

**MINUTES OF A REGULAR MEETING OF
THE MAIN SAN GABRIEL BASIN WATERMASTER
729 NORTH AZUSA AVENUE, AZUSA, CALIFORNIA
HELD WEDNESDAY, JULY 2, 2014 AT 2:30 O'CLOCK P.M.**

A regular meeting of the Main San Gabriel Basin Watermaster was duly and regularly held in the Conference Room of the City of Azusa Light and Water Administration Facility, at 729 North Azusa Avenue, in the City of Azusa, County of Los Angeles, State of California, 91702, on Wednesday, July 2, 2014, at the hour of 2:30 p.m.

CALL TO ORDER

James Byerrum, Chair, called the meeting to order and presided thereover.

PLEDGE OF ALLEGIANCE

In observance of the Independence Day holiday, Mr. Brian Bowcock led the attendees in the Pledge of Allegiance.

ROLL CALL OF WATERMASTER MEMBERS

The following members of Watermaster were present on roll call:

PRESENT: Chet Anderson, Dan Arrighi, James Byerrum, Garry Hofer and David Michalko

ABSENT: Anthony Fellow, Craig Gott, Tom Love and Charles Trevino

STAFF AND OTHERS PRESENT

Staff present at the meeting included: Anthony Zampello, Executive Officer; Erik Deurmeier, Administration Manager; Fred Fudacz, Attorney; Kelly Gardner, Assistant Executive Officer; and Stephen Johnson, Consulting Engineer.

Others present included: Brian Bowcock, Mark Carney, Barbara Carrera, Shane Chapman, Robert Hanford, Dan Horan, Shawn Igoe, Ken Manning, Lynda Noriega, Jim Prior and Che Venegas.

ADOPTION OF AGENDA

The Chair asked if there were any changes to be made to the agenda. On motion made by Mr. Anderson, seconded by Mr. Michalko and unanimously carried, the agenda was adopted as presented.

TIME RESERVED FOR PUBLIC COMMENT

No comments were offered.

CONSENT CALENDAR

On motion made by Mr. Michalko, seconded by Mr. Hofer, and unanimously carried, the following items were approved:

- a) Minutes of a Regular Meeting of Watermaster held June 4, 2014.
- b) Lists of Demands: Items 16372 through 16410 in the amount of \$520,171.42 on the Administrative Fund and Item 954 in the amount of \$114,708.83 on the Replacement Water Fund.
- c) Financial Statements, June 2014

ADOPTION OF A RESOLUTION APPROVING THE ADOPTION OF THE 2014 UPDATED GREATER LOS ANGELES COUNTY (GLAC) REGION INTEGRATED REGIONAL WATER MANAGEMENT PLAN (IRWMP) (Resolution No. 07-14-268)

Resolution No. 07-14-268 – The Executive Officer provided a brief review of the activities of the GLAC IRWMP, and stated that, as part of any agency's participation in the GLAC IRWMP, the agency must adopt a resolution in support of the plan update and file it with the California Department of Water Resources. He noted that Watermaster currently holds two seats on the IRWMP/Leadership Committee: Groundwater Representative, and Chair of the Upper San Gabriel and Rio Hondo River Sub-Region. Staff recommends that Watermaster approve Resolution No. 07-14-268.

On motion made by Chair Byerrum, seconded by Mr. Arrighi and unanimously carried, the following resolution was then read, adopted and passed as read:

RESOLUTION NO. 07-14-268

**A RESOLUTION OF THE MAIN SAN GABRIEL BASIN
WATERMASTER APPROVING THE ADOPTION OF THE
2014 UPDATED GREATER LOS ANGELES COUNTY REGION
INTEGRATED REGIONAL WATER MANAGEMENT PLAN
(see next page)**

1 RESOLUTION NO. 07-14-268

2 RESOLUTION OF THE MAIN SAN GABRIEL BASIN WATERMASTER,
3 APPROVING THE ADOPTION OF THE
4 2014 UPDATED GREATER LOS ANGELES COUNTY REGION
5 INTEGRATED REGIONAL WATER MANAGEMENT PLAN

6 WHEREAS, the Main San Gabriel Basin Watermaster and agencies in the Greater Los
7 Angeles County (GLAC) area have long recognized the importance of regional collaboration
8 and integration of single purpose efforts and now regularly work across jurisdictional
9 boundaries to implement regional projects and programs that address multiple water resource
10 management issues including local and imported water supplies, sanitation and recycled
11 water, stormwater management, groundwater management, water use efficiency, habitat and
12 open space management, and many others; and

13 WHEREAS, the State of California Department of Water Resources (DWR) created the
14 Integrated Regional Water Management (IRWM) Program to encourage integrated, regional
15 strategies for managing water resources and to provide funding for both planning and
16 implementation of projects that support management of water supply, water quality,
17 environmental interests, drought protection, flood protection, and reduction of dependence on
18 imported water and many other; and

19 WHEREAS, organizations participating in the IRWM Program join together to form
20 IRWM Regions; and

21 WHEREAS, the IRWM Region serving the GLAC area is known as the GLAC IRWM;
22 and

23 WHEREAS, the GLAC IRWM engages in regional water resources planning for the
24 GLAC area; and

25 WHEREAS, DWR recognizes the GLAC IRWM as an official IRWM Region; and
26

1 WHEREAS, the IRWM Program requires that a Regional Water Management Group
2 (RWMG) be formed to establish an IRWM Region; and

3 WHEREAS, the Main San Gabriel Basin Watermaster is a member of the RWMG for
4 the GLAC IRWM and staff serves as the Chair of the Upper San Gabriel and Rio Hondo Rivers
5 Sub-Region, and Groundwater Representative to the RWMG ; and

6 WHEREAS, DWR and State Legislators have established program guidelines for the
7 IRWM Program though Proposition 84 and Proposition 1E (2012 Guidelines); and

8 WHEREAS, the RWMG for the GLAC IRWM is responsible for the preparation and
9 adoption an IRWM Plan; and

10 WHEREAS, the RWMG for the GLAC IRWM has developed the 2014 Updated GLAC
11 IRWM Plan to addresses the provisions of the 2012 Guidelines; and

12 WHEREAS, the Main San Gabriel Basin Watermaster actively participated in the
13 development of the 2014 Updated GLAC IRWM Plan; and

14 WHEREAS, adopting the 2014 Updated GLAC IRWM Plan will enable participants in
15 the GLAC IRWM, including water purveyors in the Main San Gabriel Basin, to apply for future
16 grant funding under various grant programs including Proposition 84 and Proposition 1E; and

17 WHEREAS, on June 21, 2011, the Board accepted Proposition 84 Planning Grant funds
18 from DWR, together with funding contributions from members of the RWMG for the GLAC
19 IRWM, to fund the development of the 2014 Updated GLAC IRWM Plan; and

20 WHEREAS, the 2012 Guidelines require the governing bodies of member agencies of
21 the RWMGs, the RWMG representatives of the governing bodies, as well as proponents of
22 projects included in IRWM grant funding proposals to adopt an updated IRWM Plan; and

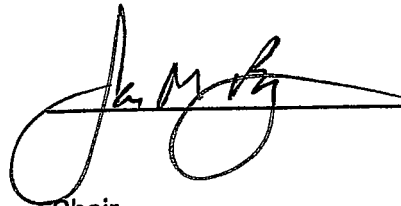
23 WHEREAS, to date, DWR has awarded the GLAC IRWM Forty Eight Million and
24 00/100 Dollars (\$48,000,000.00) in grant funding to implement 27 regionally significant water
25 resources management projects and has recommended the award of an additional Twenty

1 Three Million Four Hundred Thousand and 00/100 Dollars (\$23,400,000.00) for 13 more
2 projects.


3 NOW, THEREFORE, BE IT RESOLVED,:

- 4 1. Adopt the 2014 Updated GLAC IRWM Plan;
- 5 2. Authorize and direct the Executive Officer, in their role as a member agency of
6 the RWMG of the GLAC Region IRWM, to vote at the appropriate time to adopt
7 the 2014 Updated GLAC IRWM Plan.

8
9 Adopted this 2nd day of July, 2014

10 
11 _____
12 Chair

13 Attest:

14 
15 _____
16 Secretary

ADOPTION OF A RESOLUTION AUTHORIZING INVESTMENT OF MAIN SAN GABRIEL BASIN WATERMASTER MONIES IN LOCAL AGENCY INVESTMENT FUND (LAIF) (Resolution No. 07-14-269)

Resolution No. 07-14-269 – The Executive Officer reported that, due to recent changes to employee titles, LAIF has requested that Watermaster adopt a revised resolution stating the names and titles of the current employees and directors authorized on this account. Staff recommends that Watermaster adopt Resolution No. 07-14-269.

On motion made by Mr. Arrighi, seconded by Mr. Michalko and unanimously carried, the following resolution was then read, adopted and passed as read:

RESOLUTION NO. 07-14-269

**A RESOLUTION OF THE
MAIN SAN GABRIEL BASIN WATERMASTER
AUTHORIZING INVESTMENT OF
MAIN SAN GABRIEL BASIN WATERMASTER MONIES
IN LOCAL AGENCY INVESTMENT FUND
(see next page)**

RESOLUTION NO. 07-14-269

**A RESOLUTION OF THE
MAIN SAN GABRIEL BASIN WATERMASTER
AUTHORIZING INVESTMENT OF
MAIN SAN GABRIEL BASIN WATERMASTER MONIES
IN LOCAL AGENCY INVESTMENT FUND**

WHEREAS, pursuant to Chapter 730 of the Statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the Main San Gabriel Basin Watermaster does hereby find that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with the provisions of Section 16429.1 of the Government Code for the purposes of investment as stated therein is in the best interest of the Main San Gabriel Basin Watermaster;

NOW THEREFORE, BE IT RESOLVED that the Main San Gabriel Basin Watermaster hereby authorizes the deposit and withdrawal of Main San Gabriel Basin Watermaster monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that regard;

BE IT FURTHER RESOLVED, that the following main San Gabriel Basin Watermaster Officers or their successors in the office shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund:

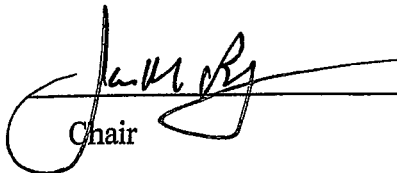
CRAIG GOTT, TREASURER

ANTHONY C. ZAMPIELLO, EXECUTIVE OFFICER

LUPE ARTIS, CONTROLLER

1 PASSED AND ADOPTED by the MAIN SAN GABRIEL BASIN WATERMASTER on July
2 2, 2014.

3 MAIN SAN GABRIEL BASIN WATERMASTER

4
5 
6 Chair

7 Attest:

8 
9 Secretary

REQUEST FROM AZUSA LIGHT AND WATER TO PURCHASE 4,500 AF WATER FROM SGVMWD FOR PRODUCER CYCLIC STORAGE

The Executive Officer stated that Azusa Light and Water has submitted a request to purchase an additional 4,500 acre-feet of water from San Gabriel Valley Municipal Water District (SGVMWD) for its producer cyclic storage account. He noted that approval of this request requires a super majority of Watermaster members present; therefore, this item was deferred to the August meeting.

APPROVAL OF EIGHTH AMENDMENT TO BPOU PROJECT AGREEMENT

As previously reported by the Attorney at the June meeting, the Attorney stated that staff has been working with the BPOU Parties to approve Amendment Eight to the BPOU Project Agreement (Agreement), extending the Tolling Period for an additional four years. The Agreement has been extended a total of seven times, including an amendment in 2010 extending the tolling period for Parties' claims with regard to the Statutes of Limitations for those claims four more years, to May 2014. The amendment included a provision for the Parties to further extend that period another four years. This eighth amendment complies with that provision by extending the tolling period to May 7, 2018. However, since this amendment will extend past the current terms of the BPOU Agreement (Agreement expires in 2017), the actual terms of this amendment will be in effect only until a new agreement is reached.

The Attorney noted that he has received signatures from the Parties. On motion made by Chair Byerrum, seconded by Mr. Anderson, and unanimously carried, Watermaster approved the Eighth Amendment to the BPOU Project Agreement.

REPORT FROM BASIN WATER MANAGEMENT COMMITTEE

Mr. Michalko referred to a written Committee report included in the board packet. He reported that the Basin Water Management Committee (BWMC) met on June 11, 2014, and discussed a number of items, none of which require Watermaster action at this time.

Mr. Michalko also reported that scheduling is underway for a meeting of the BWMC ad hoc committee for Drought and Emergency Preparedness, tasked with determining which agencies will be most impacted by the low water levels, and to develop plans to provide supply to those agencies.

ATTORNEY'S REPORT

The Attorney reported that discussions continue relative to legislation relating to the proposed Wild and Scenic River Designation and the proposed Wilderness Designation. He stated that he has put forth some concerns with the proposed legislation, and all indications are that these concerns can be addressed. Additionally, the Attorney stated that he recently participated in a call with Congresswoman Chu's office, and others, regarding specific areas that will be affected. He is awaiting receipt of the final language for review.

Additionally, the Attorney reported on the United States Forest Service's interest with groundwater. He noted that this issue is active and moving through the process. He encouraged interested parties to research this matter closely.

ENGINEER'S REPORT

The Consulting Engineer provided a report on current water supply conditions, and stated that, as of June 20, 2014, the Key Well elevation was 188.4 feet, reflecting .40 foot decrease in elevation from the prior week. He stated that this is a new Historic Low for the Basin. The previous Historic Low was 189.2 feet, set in December of 2009. The water level in the Key Well is currently 15 feet lower than this same time last year, and is expected to continue dropping through October/November.

Additionally, the Consulting Engineer reported briefly on hydrologic conditions, and stated that rainfall recorded to date at the Los Angeles Civic Center is 4.8 inches, which is about 41 percent of average, and rainfall recorded at Puddingstone Dam is 6 inches, which is about 26 percent of average.

The Consulting Engineer also reported that inflow into the San Gabriel Reservoir is nonexistent; effectively, dry. Total canyon storage is currently at about 16,000 acre-feet. Relative to supplemental water supplies, the Consulting Engineer reported that efforts are underway to coordinate delivery of Colorado River Water (CRW) through CenB-48.

The Consulting Engineer also reported that all four landfills were inspected and found to be operating normally with no violations. He noted that a total of approximately 100,000 acre-feet is currently in cyclic storage.

The Consulting Engineer stated that production records for the past few years indicate a reduction in production. Production totals to date for this year, and at the same time of year for the past two years, are 45,800 acre-feet; 47,000 acre-feet; and, 49,000 acre-feet respectively. The Consulting Engineer added that he expects total production for the current year to be close to last year's total production.

Lastly, the Consulting Engineer referred to a written report included in the board packet that includes additional water supply and rainfall information.

EXECUTIVE OFFICER'S REPORT

The Executive Officer reported that a written copy of his report on Outside Activities is included in the board packet. He highlighted a few items, including a presentation by staff on the Water Resource Development Assessment to the San Gabriel Valley Council of Governments, and a presentation he gave at University of Southern California – Price School of Public Policy's Groundwater Strategy Workshop.

Additionally, the Executive Officer reported that staff is continuing to work with USGVMWD to coordinate delivery of CRW to the Basin. Lastly, he stated that consideration of

implementing an in-lieu assessment to facilitate delivery of CRW may be discussed by an ad hoc committee in the near future.

REPORT FROM RESPONSIBLE AGENCIES

Mr. Brian Bowcock, representing Three Valleys Municipal Water District (TVMWD), reported that an algae bloom in Silverwood Lake is beginning to impact TVMWD's water supply. The algae bloom creates a musty taste and odor to the water but does not pose a health concern. Mr. Bowcock stated that the Department of Water Resources plans to treat the algae bloom within the next two weeks.

Additionally, Mr. Bowcock reported that TVMWD has concerns with the National Recreation Area's proposed area map. He noted that TVMWD's spreading grounds was supposed to be excluded from the area included within the designation; however, the new area map includes the spreading grounds. Mr. Bowcock advised others to review the proposed area map for possible impacts to their service areas.

Mr. Shane Chapman, reporting on behalf of USGVMWD, referred to a written report provided to Watermaster. He welcomed any questions anyone may have.

REPORT FROM OUTSIDE COMMITTEE LIAISONS

Mr. Anderson and Mr. Arrighi referred to written reports provided to Watermaster.

INFORMATION ITEMS

The following items listed on the agenda for information of Watermaster were noted, and ordered received and filed:

- a) Temporary transfer or lease of 335.39 AF Production Right from Mary Kay Partridge to La Puente Valley County Water District for FY 2014-15
- b) Temporary transfer or lease of 1,440 AF Production Right from MillerCoors to Azusa Valley Water Company for FY 2013-14
- c) Temporary transfer or lease of 615 AF Production Right from California Domestic Water Company to Co-Tenancy of Laurence R. Pellissier, Irrevocable QTIP Trust, et. al. for FY 2013-14
- d) Temporary transfer or lease of 85 AF Production Right from Sonoco Product Company to California Domestic Water Company for FY 2013-14
- e) Temporary transfer or lease of 2,500 AF Production Right from Azusa Valley Water Company to City of South Pasadena for FY 2013-14
- f) Temporary transfer or lease of 52.67 AF Production Right from Phillip G. & Sieglinde A. Tate to La Puente Valley County Water District for FY 2013-14

- g) Temporary transfer or lease of 350 AF Production Right from Azusa Valley Water Company to City of Industry Water Works System for FY 2013-14
- h) Temporary transfer or lease of 63 AF Production Right from Vulcan Materials Company to City of Azusa for FY 2013-14
- i) Temporary transfer or lease of 400 AF Production Right from Azusa Valley Water Company to Canyon Water Company for FY 2013-14
- j) Temporary transfer or lease of 1,000 AF Production Right from Workman Mill Investment Company to San Gabriel Valley Water Company for FY 2013-14
- k) Temporary transfer or lease of 1,000 AF Production Right from Azusa Valley Water Company to City of Monrovia for FY 2013-14
- l) Temporary transfer or lease of 600 AF Production Right from Azusa Valley Water Company to Valley County Water District for FY 2013-14
- m) Notice of Change of Designee for the City of Monrovia to Carl E. Hassell
- n) Transmittal of SGVMWD monthly report for May 2014
- o) Various newspaper articles

COMMENTS FROM WATERMASTER MEMBERS

No comments were offered.

FUTURE AGENDA ITEMS

- a) Public Hearing regarding Request to Waive Assessments on Water Discharged from San Gabriel Valley Water Company's Plant B6 Water Treatment Facility.
- b) Renewal of Cyclic Storage account for Valley County Water District

ADJOURNMENT

The Chair asked if there were other business to come before Watermaster, and there being none, the meeting was adjourned to the next regular meeting of Watermaster on Wednesday, August 6, 2014, at 2:30 p.m. in the Conference Room of the City of Azusa Light and Water Administration Facility at 729 North Azusa Avenue, Azusa, CA 91702.

SECRETARY'S SIGNATURE

DAN ARRIGHI

ATTEST:

JAMES BYERRUM
CHAIR