

MINUTES
CHINO BASIN WATERMASTER
ANNUAL NON-AGRICULTURAL POOL COMMITTEE MEETING
January 13, 2022

The annual Non-Agricultural Pool committee meeting was held via Zoom Meeting (conference call and web meeting) on January 13, 2022.

NON-AGRICULTURAL POOL COMMITTEE MEMBERS PRESENT

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)
Bill Schwartz	Monte Vista Water District

WATERMASTER STAFF PRESENT

Peter Kavounas	General Manager
Joseph Joswiak	Chief Financial Officer
Edgar Tellez Foster	Water Resources Mgmt. & Planning Dir.
Anna Nelson	Director of Administration
Justin Nakano	Water Resources Technical Manager
Frank Yoo	Data Services and Judgment Reporting Mgr.
Janine Wilson	Senior Accountant
Gabriela Garcia	Executive Assistant II/Board Clerk
Ruby Favela	Administrative Assistant

WATERMASTER CONSULTANTS PRESENT

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

OTHERS PRESENT

Pete Hall	State of California, CIM
Larry Cain	State of California, CIM
Mike Gardner	Western Municipal Water District
Bob Kuhn	Three Valleys Municipal Water District
Tarren Alicia Torres	Egoscue Law Group, Inc.

NON-AGRICULTURAL POOL LEGAL COUNSEL PRESENT

Allen Hubsch	Loeb & Loeb, LLP
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CALL TO ORDER

Mr. Geye, the 2021 Non-Agricultural Pool Chair, called the Annual Non-Agricultural Pool Committee meeting to order at 11:03 a.m.

ROLL CALL

(0:03:13) Ms. Garcia conducted the roll call.

AGENDA – ADDITIONS/REORDER

None

I. ANNUAL ELECTIONS (ACTION)

A. Elect the following Calendar Year 2022 Officers of the Pool: Chair, Vice-Chair, Secretary, Treasurer, and Assistant Secretaries and Treasurers as may be appropriate.

Chair	<u>Brian Geye</u>
Vice-Chair	<u>Bob Bowcock</u>
Secretary	<u>Peter Kavounas</u>
Treasurer	<u>Peter Kavounas</u>

B. Election of Calendar Year 2022 Advisory Committee Members

According to the Non-Agricultural Pool Pooling Plan, the Pool shall designate at least three members of the Pool Committee, and their alternates, to serve on the Advisory Committee.

Member: <u>Brian Geye</u>	Alternate: <u>Bob Bowcock</u>
Member: <u>Christopher Quach</u>	Alternate: <u>Courtney Jones</u>
Member: <u>Kathleen Brundage</u>	Alternate: <u>Alma Heustis</u>

C. Calendar Year 2022 Non-Agricultural Pool Member Appointed to Serve as Advisory Committee Officer

Appoint a designated representative to serve as an officer of the Advisory Committee during Calendar Year 2022. According to the rotation sequence established among the Pools, the Non-Agricultural Pool appointee will be filling the position of Vice-Chair.

Non-Agricultural Pool Officer (Vice-Chair) Appointment to the Advisory Committee:

Brian Geye

D. Appointment of Calendar Year 2022 Non-Agricultural Pool Representation on Watermaster Board

According to the Board rotation schedule filed with the Court in 2000 and updated on November 17, 2015, the Non-Agricultural Pool is to appoint one representative and alternate(s) to serve on the Board for the Calendar Year.

Member: Bob Bowcock Alternate(s): Brian Geye

(0:04:59)

Motion by Ms. Kathleen Brundage, seconded by Mr. Bill Schwartz

The Chair called for dissent, and, none being noted, the motion was deemed passed by unanimous vote of those present.

Moved to approve the Calendar Year 2022 Non-Agricultural Pool appointments, Items I.A. – I.D. as shown above.

II. **BUSINESS ITEMS – ROUTINE**

A. **MINUTES**

Receive and file as presented:

1. Minutes of the Non-Agricultural Pool Meeting held November 10, 2021

(0:6:16)

Motion by Ms. Kathleen Brundage, seconded by Mr. Bill Schwartz. 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 II.A. as presented.

B. **FINANCIAL REPORTS**

Receive and file as presented:

1. Cash Disbursements for the month of October 2021
2. Watermaster VISA Check Detail for the month of October 2021
3. Combining Schedule for the Period July 1, 2021 through October 31, 2021
4. Treasurer's Report of Financial Affairs for the Period October 1, 2020 through October 31, 2021
5. Budget vs. Actual Report for the Period July 1, 2021 through October 31, 2021
6. Cash Disbursements for the month of November 2021
7. Watermaster VISA Check Detail for the month of November 2021
8. Combining Schedule for the Period July 1, 2020 through November 30, 2021
9. Treasurer's Report of Financial Affairs for the Period November 1, 2020 through November 30, 2021
10. Budget vs. Actual Report for the Period July 1, 2020 through November 30, 2021
11. Cash Disbursements for December 2021 (Information Only)

(0:06:42)

Motion by Ms. Kathleen Brundage, seconded by Mr. Bill Schwartz. 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 II.B. without approval as presented.

C. **CHINO BASIN WATERMASTER INVESTMENT POLICY**

Recommend that the Advisory Committee recommends approval of Resolution 2022-01 – Resolution of the Chino Basin Watermaster, San Bernardino County, California, Re-Authorizing the Watermaster's Investment Policy.

(0:07:33)

Motion by Ms. Kathleen Brundage, seconded by Mr. Bill Schwartz. 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.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. **LOCAL AGENCY INVESTMENT FUND**

Recommend that the Advisory Committee recommends approval of Resolution 2022-02 – Resolution Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF).

(0:08:09)

Motion by Ms. Kathleen Brundage, seconded by Mr. Bill Schwartz. 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.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. CHINO BASIN WATERMASTER 44th ANNUAL REPORT (FISCAL YEAR 2020/21)

Recommend that the Advisory Committee recommend to the Watermaster Board to adopt the 43rd Annual Report, along with filing a copy with the Court, subject to any necessary non-substantive changes.

(0:08:29) Mr. Kavounas gave a report.

(0:09:03)

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

III. BUSINESS ITEMS

A. DRY YEAR YIELD PROGRAM

Offer any advice and assistance to the Watermaster Board.

(0:09:32) Mr. Kavounas gave a report. A discussion ensued.

At the request of City of Ontario, whose representative was unable to attend, the Chair read the following statement expressing the views of the City of Ontario:

"The Non-Agricultural Pool recognizes that Watermaster's role is to administer the provisions of the Chino Basin Judgement as an arm of the Court. We want to ensure that Watermaster is strictly following Court Orders and Agreements throughout their implementation including administering amendments with the same formality and neutrality in which they were originally approved. Last November, the Board directed staff and legal counsel to evaluate Watermaster's implementation of the Dry Year Yield Program in terms of consistency with the related Court Order and the corresponding concerns on the FY 2021/22 Assessment Package. Absent a resolution on this matter, we request that these findings be brought back through the Pool process for further advice and recommendation to the Advisory Committee and Board."

B. 2022 UPDATE TO THE 2019 CHINO BASIN WATERMASTER RULES AND REGULATIONS

Recommend Advisory Committee to approve the 2022 Update to the 2019 Chino Basin Watermaster Rules and Regulations.

(0:17:07) Mr. Kavounas provided a report and invited Mr. Herrema to provide an update to the Pool regarding recent comments received by the City of Chino and Monte Vista Water District. A discussion ensued. The Pool took this item into Confidential Session and the reportable action is provided in sequence below.

C. 2020 OBMP IMPLEMENTATION PLAN

Recommend studies and/or planning efforts necessary to advance implementation of the 2020 OBMP.

(0:25:40) Mr. Kavounas prefaced the item and handed off to Mr. Tellez Foster to give a report. A discussion ensued.

D. 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.

(0:31:33) Ms. Nelson gave a report on a name change received from Angelica Textiles (operating under 9WHalo Western OpCo LP) who is now doing business as Emerald Textiles. She stated that once staff receives more concrete information on the name change and any affects, the item will be brought back to a future agenda. A discussion ensued.

IV. REPORTS/UPDATES

A. LEGAL COUNSEL

1. San Bernardino County Superior Court Emergency Order
2. February 4, 2022 Hearing
3. Evergreen Storage Agreements
4. Kaiser Permanente Lawsuit

(0:34:28) Mr. Herrema gave a report. A discussion ensued.

B. ENGINEER

1. Storage Q&A
2. Safe Yield Reset Methodology Update
3. GLMC Update
4. Proposed Hexavalent MCL NOP Comments

(0:39:03) The Pool opted to defer the reports to the Advisory Committee.

C. CHIEF FINANCIAL OFFICER

1. FY 2021/22 Assessment Package Payments Status
2. Upcoming FY 2021/22 Mid-Year Review

(0:39:15) Mr. Joswiak gave a report.

D. GENERAL MANAGER

1. WUE Rulemaking Update
2. Groundwater Management and Drinking Water Well Principles and Strategies
3. Exhibit "G" Physical Solution Transfers
4. Calendar Year 2022 Letters of CBWM Representation
5. Hearing Officer Panel Additions/Removals
6. 2021 Shriners Hospitals for Children Fundraiser
7. Jim Theirl's Passing
8. Other

(0:41:42) Mr. Kavounas proposed to skip the first two items as they are regulatory rulemaking that is not pertinent to the Non-Agricultural Pool. Those reports will be given at the Advisory Committee meeting.

(0:42:28) Mr. Yoo gave a report on the Fiscal Year 2021/22 Exhibit "G" Physical Solution Transfers indicating that Hamner Park Associates offered 800 acre-feet for purchase at \$715 per acre-foot and that Appropriators will have until March 1, 2022 to declare interest.

(0:43:10) Ms. Garcia gave a report on the Pool's outstanding representative letters.

(0:43:54) Mr. Kavounas gave a report on the status of the 2022 Hearing Officer Panel indicating that Mr. John Rossi gave notice that he is no longer able to participate, and that staff plans to provide a recommendation on a fifth name to the Board at its January 27, 2022 meeting for consideration.

(0:44:19) Ms. Nelson gave a report on the results of the Shriners Hospitals for Children Fundraiser and said the goal was \$6000 and contributions ended with a total of \$13,612 by the end of the year. She thanked Ms. Kathleen Brundage for garnering support from CSI resulting in a significant donation.

(0:45:14) Mr. Kavounas commented on Mr. Jim Theirl's passing in 2021.

V. INFORMATION

1. Notice of Intent Regarding the Determination of Operating Safe Yield
2. Recharge Investigations and Projects Committee (RIPCom)

VI. POOL MEMBER COMMENTS

None

VII. OTHER BUSINESS

None

VIII. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

The Pool convened into Confidential Session at 11:50 a.m.

Confidential session concluded at 12:17 p.m. with the following reportable action for Business Item III.B., the 2022 Update To The 2019 Chino Basin Watermaster Rules And Regulations:

"Moved to direct the Pool representatives to support at the Advisory Committee and Watermaster Board meetings subject to changes which they deem appropriate. The NAP's approval of changes to the Rules and Regulations is subject to the understanding that neither the incorporation into the Rules and Regulations of language from Court orders and/or from operative Watermaster documents such as Peace II (including abbreviated and/or paraphrase language from such orders and documents) nor the omission of other language has any effect on the meaning or effect of such orders or documents, and also does not create an independent effect by virtue of being restated, abbreviated or paraphrased in the Rules and Regulations, it being the NAP's further understanding that the changes to the Rules and Regulations are being made solely as an accommodation to some Parties who have asked to see language that they consider important compiled into a single document, and that Watermaster staff believes that the Rules and Regulations are a suitable document for this kind of compilation."

ADJOURNMENT

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

Secretary: 

Approved: February 10, 2022