

MINUTES
CHINO BASIN WATERMASTER
NON-AGRICULTURAL POOL MEETING

April 12, 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 April 12, 2018.

NON-AGRICULTURAL POOL MEMBERS PRESENT AT WATERMASTER

Brian Geye, Chair	California Speedway Corporation
Bob Page	County of San Bernardino (Non-Ag)

NON-AGRICULTURAL POOL MEMBER PRESENT ON CALL

Ramsey Haddad	California Steel Industries, Inc.
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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

WATERMASTER CONSULTANTS PRESENT AT WATERMASTER

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

OTHERS PRESENT AT WATERMASTER

Kevin Watson	West End Consolidated Water Co.
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NON-AGRICULTURAL POOL LEGAL COUNSEL PRESENT ON CALL

Allen Hubsch	Loeb & Loeb, LLP
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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 February 8, 2018

(0:01:48)

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 February 2018
2. Watermaster VISA Check Detail for the month of February 2018
3. Combining Schedule for the Period July 1, 2017 through February 28, 2018
4. Treasurer's Report of Financial Affairs for the Period February 1, 2018 through February 28, 2018

5. Budget vs. Actual Report for the Period July 1, 2017 through February 28, 2018

*(0:02:14)**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.B. without approval as presented.*****C. WATER TRANSACTIONS**

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

1. Notice of Sale or Transfer – The transfer of 2,500.000 acre-feet of water from City of Pomona to Fontana Water Company. This transfer is made from City of Pomona's Excess Carryover Account. Date of application: February 20, 2018.
2. The transfer of 62.086 acre-feet of water from San Antonio Water Company to City of Ontario. This transfer is made from San Antonio Water Company's Local Supplemental Storage Account. Date of application: March 1, 2018.
3. The transfer of 9.000 acre-feet of water from Nicholson Trust to Fontana Water Company. This transfer is made from Nicholson Trust's Annual Production Right/Operating Safe Yield. Date of application: March 18, 2018.

*(0:02:37)**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 approve staff recommendation of Business Item I.C. 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. BUDGET AMENDMENT FORM A-18-03-01**

Recommend Advisory Committee approve the Budget Amendment Form A-18-03-01 for FY 2017/18 in the amount of \$392,216 for the increased costs associated with the (1) Engineering Services Storage Management project; and (2) the SCADA Installation, Monitoring and Reimbursement Letter Agreement between Watermaster, Monte Vista Water District, and Wildermuth Environmental, Inc., effective September 28, 2017, as presented.

(0:02:58) Mr. Joswiak gave a report.*(0:04:37)**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 approve staff recommendation of Business Item II.A., Budget Amendment Form A-18-03-01 and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate.*****B. 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.
 - 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.
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.

(0:04:55) Ms. Truong reported that the Advisory Committee and Board have approved the Ameron/Ontario water transaction shown in Business Item II.B.2, and at this point, Watermaster considers the transaction to be completed. Furthermore, Ms. Truong has reached out to Ameron International Corporation's representative, Mr. Richard Zuniga several times via email to see if Ameron has an interest in remaining an active party. Pursuant to paragraph 58 of the Chino Basin Restated Judgment, a party wishing to be relieved from receiving notices, can fill out a waiver of notice form. Watermaster has not received a response from Mr. Zuniga, and if further communication or information is received, Ms. Truong will report back to the Pool. A discussion ensued.

(0:05:59) Mr. Hubsch noted that the Pool also has a process it undertakes for inactive parties. Further discussion ensued.

III. REPORTS/UPDATES

A. LEGAL COUNSEL REPORT

1. Appeal of April 28, 2017 Order
2. May 25, 2018 Court Hearing

(0:07:01) Mr. Herrema gave a report. A discussion ensued.

B. ENGINEER REPORT

1. Storage Framework
2. 2018 RMPU
3. Prado Basin Habitat Sustainability Program
4. Ground-Level Monitoring Program
5. SGMA Annual Filing

(0:14:28) Mr. Malone gave a report.

C. CFO REPORT

1. Fiscal Year 2018/19 Budget

(0:20:45) Mr. Joswiak gave a report. A discussion ensued.

D. GM REPORT

1. State Board Annual Filing of Diversion Permits
2. SGMA Implementation Update
3. Other

(0:27:24) Mr. Kavounas introduced Mr. Tellez Foster to give a report on Item III.D.1

(0:28:24) Mr. Kavounas gave a report on Item III.D.2. and announced that Watermaster will be hosting, and will notice, the OBMP Scope/Schedule Workshop on April 24, 2018 at 11:00 a.m. He also reported that the RIPCom meeting on April 19, 2018 will address grant funding and may result in possible decisions needed by the Pool Committees next month. Mr. Kavounas also announced that the *Journal of Water* printed an article regarding water transactions within the Chino Basin. Lastly, Mr. Kavounas announced that on June 3, 2018 Watermaster staff will be participating in the Climb for Heroes fundraiser to hike up Mt. Baldy and raise a goal of \$1,000 and asked any interested parties to join the hike or donate. A discussion ensued.

IV. INFORMATION

1. Cash Disbursements for March 2018

V. POOL MEMBER COMMENTS

None

VII. OTHER BUSINESS

None

VIII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Geye called for a confidential session at 11:36 a.m. to discuss Legal Budget, Annual Report Updates, Safe Yield Reset, and Accounting Compromise Term Sheet. The confidential session concluded at 11:53 a.m., and Chair Geye announced the following reportable actions:

(0:33:46)

1. The Pool directed Watermaster to include an amount of \$60,000 for the Non-Ag Pool legal services for the fiscal year 2018/19 budget.
2. The Pool also directed Watermaster to invoice the amount of \$60,000 to the Non-Ag Pool based upon Non-Ag Pool actual fiscal year 2017/18 production, when the 2017/18 assessment invoices are issued.

Mr. Page was present for the confidential session during the Legal Budget discussion only.

ADJOURNMENT

Chair Geye adjourned the Non-Agricultural Pool meeting at 11:54 a.m.

Secretary: _____

Approved: _____ May 10, 2018