

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

June 14, 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 June 14, 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 MEMBERS PRESENT ON CALL**

Ramsey Haddad	California Steel Industries, Inc.
Kevin Sage for Bob Bowcock	Calmat Co.
Tom O'Neill	City of Ontario (Non-Ag)

**WATERMASTER STAFF PRESENT AT WATERMASTER**

Peter Kavounas	General Manager
Joseph Joswiak	Chief Financial Officer
Edgar Tellez Foster	Senior Environmental Engineer
Anna Nelson	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.

**OTHERS PRESENT ON CALL**

Andrew Silva	County of San Bernardino (Non-Ag)
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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 11:00 a.m.

**ROLL CALL**

Ms. Nelson conducted the roll call.

**AGENDA – ADDITIONS/REORDER**

None

**I. BUSINESS ITEMS - ROUTINE**

**A. MINUTES**

Receive and file as presented:

1. Minutes of the Non-Agricultural Pool Meeting held May 10, 2018

(0:01:43)

*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**

Receive and file as presented:

1. Cash Disbursements for the month of April 2018
2. Watermaster VISA Check Detail for the month of April 2018
3. Combining Schedule for the Period July 1, 2017 through April 30, 2018
4. Treasurer's Report of Financial Affairs for the Period April 1, 2018 through April 30, 2018
5. Budget vs. Actual Report for the Period July 1, 2017 through April 30, 2018

(0:02:10)

*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. APPLICATION FOR RECHARGE**

Recommend Advisory Committee to recommend to the Watermaster Board to approve San Antonio Water Company's Application for Recharge and direct Watermaster staff to account for this supplemental water recharged in San Antonio Water Company's existing Local Supplemental Storage account.

(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 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 transfer of 80.000 acre-feet of water from West End Consolidated Water Company to Golden State Water Company. This transfer is made from West End Consolidated Water Company's Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares.
2. The transfer of 853.677 acre-feet of water from West End Consolidated Water Company to City of Upland. This transfer is made from West End Consolidated Water Company's Annual Production Right/Operating Safe Yield first, then any additional from Excess Carryover. The City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares.

(0:02:57)

*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. TASK ORDER NO. 2 UNDER MASTER AGREEMENT FOR COLLABORATIVE PROJECTS TECHNICAL SUPPORT FOR ANALYSIS OF THE UPPER SANTA ANA RIVER GROUNDWATER INTEGRATED MODEL**

Recommend to the Advisory Committee to approve Task Order No. 2 (Technical Support for Analysis of the Upper Santa Ana River Groundwater Integrated Model).

(0:03:25) Mr. Kavounas introduced Mr. Tellez Foster to give a report on Business Item II.A. A discussion ensued.

(0:06:36)

*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., and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate.***

**B. 2017 ANNUAL REPORT OF THE PRADO BASIN HABITAT SUSTAINABILITY COMMITTEE**

Offer advice and assistance.

(0:07:03) Mr. Kavounas introduced Mr. Malone to give a presentation on Business Item II.B. A discussion ensued.

(0:10:55) Mr. Kavounas shared with the Pool that the Appropriative Pool recommended Business Item II.B. to the Advisory Committee and Board to receive and file. Mr. Geye stated that the Non-Agricultural Pool concurs.

**C. EXHIBIT "G" TRANSFER RATE AMENDMENT**

Offer advice and assistance on amending Section 9(d) of Exhibit "G" regarding the transfer rate.

**D. PEACE AGREEMENT PARAGRAPH 5.3(e) INTERPRETATION**

**E. AMENDMENTS TO JUDGMENT AND CAMA TO IMPLEMENT SETTLEMENT AGREEMENT REGARDING APPEAL FROM APRIL 28, 2017 ORDER**

Discuss and offer advice.

The Pool took Business Items II.C. through II.E. during confidential session and the reportable action is provided in sequence below.

**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.

(0:12:28) Ms. Nelson stated that staff has no changes to report.

**III. REPORTS/UPDATES**

**A. LEGAL COUNSEL REPORT**

1. Appeal of April 28, 2017 Order
2. July 24, 2018 Court Hearing

(0:12:36) Mr. Herrema gave a report.

**B. ENGINEER REPORT**

1. Storage Framework
2. 2018 Recharge Master Plan Update
3. Salinity Management

(0:13:55) Mr. Kavounas introduced Mr. Wildermuth to give a presentation on Item III.B.1. A discussion ensued.

(0:28:33) Mr. Malone gave reports on Items III.B.2. and III.B.3.

**C. CFO REPORT**

- 1. FY 2017/18 Budget Transfers

(0:30:25) Mr. Joswiak gave a report.

**D. GM REPORT**

- 1. Future Assessment Packages
- 2. July 2018 Meeting Schedule
- 3. Other

(0:32:30) Mr. Kavounas gave a report. A discussion ensued.

**IV. INFORMATION**

- 1. Cash Disbursements for May 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 Appropriative Pool Strategic Planning, Exhibit "G" Transfer Rate Amendment, Peace Agreement Paragraph 5.3(e) Interpretation, Amendments to Judgment and CAMA to Implement Settlement Agreement Regarding Appeal From April 28, 2017 Order. Confidential session concluded at 12:21 p.m. with the following reportable action:

(0:36:40)

- 1. The Non-Agricultural Pool believes that Business Items II.C. through II.E. are all related. With regard to Item II.C., the Non-Agricultural Pool supports an Exhibit "G" Transfer Rate Amendment allowing the Non-Agricultural Pool to solely decide the price at which to offer water for sale. The Non-Agricultural Pool directs Pool counsel and Pool Chair to work with the Appropriative Pool, legal counsel, and Watermaster, to determine final language to amend Exhibit "G," and file the necessary papers with the Court.
- 2. With regard to Item II.D., the Non-Agricultural Pool supports the Peace Agreement Paragraph 5.3(e) Interpretation that any individual Non-Agricultural Pool party can make direct arrangements with any individual Appropriative Pool party, and pursuant to those arrangements, transfer their water to Watermaster toward the Desalter Replenishment Obligation of that individual Appropriative Pool party. The Non-Agricultural Pool directs Pool counsel and Pool Chair to work with the Appropriative Pool, legal counsel, and Watermaster to determine final language and implement the procedures allowing such transactions.
- 3. With regard to Item II.E., the Non-Agricultural Pool has directed Pool counsel review the proposed changes to the Judgment, and specifically request that Paragraph 5.3(e) interpretation be included in a revised settlement agreement draft.

**ADJOURNMENT**

Chair Geye adjourned the Non-Agricultural Pool meeting at 12:24 p.m.

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

Approved: \_\_\_\_\_ July 19, 2018