

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

September 9, 2021

The Non-Agricultural Pool Committee meeting was held via Zoom (conference call and web meeting) on September 9, 2021.

NON-AGRICULTURAL POOL COMMITTEE MEMBERS PRESENT ON CALL

Brian Geye, Chair	California Speedway Corporation
Bob Bowcock, Vice-Chair	CalMat Co.
Kathleen Brundage	California Steel Industries, Inc.
Christopher Quach	City of Ontario (Non-Ag)

WATERMASTER BOARD MEMBERS PRESENT ON CALL

Mike Gardner	Western Municipal Water District
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WATERMASTER STAFF PRESENT ON CALL

Peter Kavounas	General Manager
Joseph Joswiak	Chief Financial Officer
Edgar Tellez Foster	Water Resources Mgmt. & Planning Dir.
Anna Nelson	Executive Services Director
Justin Nakano	Water Resources Technical Manager
Frank Yoo	Data Services and Judgment Reporting Mgr.
Janine Wilson	Senior Accountant
Vanessa Aldaz	Administrative Assistant

WATERMASTER CONSULTANTS PRESENT ON CALL

Brad Herrema	Brownstein Hyatt Farber Schreck, LLP
Andy Malone	West Yost
Garrett Rapp	West Yost

NON-AGRICULTURAL POOL COMMITTEE LEGAL COUNSEL PRESENT ON CALL

Allen Hubsch	Loeb & Loeb, LLP
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OTHERS PRESENT

Pete Hall	State of California – CIM
Tarren Torres	Egoscue Law Group, Inc.

CALL TO ORDER

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

ROLL CALL

(0:00:22) Ms. Aldaz 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 Committee Meeting held July 8, 2021

(0:02:30)

Motion by Ms. Kathleen Brundage, seconded by Mr. Christopher Quach. 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 2021
2. Watermaster VISA Check Detail for the month of June 2021
3. Combining Schedule for the Period July 1, 2020 through June 30, 2021
4. Treasurer's Report of Financial Affairs for the Period June 1, 2021 through June 30, 2021
5. Budget vs. Actual Report for the Period July 1, 2020 through June 30, 2021
6. Cash Disbursements for the month of July 2021
7. Watermaster VISA Check Detail for the month of July 2021
8. Combining Schedule for the Period July 1, 2021 through July 31, 2021
9. Treasurer's Report of Financial Affairs for the Period July 1, 2021 through July 31, 2021
10. Budget vs. Actual Report for the Period July 1, 2021 through July 31, 2021
11. Cash Disbursements for August 2021 (Information Only)

(0:03:07)

Motion by Mr. Christopher Quach, seconded by Ms. Kathleen Brundage. 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: WATER TRANSACTION

Provide advice and assistance to the Advisory Committee on the proposed transaction:

The purchase of 140 acre-feet of water from City of Upland by Golden State Water Company. This purchase is made from City of Upland's Annual Production Right.

(0:03:53)

Motion by Mr. Christopher Quach, seconded by Ms. Kathleen Brundage. 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.

D. APPLICATION: WATER TRANSACTION

Provide advice and assistance to the Advisory Committee on the proposed transaction:

The purchase of 66.4 acre-feet of water from West End Consolidated Water Company by Golden State Water Company. This purchase is made from West End Consolidated Water Company's Annual Production Right. Golden State Water Company is utilizing this transaction to produce its West End Consolidated Water Company shares.

(0:04:30)

Motion by Ms. Kathleen Brundage, seconded by Mr. Christopher Quach. 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., and to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate.

E. APPLICATION: WATER TRANSACTION

Provide advice and assistance to the Advisory Committee on the proposed transaction:

The purchase of 708.3 acre-feet of water from West End Consolidated Water Company by City of Upland. This purchase is made from West End Consolidated Water Company's Excess Carry Over Storage Account. City of Upland is utilizing this transaction to produce its West End Consolidated Water Company shares.

(0:07:57)

Motion by Mr. Christopher Quach, seconded by Ms. Kathleen Brundage. 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.

F. OBMP SEMI-ANNUAL STATUS REPORT 2021-1

Recommend to the Advisory Committee to recommend to the Watermaster Board to adopt the Semi-Annual OBMP Status Report 2021-1, along with filing a copy with the Court, subject to any necessary non-substantive changes.

(0:09:20)

Motion by Mr. Christopher Quach, seconded by Ms. Kathleen Brundage. 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.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. MEMBER STATUS CHANGES

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.
 - Watermaster Waiver of Notice and Withdrawal from Non-Agricultural Pool Committee forms received from Aqua Capital Management LP on August 20, 2021

(0:10:02) Ms. Nelson gave a report. A discussion ensued.

III. REPORTS/UPDATES

A. LEGAL COUNSEL

1. San Bernardino County Superior Court Emergency Order
2. October 8, 2021 Hearing
3. Rules & Regulations Update
4. Evergreen Storage Agreements
5. Kaiser Permanente Lawsuit

(0:13:17) Mr. Herrema gave a report.

B. ENGINEER

1. Model Update and Required Demonstrations Report
2. Schedule: Safe Yield Court Order Implementation
3. Schedule: Ground-Level Monitoring Committee

(0:17:22) Mr. Kavounas stated that Mr. Malone was prepared to give the presentations, however, the presentations would be given again at the Advisory Committee meeting next week. The Pool opted to hear them next week.

C. CHIEF FINANCIAL OFFICER

None

D. GENERAL MANAGER

1. Water Activity Reports
2. Storage Management Q&A
3. OAP Agenda Business Items
4. Other

(0:18:30) Mr. Kavounas gave a report. A discussion ensued.

(0:24:45) Under Item 4, Mr. Kavounas added a report on the process that was initiated by the state to draft strategies and principles for managing wells during the drought. Watermaster followed the initial public comment meetings and sent a letter on behalf of Chino Basin expressing that Chino Basin wells are managed under the Judgment and do not need additional strategies and principles suggested by the state. Draft strategies and principles have now been issued by the state and Watermaster plans to attend the webinar for the public comment session and after a review of the draft strategies and principles, Watermaster may submit additional comments, if warranted. Watermaster has worked with the California Groundwater Coalition (CGC), and they are aware and evaluating statewide.

(0:25:47) Mr. Kavounas also informed the Pool that Watermaster received a letter from the Regional Water Quality Control Board requesting that IEUA and Watermaster to update the 2005 mitigation plan for the temporary loss of hydraulic control created as part of the maximum benefit commitment. This will require some engineering work and West Yost is already working on a proposed budget. The letter also stated that the CDA reporting will be streamlined and relaxed from quarterly to annually and wrapped in with the maximum benefit annual report.

(0:28:36) Mr. Kavounas showed the banner on Watermaster's website regarding the press release which showcases the Judge's approval on the Local Storage Limitation Solution.

IV. POOL MEMBER COMMENTS

None

V. OTHER BUSINESS

None

VI. CONFIDENTIAL SESSION - POSSIBLE ACTION

A Confidential Session may be held during the Pool Committee meeting for the purpose of discussion and possible action.

None

ADJOURNMENT

Chair Geye adjourned the Non-Agricultural Pool Committee meeting at 11:32 a.m.

Secretary: _____

Approved: _____ October 14, 2021