

**MINUTES OF A REGULAR MEETING OF
THE MAIN SAN GABRIEL BASIN WATERMASTER
729 NORTH AZUSA AVENUE, AZUSA, CALIFORNIA
HELD WEDNESDAY, AUGUST 1, 2012 AT 2:30 O'CLOCK P.M.**

The 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, August 1, 2012 at the hour of 2:30 p.m.

CALL TO ORDER

James Byerrum, Chairman, 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, James Byerrum, Ed Chavez, Pat Malloy and David Michalko

ABSENT: Thomas Love, Michael Quinn and Charles Trevino.

STAFF AND OTHERS PRESENT

Staff present at the meeting included: Tony Zampielo, Assistant Executive Officer; Fred Fudacz, Attorney; Stephen Johnson, Consulting Engineer; Wendy La, Staff Engineer; and Kelly Gardner, Administrative Coordinator.

Others present included: Chris Arriola, Ron Bow, Brian Bowcock, Barbara Carrera, Jonathan Contreras, Garry Hofer, Kevin Hostert, Ben Lewis, Stephen Millard, Lynda Noriega, Lenet Pacheco, James Prior, Elias Saykali and Reymundo Trejo.

ADOPTION OF AGENDA

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

CONSENT CALENDAR

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

- a) Minutes of the Regular Meeting of Watermaster held July 3, 2012.

- b) List of Demands: Items 15460 through 15497 in the amount of \$798,117.68 on the Administrative Fund and Items 919 and 920 in the amount of \$1,387,402.80 on the Replacement Water Fund.
- c) Financial Statements, July 2012

REQUEST TO ACCEPT LATE LEASE

The Assistant Executive Officer reported that four separate agencies have submitted requests to Watermaster to approve late transfers/leases of production rights for fiscal year 2011-12. He noted that these request have no impact on Watermaster's operations as staff is currently working on year-end production numbers for assessment purposes.

Temporary assignment or lease of 500 AF Production right from California American Water – Duarte System to California American Water – San Marino System for FY 2011-12 – On motion made by Mr. Chavez, seconded by Mr. Arrighi, and unanimously carried, Watermaster approved and accepted the late lease between California American Water – Duarte System and California American Water – San Marino System.

Temporary assignment or lease of 700 AF Production right from City of El Monte to San Gabriel Valley Water Company for FY 2011-12 – On motion made by Mr. Malloy, seconded by Mr. Michalko, and unanimously carried, with Mr. Arrighi abstaining, Watermaster approved and accepted the late lease between the City of El Monte and San Gabriel Valley Water Company.

Temporary assignment or lease of 1400 AF Production right from City of Azusa to Azusa Valley Water Company for FY 2011-12 – On motion made by Mr. Michalko, seconded by Mr. Malloy, and unanimously carried, with Mr. Anderson abstaining, Watermaster approved and accepted the late lease between the City of Azusa and Azusa Valley Water Company.

Temporary assignment or lease of 197.11 AF Production right from June G. Lovelady to San Gabriel Valley Water Company for FY 2011-12 – On motion made by Mr. Malloy, seconded by Mr. Anderson, and unanimously carried, with Mr. Arrighi abstaining, Watermaster approved and accepted the late lease between June G. Lovelady and San Gabriel Valley Water Company.

REPORT FROM BASIN WATER MANAGEMENT COMMITTEE

Mr. Malloy reported that the Basin Water Management Committee, Section 27 Ad Hoc Committee met on July 17, 2012 and discussed impacts related to the reinstatement of Section 27. Mr. Malloy stated that the next meeting is scheduled for August 14, 2012 at 11:00 a.m. in the Watermaster Conference Room.

INFORMATION ITEMS

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

- a) Notice of Change of Designee for Hanson Aggregates to Michael Rogers

- b) Notice of Change of Designee for City of Alhambra to Mary Chavez
- c) Notice of Change of Designee for San Gabriel County Water District to Barbara Carrera
- d) Temporary transfer or lease of 800 AF Production right from Canyon Water Company to Suburban Water Systems for FY 2012-13
- e) Temporary transfer or lease of 800 AF Production right from Covina Irrigating Company to Canyon Water Company for FY 2012-13
- f) Temporary transfer or lease of 800 AF Production right from Canyon Water Company to Covina Irrigating Company for FY 2011-12
- g) Temporary transfer or lease of 2180 AF Production right and .78 AF Carry-over right from Hanson Aggregates West, Inc. to California Domestic Water Company for FY 2011-12
- h) Temporary transfer or lease of 40 AF Production right from Adams Ranch Mutual Water to California Domestic Water Company for FY 2011-12
- i) Temporary transfer or lease of 160 AF Production right from Sonoco Product Company to California Domestic Water Company for FY 2011-12
- j) Temporary transfer or lease of 16 AF Base Annual Diversion right from Susan Briarly to California Domestic Water Company for FY 2011-12
- k) Temporary transfer or lease of 32 AF Base Annual Diversion right from JUH #1 to California Domestic Water Company for FY 2011-12
- l) Temporary transfer or lease of 269 AF Base Annual Diversion right and 17.89 AF Carryover right from Monrovia Nursery Company to California Domestic Water Company for FY 2011-12
- m) Temporary transfer or lease of 32 AF Base Annual Diversion right from Lance Rosedale to California Domestic Water Company for FY 2011-12
- n) Temporary transfer or lease of 31 AF Base Annual Diversion right from Miles Rosedale to California Domestic Water Company for FY 2011-12
- o) Temporary transfer or lease of 3,245 AF Prescriptive Pumping right from Co-Tenancy of Laurence R. Pellissier Irrevocable QTIP Trust, et al to Covina Irrigating Company for FY 2011-12
- p) Temporary transfer or lease of 21 AF Base Annual Diversion right from Richard VanLandingham to California Domestic Water Company for FY 2011-12
- q) Temporary transfer or lease of 194 AF Production right and 194 AF Carryover right

from City Ventures, LLC (CV Glendora 3) to California Domestic Water Company for FY 2011-12

- r) San Gabriel Valley Water Forum Flyer
- s) Transmittal of SGVMWD monthly report for June 2012
- t) Various newspaper articles

ATTORNEY'S REPORT

Mr. Fred Fudacz, Attorney, reported that with regards to the South El Monte Operable Unit (SEMOU) litigation, Court approvals of the settlements in principle continue. He has not yet seen anything relating to the proposed settlement with TDY Teledyne, but will continue to track the status and report back to the Board with any updates.

The Attorney also reported on the status of the pending endangered species issue relating to the Santa Ana Sucker (SAS). He stated that the Los Angeles County Board of Supervisors has voted to join the potential litigation efforts.

Lastly, with regard to the Southwestern Willow Flycatcher (SWF), the Attorney stated that Watermaster has held a meeting with other interested groups to develop a Management Plan for submittal to U.S. Fish and Wildlife, detailing the various operations of the river watershed.

ENGINEER'S REPORT

The Consulting Engineer reported that the Baldwin Park Key Well elevation as of June 22, 2012 was 217.7 feet, and continuing to drop at a rate of about six to seven-tenths of a foot per week.

Additionally, the Consulting Engineer reported on the San Gabriel Canyon reservoir storage and releases stating that inflow into the San Gabriel Reservoir has slowed to approximately 7 cubic feet per second and the total combined storage was 22,241 acre-feet.

With regard to landfills in the Basin, the Consulting Engineer reported that all five were inspected and found to be operating normally with no violations to report.

And lastly, the Consulting Engineer reported that three full quarters of production has been recorded. It is estimated that total production for the fiscal year will be nearly 244,000 acre-feet, which is approximately five percent over last year's production.

EXECUTIVE OFFICER'S REPORT

The Assistant Executive Officer reported that due to lack of discussion items, the Basin Water Management Committee Meeting for the month of August will be cancelled. He also reported that the August Administrative Committee Meeting would be held on Tuesday, August 14, 2012.

He stated that on July 18, 2012 he presented an overview of the approved Judgment Amendments to the Three Valleys Municipal Water District Board highlighting the five amendments most relevant to their operations.

The Assistant Executive Officer noted that a detailed staff report was included in the agenda packet describing various activities attended to by Watermaster staff during the month of July.

REPORT FROM RESPONSIBLE AGENCIES

Mr. Chavez reported that the Upper San Gabriel Valley Municipal Water District (USGVMWD) held two workshops at the June 10, 2012 special board meeting. He stated that during the first workshop, the General Manager provided a storm water project overview regarding water demand and supply, significant additional stormwater capture potential, mix of water supply in 2035 under status quo, recommended Integrated Resources Programs (IRP), and options. He also discussed the model flow chart, unused surface flow, historical spreading, and the locations of the various spreading basins along the San Gabriel River. Part of the discussion included decentralized stormwater capture opportunities as well as design criteria, assumptions, and yield estimates for stormwater. The General Manager also discussed the importance of agency partnerships and commitments to make stormwater capture a reality.

Mr. Chavez also reported that the second workshop was regarding the MS4 permit update in which the General Manager discussed the retention of Mr. Adan Ortega to assist USGVMWD with the requirements of the permit process.

Mr. Brian Bowcock representing Three Valleys Municipal Water District (TVMWD) reported that he was in attendance at the Board Meeting when the Assistant Executive Officer presented on the Judgment Amendments and he expressed his appreciation on behalf of the entire Board for a job well done. He noted that he had received positive comments from other Board Members regarding the presentation and how the Assistant Executive Officer targeted specific amendments that have a direct link to the TVMWD operations and interactions with Watermaster.

He also reminded everyone that the San Gabriel Valley Water Forum is fast approaching and encouraged them to attend. The event will be held on August 28, 2012 at the Fairplex Sheraton Conference Center from 7:30 a.m. to 1:30 p.m. He expressed his appreciation to the many sponsors involved.

COMMENTS FROM WATERMASTER MEMBERS

None.

ADJOURNMENT

The Chairman asked if there were other business to come before Watermaster, and there being none, upon motion duly made by Mr. Malloy, seconded by Mr. Michalko, and unanimously carried, the meeting was adjourned to the next regular meeting of Watermaster on Wednesday, September 5, 2012, 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
CHAIRMAN