

**MINUTES OF A REGULAR MEETING OF  
THE MAIN SAN GABRIEL BASIN WATERMASTER  
729 NORTH AZUSA AVENUE, AZUSA, CALIFORNIA  
HELD WEDNESDAY, SEPTEMBER 4, 2013 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, September 4, 2013 at the hour of 2:30 p.m.

**CALL TO ORDER**

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

**ROLL CALL OF WATERMASTER MEMBERS**

The following members of Watermaster were present on roll call:

**PRESENT:** Chet Anderson, Dan Arrighi, Anthony Fellow, Garry Hofer and Richard Rich

**ABSENT:** Thomas Love, David Michalko and Charles Trevino

(Mr. Trevino arrived later in the meeting.)

**STAFF AND OTHERS PRESENT**

Staff present at the meeting included: Anthony Zampello, Executive Officer; Kelly Gardner, Assistant Executive Officer; Fred Fudacz, Attorney and Kevin Smead, Consulting Engineer.

Others present included: Barbara Carrera, Ted Carrera, Myra Evangelista, Kevin Hostert, Dan Horan, Ben Lewis, Jr., Ken Manning, Lynda Noriega, Lenet Pacheco, Steve Patton, Jim Prior, Tim Schaadt, Che Venegas and Ken Woods.

**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 Dr. Fellow and unanimously carried, the agenda was adopted as presented.

**TIME RESERVED FOR PUBLIC COMMENT**

No comments were offered.

## CONSENT CALENDAR

On motion made by Dr. Fellow, seconded by Mr. Rich, and unanimously carried, the following items were approved:

- a) Minutes of the Regular Meeting of Watermaster held August 7, 2013.
- b) Lists of Demands: Items 15980 through 16026 in the amount of \$806,311.05 on the Administrative Fund
- c) Financial Statements, August 2013
- d) Authorization to attend ACWA Fall Conference, December 3 - 6, 2013, Los Angeles

## DISCUSSION OF DECEMBER MEETING DATE

The Executive Officer reported that the regular Watermaster meeting in December is on December 4, 2013, the week of the ACWA Fall Conference. He asked the Watermaster members to verify their availability for December 4, 2013 to ensure a quorum will be present to conduct business. He stated that staff has confirmed the availability of the board room on Wednesday, December 11, 2013, if needed.

Following a brief discussion, on motion by Mr. Arrighi, seconded by Mr. Rich and unanimously carried, the December meeting was rescheduled to Wednesday, December 11, 2013.

## REQUEST TO ACCEPT LATE LEASE

The Executive Officer reported that two separate agencies have submitted requests to Watermaster to approve late transfers/leases of production rights for fiscal year 2012-13. He noted that these requests have no impact on Watermaster's operations as staff is currently working on year-end production numbers for assessment invoicing purposes.

Temporary transfer or lease of 194 AF Base Annual Diversion right from CV Glendora Site 3, LLC to Canyon Water Company for FY 2012-13 – On motion made by Mr. Arrighi, seconded by Mr. Rich, and unanimously carried, Watermaster approved and accepted the late lease between CV Glendora Site 3, LLC and Canyon Water Company for FY 2012-13.

(Mr. Trevino joined the meeting.)

Temporary transfer or lease of 32 AF Base Annual Diversion right JUH1 to Canyon Water Company for FY 2012-13 – On motion made by Mr. Anderson, seconded Mr. Rich, and unanimously carried, Watermaster approved and accepted the late lease between JUH1 and Canyon Water Company for FY 2012-13.

**REQUEST FROM SAN GABRIEL VALLEY WATER COMPANY TO PURCHASE 10,000 AF WATER FROM USGVMWD FOR PRODUCER CYCLIC STORAGE**

The Executive Officer stated that the San Gabriel Valley Water Company has submitted a request to purchase an additional 10,000 acre-feet of water from Upper San Gabriel Valley Municipal Water District (USGVMWD) for its producer cyclic storage account.

On motion made by Mr. Rich, seconded by Mr. Hofer, and unanimously carried, with Mr. Arrighi abstaining, Watermaster authorized the purchase of 10,000 acre-feet of cyclic storage water from USGVMWD, for San Gabriel Valley Water Company's individual producer cyclic storage account.

**REQUEST FROM CITY OF GLENDORA TO PURCHASE 1,300 AF WATER FROM TVMWD AND 200 AF WATER FROM USGVMWD FOR PRODUCER CYCLIC STORAGE**

The Executive Officer stated that the City of Glendora has submitted a request to purchase an additional 1,300 acre-feet of water from Three Valleys Municipal Water District (TVMWD) and 200 acre-feet of water from USGVMWD for its producer cyclic storage account.

On motion made by Mr. Anderson, seconded by Mr. Trevino, and unanimously carried, Watermaster authorized the purchase of 1,300 acre-feet of cyclic storage water from TVMWD and 200 acre-feet of cyclic storage water from USGVMWD, for the City of Glendora's individual producer cyclic storage account.

**REPORT FROM ADMINISTRATIVE COMMITTEE**

Mr. Arrighi reported that the Administrative Committee met on August 21, 2013 and one item requires action by Watermaster today.

Consideration of Adoption of Water Resource Development Assessment (RDA) (Resolution No. 09-13-257). Mr. Arrighi briefly explained the purpose and implementation of the RDA. He also reviewed the presentation given by the Executive Officer on this item at the Producer Workshop held on August 15. He noted that staff will work with the Basin Water Management Operating Plan Ad Hoc Committee to develop the detailed procedure for use of the RDA.

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

**RESOLUTION NO. 09-13-257**

**A RESOLUTION OF INTENTION  
OF THE MAIN SAN GABRIEL BASIN WATERMASTER  
TO FIX, ESTABLISH, AND LEVY THE WATER RESOURCE DEVELOPMENT  
ASSESSMENT FOR FISCAL YEAR 2014-15  
ON ALL PRODUCTION FROM THE MAIN SAN GABRIEL BASIN  
(see next page)**

**RESOLUTION NO. 09-13-257**

**A RESOLUTION OF INTENTION  
OF THE MAIN SAN GABRIEL BASIN WATERMASTER  
TO FIX, ESTABLISH, AND LEVY THE  
WATER RESOURCE DEVELOPMENT ASSESSMENT FOR  
FISCAL YEAR 2014-15  
ON ALL PRODUCTION FROM THE MAIN SAN GABRIEL BASIN**

WHEREAS, the Main San Gabriel Basin Watermaster is the court-appointed agency with the responsibility to manage, and maintain, the quality and quantity of water in the Main San Gabriel Basin. Those responsibilities include implementation of the Physical Solution which requires the delivery of Supplemental Water to the Main San Gabriel Basin; and

WHEREAS, delivery of Supplemental Water supplies to the Main San Gabriel Basin, were interrupted during calendar years 2007, 2008 and 2009; and

WHEREAS, Pursuant to the June 21, 2012 amendments to the Judgment, and Rules and Regulations adopted by Resolution No. 03-13-251, Watermaster has established a Water Resource Development Assessment which may be levied on all water Produced from the Basin; and

WHEREAS, Main San Gabriel Basin Watermaster intends to purchase and store Supplemental Water in the Main San Gabriel Basin to address a future Replacement Water Obligation in the event Supplemental Water supplies are interrupted again.

NOW, THEREFORE, BE IT RESOLVED BY THE MAIN SAN GABRIEL BASIN WATERMASTER, as follows:

Section 1. There is hereby fixed, established, and levied, the Water Resource Development Assessment on all Production from the Basin during Fiscal Year 2014-15.

- a) The rate of the Water Resource Development Assessment shall be \$20.00 (twenty dollars) per acre-foot, on all water Produced from the Basin. Future Water Resource Development Assessments shall be established at the May meeting of the Main San Gabriel Basin Watermaster and in accordance with the amended Judgment.

1           b)       A Water Resource Development Assessment Plan shall be approved by  
2                   Watermaster defining specific criteria for amount of water to be stored, its  
3                   procedures whereby water may be withdrawn from storage by Watermaster to  
4                   fulfill a specific undelivered Replacement Water Requirement, and all accounting  
5                   procedures to document the funds contributed by each producer and the quantity of  
6                   water purchased with those funds.

7           c)       The Water Resource Development Assessment shall be evaluated and re-affirmed  
8                   by Watermaster each year. The final Water Resource Development Assessment  
9                   shall be levied on Fiscal Year 2023-24 Production.

10       Section 2.   Upon receipt of the final Production Reports for the Fiscal Year 2014-15, the  
11   Secretary of Watermaster is, hereby, instructed to calculate the said respective Water Resource  
12   Development Assessment due from each Producer from the Basin by multiplying its Fiscal Year 2014-  
13   15 Production by the applicable Water Resource Development Assessment set forth above.

14       The Secretary shall then furnish each such Producer with a statement of the amount due to  
15   Watermaster on account of such Water Resource Development Assessment, on or before August 15,  
16   2015 for said fiscal year 2014-15 Production.

17       Section 3.   Said Water Resource Development Assessment shall be payable by each Producer  
18   which had Production within the Basin during Fiscal Year 2014-15 on or before September 20, 2015,  
19   and the said Water Resource Development Assessment shall be delinquent thereafter.

21       Dated: September 4, 2013

22       Attest:

23       San Francisco  
24       Secretary  
25  
26

Chairman

## **ATTORNEY'S REPORT**

The Attorney reported that a proposed settlement in principle is moving forward with regard to the South El Monte Operable Unit (SEMOU) insurance claim. He stated that Watermaster directed the insurance company to draft an agreement. The Attorney expects to present a copy of the SEMOU agreement to Watermaster for review at the October meeting.

Lastly, the Attorney reported again that efforts to establish a line of credit with Citizens Business Bank (CBB) have finally reached a conclusion. The next step is to have the agreement with CBB approved by the Court Judge on October 22, 2013.

## **ENGINEER'S REPORT**

On behalf of the Consulting Engineer, Mr. Kevin Smead reported that, as of August 23, 2013, the Key Well elevation was 197.4 feet, reflecting a decrease of 2.4 feet since August 1. Mr. Smead stated that the Historic Low is 189.2 feet, set in December of 2009. At that time, there was 55,000 acre-feet in cyclic storage, compared to 63,000 acre-feet of cyclic storage in the Basin at present.

Mr. Smead also reported on rainfall totals so far this year, stating that totals are close to normal for this time of the year, at approximately .10 inches. He noted that inflow into the San Gabriel Reservoir continues to be very low, resulting in only about 13,500 acre-feet of water in canyon storage. Additionally, Mr. Smead stated that the Puente Hills Landfill will officially close on October 31, 2013.

Lastly, Mr. Smead reported that all five landfills were inspected and found to be operating normally with no violations. He 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's referred to a written report on Outside Activities that is included in the board packet. He highlighted a number of the activities that staff has engaged in over the past month.

## **REPORT FROM RESPONSIBLE AGENCIES**

Dr. Fellow reported on behalf of the USGVMWD. He provided a written copy of his report that highlighted recent activities. Dr. Fellow noted that USGVMWD canceled its regular board meeting scheduled for August 20, 2013. At the September 2, 2013 regular meeting, the Board took action on two items:

- a) Extended contract with Vasquez & Company, LLP to provide financial audit services for fiscal year ending June 30, 2013.
- b) Approved a cost of living adjustment to USGVMWD wages in the amount of 2.0% effective July 1, 2013.

Mr. Dan Horan, reporting on behalf of TVMWD thanked the Executive Officer for his presentation on Watermaster's RDA at its August meeting.

Mr. Ken Manning, reporting on behalf of the San Gabriel Basin Water Quality Authority (WQA) reported that SB 429 (Hernandez), a bill to extend to sunset date of the WQA, is on the Governor's desk for approval.

## **REPORT FROM OUTSIDE COMMITTEE LIASONS**

No reports were offered.

## **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 32 AF Base Annual Diversion right from JUH1 to Canyon Water Company for FY 2013-14
- b) Temporary transfer or lease of .56 AF Production right from Vulcan Materials Company to City of Azusa for FY 2013-14
- c) Temporary transfer or lease of 39.17 AF Production right from Rados Bros. to San Gabriel Valley Water Company for FY 2013-14
- d) Temporary transfer or lease of 2,500 AF Production right from Vulcan Materials Company to San Gabriel Valley Water Company for FY 2013-14
- e) Notice of Change of Designee for Hemlock Mutual Water Company to Blanca E. Becerra
- f) SGVMWD transmittal of monthly report for July 2013
- g) Various newspaper articles

## **COMMENTS FROM WATERMASTER MEMBERS**

No comments were offered.

## **FUTURE AGENDA ITEMS**

The following two items will be discussed at the October meeting:

- a) Metropolitan Water District Cyclic Storage Agreements for USGVMWD and TVMWD
- b) Renewal of Cyclic Storage Agreement for Valencia Heights Water Company

**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, October 2, 2013, 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