented to the three Pool Committees last month and will be going to the Advisory Committee and Board meetings for approval later this month. She also indicated that there are no member status changes to report.

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

1. January 12, 2018 Hearing
2. Appeal of April 28, 2017 Order
3. 40th Annual Report Court Filing

(0:15:47) Mr. Herrema gave a report. A discussion ensued.

(0:19:15) Mr. Hubsch commented on the Non-Agricultural Pool's desire to continue to work with Watermaster staff on the correcting the Pool member names, and noted that the Non-Agricultural Pool did not approve the accuracy of the list of the Pool member names in the appendices of the 40th Annual Report. Further discussion ensued.

B. ENGINEER REPORT

1. Storage Framework Workshop
2. 2018 RMPU
3. Salinity Management
4. Prado Basin Habitat Sustainability Program
5. Ground-Level Monitoring Committee
6. Other Efforts

(0:23:23) Mr. Malone gave a report and also commented on additional ongoing work such as well preservation, request to extend water rights diversion permits with the help of Watermaster counsel, assist Inland Empire Utilities Agency on the grant application for the Jurupa/Wineville RMPU Implementation Project, and the Semi-Annual Status Reports that are included in the Information section of this month's Watermaster meeting packages.

(0:30:55) Chair Geye had a question regarding the Prado Basin Habitat Sustainability Program budget reduction. A discussion ensued.

C. CFO REPORT

1. Fiscal Year 2018/19 Budget Schedule

(0:31:57) Mr. Kavounas gave a report in Mr. Joswiak's absence.

D. GM REPORT

1. SGMA Update on Fringe Areas and Annual Filing
2. RMPU Process
3. Storage in Chino Basin
4. Other

(0:33:46) Mr. Kavounas introduced Mr. Tellez Foster to report on Item III.D.1. A discussion ensued.

(0:51:32) Mr. Kavounas gave reports on Items III.D.2. – III.D.3 and announced that the Groundwater Recharge Coordinating Committee meeting date has changed from February 27, 2018 to March 13, 2018 at 9:00 a.m. He also reported that Marty Zvirbulis has had a meeting with the City of Rancho Cucamonga, and the City currently has no plans to move forward with acquisition of the property that Watermaster occupies. In light of that information, Watermaster plans to stay at the current location and will be working with furniture dealers to enhance the functionality of the current office space with used furniture.

IV. INFORMATION

1. Cash Disbursements for January 2018
2. Recharge Investigations and Projects Committee (RIPCom)
3. Ground-Level Monitoring Status Report (Semi-Annual)
4. South Archibald and Chino Airport Plumes Status Reports (Semi-Annual)
5. RMPU Status Report (Semi-Annual)
6. Santa Ana River Watershed Status Report (Semi-Annual)

V. POOL MEMBER COMMENTS

None

VII. OTHER BUSINESS

None

VIII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Geye called for a confidential session at 12:03 p.m. to discuss Safe Yield Reset and Accounting Compromise Term Sheet. Confidential session concluded at 1:10 p.m. with no reportable action.

Mr. Page left the meeting during confidential session; Mr. Silva, his alternate, remained on the line.

ADJOURNMENT

Chair Geye adjourned the Non-Agricultural Pool meeting at 12:19 p.m.

Secretary: _____

Approved: _____ April 12, 2018