

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

September 12, 2019

The Non-Agricultural Pool meeting was held at the offices of Chino Basin Watermaster located at 9641 San Bernardino Road, Rancho Cucamonga, CA, and via conference call using the Chino Basin Watermaster conference call number on September 12, 2019.

NON-AGRICULTURAL POOL MEMBER PRESENT AT WATERMASTER

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| Brian Geye, Chair | California Speedway Corporation |
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NON-AGRICULTURAL POOL MEMBERS PRESENT ON CALL

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| Bob Bowcock, Vice-Chair | CalMat Co. |
| Ramsey Haddad | California Steel Industries |
| Christopher Quach | City of Ontario (Non-Ag) |
| Andrew Silva for Bob Page | County of San Bernardino (Non-Ag) |

WATERMASTER STAFF PRESENT AT WATERMASTER

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| Peter Kavounas | General Manager |
| Joseph Joswiak | Chief Financial Officer |
| Edgar Tellez Foster | Senior Environmental Engineer |
| Anna Nelson | Executive Services Director/Board Clerk |
| Frank Yoo | Water Resources Senior Associate |
| Justin Nakano | Water Resources Senior Associate |

WATERMASTER CONSULTANTS PRESENT AT WATERMASTER

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

OTHERS PRESENT AT WATERMASTER

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| Jonathan Sacks | GenOn California South, LP |
| Katie Gienger | City of Ontario |

OTHERS PRESENT ON CALL

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| Jeanina Romero | City of Ontario (Non-Ag) |
| Scott Burton | City of Ontario |

NON-AGRICULTURAL POOL LEGAL COUNSEL PRESENT ON CALL

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| Allen Hubsch | Loeb & Loeb, LLP |
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CALL TO ORDER

Chair Geye called the Non-Agricultural Pool meeting to order at 11:01 a.m.

ROLL CALL

Ms. Nelson conducted the roll call.

(0:01:50) Vice-Chair Bowcock announced that effective for October 2019, San Bernardino County will be submitting documentation to Watermaster naming him as the County's alternate to Mr. Page. A discussion ensued.

AGENDA – ADDITIONS/REORDER

None

I. BUSINESS ITEMS - ROUTINE

A. MINUTES

Receive and file as presented:

1. Minutes of the Non-Agricultural Pool Meeting held July 11, 2019

(0:03:25)

Motion by Mr. Christopher Quach, seconded by Vice-Chair 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.A. as presented.

B. FINANCIAL REPORTS

Receive and file as presented:

1. Cash Disbursements for the month of June 2019
2. Watermaster VISA Check Detail for the month of June 2019
3. Combining Schedule for the Period July 1, 2018 through June 30, 2019
4. Treasurer's Report of Financial Affairs for the Period June 1, 2019 through June 30, 2019
5. Budget vs. Actual Report for the Period July 1, 2018 through June 30, 2019
6. Cash Disbursements for the month of July 2019
7. Watermaster VISA Check Detail for the month of July 2019
8. Combining Schedule for the Period July 1, 2019 through July 31, 2019
9. Treasurer's Report of Financial Affairs for the Period July 1, 2019 through July 31, 2019
10. Budget vs. Actual Report for the Period July 1, 2019 through July 31, 2019

(0:03:51)

Motion by Vice-Chair 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.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.

(0:04:40)

Motion by Vice-Chair 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 approve staff recommendation of Business Items 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.

(0:04:43) Mr. Silva joined the meeting via conference call.

D. OBMP SEMI-ANNUAL STATUS REPORTS 2019-1

Recommend to the Advisory Committee recommend to the Watermaster Board to adopt the Semi-Annual OBMP Status Report 2019-1, along with filing a copy with the Court, subject to any necessary non-substantive changes.

(0:05:35)

Motion by Vice-Chair 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 approve staff recommendation of Business Items I.D. and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate.

E. WATER TRANSACTIONS

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

The transfer of 954.5 acre-feet of Permanent Safe Yield Rights, 954.5 acre-feet of Fiscal Year 2019-20 Annual Carryover, and 2,790.2 acre-feet of Excess Carryover from GenOn California South, LP (formerly NRG California South, LP) by the City of Ontario (Non-Ag).

(0:06:25) Mr. Kavounas announced that the Appropriative Pool unanimously recommended approval of Item I.E.

(0:06:55)

Motion by Vice-Chair 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 approve staff recommendation of Business Item I.E. and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate.

(0:07:16) A discussion ensued regarding Item I.E.

(0:07:55) Mr. Sacks stated that GenOn California South, LP will eventually wish to be removed as an active party of the Non-Agricultural Pool following the transfer of rights to the City of Ontario (Non-Ag). A discussion ensued.

F. FISCAL YEAR 2018/19 BUDGET TRANSFER (FORM T-19-06-01)

Recommend Advisory Committee approval of Fiscal Year 2018/19 Budget Transfer (Form T-19-06-01) as presented.

(0:08:52) Mr. Kavounas announced that the Appropriative Pool recommended approval of Item I.F. and offered to give a presentation to the Non-Agricultural Pool. The Pool declined to receive the presentation.

(0:09:27)

Motion by Vice-Chair 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 approve staff recommendation of Business Items I.F. 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. REVISED 2014/15 THROUGH 2018/19 ASSESSMENT PACKAGES**

Recommend Advisory Committee approval of the Revised 2014/15 through 2018/19 Assessment Packages along with the assessment of Desalter Replenishment Obligation.

(0:09:54) Mr. Kavounas gave a report. A discussion ensued.

(0:11:58)

Motion by Vice-Chair 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 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. RESOLUTION TO LEVY REPLENISHMENT AND ADMINISTRATIVE ASSESSMENTS FOR REVISED 2014/15 THROUGH 2018/19 ASSESSMENT PACKAGES

Review Resolution 2019-05 as presented, and offer advice to Watermaster.

(0:12:26) Mr. Kavounas gave a report. A discussion ensued.

No action was taken on Business Item II.B.

C. RULES AND REGULATIONS 2019 UPDATE

Offer advice and assistance to the Advisory Committee and Watermaster Board.

(0:14:33) Mr. Kavounas gave a report. A discussion ensued.

No action was taken on Business Item II.C.

D. MEMBER STATUS CHANGES (DISCUSSION AND POSSIBLE ACTION)

1. Any proposed transfer of Safe Yield by a Member (See Item I.E. above)
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).
 - Watermaster was notified on August 8, 2019 of NRG California South LP's name change to GenOn California South, LP, effective March 8, 2019.
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.

(0:26:33) Ms. Nelson reported that Watermaster was notified on August 8, 2019 of NRG California South, LP's name changed to GenOn California South, LP effective March 8, 2019. She also reported the transfer of 954.5 acre-feet of *Permanent* Safe Yield Rights, 954.5 acre-feet of Fiscal Year 2019-20 Annual Carryover, and 2,790.2 acre-feet of Excess Carryover from GenOn California South, LP (formerly NRG California South, LP) by the City of Ontario (Non-Ag) as shown in Business Item I.E. above. Lastly, Ms. Nelson announced that through various communications in obtaining Water Activity Reports from parties, staff discovered on September 11, 2019 that Space Center Mira Loma was acquired by Link Industrial Properties on March 19, 2019 and its legal entity name is now BRE Space Mira Loma, LLC. Link Industrial Properties has various offices throughout the U.S., and the local office is in Cosa Mesa. E-mail addresses for representatives have changed; primary representative is still Tom Cruikshank and his new e-mail address is tcruikshank@liprop.com and is alternate is still Lauren Harold and her new e-mail address is lharold@liprop.com. Ms. Nelson added that she has reached out to their representatives, including their real estate manager, and has asked for the updated documentation including any certificates or legal documentation of name change to be sent to Watermaster so that the records may be updated. Once the documents are received, she will provide an update to the Pool. A discussion ensued.

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

1. December 13, 2019 Hearing

(0:31:05) Mr. Herrema gave a report. A discussion ensued.

B. ENGINEER REPORT

1. GLMC Activities
2. Safe Yield Recalculation
3. PFAS Monitoring

(0:31:58) Mr. Malone gave a report.

C. CFO REPORT

- 1. September 2019 Assessment Invoicing and Payments

(0:37:44) Mr. Joswiak gave a report. A discussion ensued.

D. GM REPORT

- 1. Water Activity Reports
- 2. Status report: OBMP Update
- 3. Status report: Storage Management Plan
- 4. Ely 3 Basin
- 5. Other

(0:42:05) Mr. Kavounas gave a report on Item III.D.1. A discussion ensued.

(0:44:53) Mr. Tellez Foster and Mr. Malone gave a report on Item III.D.2. A discussion ensued.

(0:56:39) Mr. Kavounas gave a report on Items III.D.3. and III.D.4., and also shared that Watermaster had its annual Chino Basin Day with the Regional Water Quality Control Board which allows the opportunity for all participants to receive updated information regarding efforts related to the Chino Basin. A discussion ensued.

IV. INFORMATION

- 1. Cash Disbursements for August 2019

V. POOL MEMBER COMMENTS

None

VI. OTHER BUSINESS

None

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Chair Geye called for a confidential session at 12:03 p.m. to discuss Purchase Agreement Form, Chino Basin Project Letter and Storage Management Plan – Questions 2 & 3. The Confidential Session concluded at 12:20 p.m. with no reportable action.

ADJOURNMENT

Chair Geye adjourned the Non-Agricultural Pool meeting at 12:20 p.m.

Secretary: _____

Approved: _____ October 10, 2019