



COMMITTEE REPORT

Committee: Administrative Committee

Meeting Date: July 18, 2018

Present: Dan Arrighi (Chair), J. Byerrum, T. Coleman, D. DeJesus, M. Evangelista, C. Feilen (via conf. call), R. Hansen, E. Hitchman, B. Lewis, M. Litchfield, J. Macias, J. Martinez, D. Michalko, L. Noriega, J. Prior (via conf. call) and P. Zampielo

Staff Present: T. Zampielo, K. Gardner and K. Smead

I. Discussion Regarding Puente Basin Water Agency Request

The Executive Officer, Mr. Tony Zampielo, provided a brief overview of the current storage and export agreement between Watermaster and the Puente Basin Water Agency (PBWA). The Executive Officer pointed out under current agreement from 2015, PBWA is obligated to pay all Watermaster assessments on production under the agreement.

Mr. Erik Hitchman, PBWA, discussed their project to import and store water in the Main Basin, and expected extractions through an interconnection with California Domestic Water Company. He explained that at the time of the agreement, Watermaster's Water Resource Development Assessment (RDA) was \$20/AF on all Production. Since the implementation of RDA II for stormwater augmentation, and higher associated assessments, the cost to benefit ratio is significantly different for their project. He referred to a letter that details a suggested alternative to PBWA's RDA obligation under the agreement.

The Committee discussed the project, PBWA's proposed alternative and other possible scenarios for both PBWA and the Committee members to consider. After a lengthy discussion the consensus of the Committee that no recommendation would be reached at the meeting, and the Executive Officer was instructed to work with PBWA to explore options to further address some of the concerns raised in the meeting.

FOR INFORMATION ONLY -- NO ACTION REQUIRED

II. Discussion Regarding Cooperative Water Exchange Agreement

Mr. Zampietro presented a report on how the Cooperative Water Exchange (CWEA) financing is managed each year. He explained that due to the increase in cyclic storage pre-purchases, there is a need to change the CWEA accounting procedure. The Committee discussed staff's recommendation and consensus of the Committee was to bring the item back to the appropriate committee during the 2019-20 budget and assessment process.

FOR INFORMATION ONLY -- NO ACTION REQUIRED

III. Other

Mr. Rick Hansen, General Manager for Three Valleys Municipal Water District introduced Mr. Matthew Litchfield, newly appointed Assistant General Manager.