

**MINUTES OF A PUBLIC HEARING  
AND REGULAR MEETING OF  
THE MAIN SAN GABRIEL BASIN WATERMASTER  
729 NORTH AZUSA AVENUE, AZUSA, CALIFORNIA  
HELD WEDNESDAY, AUGUST 7, 2013 AT 2:30 O'CLOCK P.M.**

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A public hearing and 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 7, 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, David Michalko, Richard Rich and Charles Trevino

**ABSENT:** Garry Hofer and Thomas Love

**STAFF AND OTHERS PRESENT**

Staff present at the meeting included: Anthony Zampielo, Executive Officer; Kelly Gardner, Assistant Executive Officer; Fred Fudacz, Attorney; Stephen Johnson, Consulting Engineer; Lupe Artis, Controller; Donna DiLaura, Administrative Coordinator; Raymond Castro, Accountant II; Wendy La, Staff Engineer; Ana Rodriguez, Administrative Assistant; and Genevieve Rosales, Receptionist.

Others present included: Chris Arriola, Brian Bowcock, John Brett, Mark Carney, Barbara Carrera, Ted Carrera, Shane Chapman, Ed Chavez, Ken Herman, Scott Hopkins, Kevin Hostert, Dan Horan, Ken Kittridge, Mariana Lake, Ben Lewis, Jr., Ken Manning, Christopher Mattern, Duane Mattern, Tom Mortenson, Lynda Noriega, Michael Nutt, Sharon Pangburn, Jim Prior, Oscar Ramos, Ken Reich, Stacey Roberts, Tim Schaadt, Linda Strong, Michael Thai, Lou Vargas, Yvonne Watson, Ken Woods and Yuen Yap.

**ADOPTION OF AGENDA**

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

## **PUBLIC HEARING ON PUBLIC HEALTH GOALS**

The Chair stated that this was the time and place fixed and noticed for a public hearing to be conducted by the Main San Gabriel Basin Watermaster in accordance with California Health and Safety Code 11640, to discuss Public Health Goals established for drinking water by Cal-EPA. Mr. Johnson, Consulting Engineer, introduced Mr. Yuen Yap, Senior Engineer for Stetson Engineers, to conduct the hearing.

Mr. Yap stated that Watermaster had authorized Stetson Engineers to prepare Public Health Goal reviews for ten water systems within the Main San Gabriel Basin, and the purpose of today's meeting was to address public concerns on behalf of those systems: City of Alhambra, City of Arcadia, City of Azusa Light and Water, California-American Water Co. – San Marino, City of Glendora, Golden State Water Company – San Dimas and Claremont Systems, City of Monterey Park, San Gabriel Valley Water Company – El Monte/Whittier System, Suburban Water Systems – San Jose Hills, Whittier and La Mirada Districts, Valley County Water District, and City of Whittier.

Additionally, Mr. Yap noted that Public Health Goal requirements are the result of SB 1307, which, enacted in 1996 and effective since 1997, governs any water system with at least 10,000 service connections. He stressed that Public Health Goals are not actual regulatory standards and that all ten of the water systems subject to today's hearing have met all state and federal requirements. He further explained that the review identifies contaminants of concern which may have registered levels above the Public Health Goals, notes human health risks associated with the contaminants, describes best available treatment technologies, estimates costs to bring contaminant levels down to Public Health Goal levels and identifies any other action which may enhance water quality.

Lastly, Mr. Yap noted that public notices for today's hearing had been published in the Los Angeles Times newspaper and in the San Gabriel Valley Tribune newspaper group on July 24 and July 31, 2013. Additionally, Watermaster had posted the public notice of the hearing and provided copies to the ten affected water systems. Mr. Yap further noted that representatives of the ten water systems were present at the hearing to answer questions.

The Chair invited those present to submit comments on the Public Health Goal reviewed. There being no comments offered, the Chair closed the comment period and the public hearing.

## **PUBLIC HEARING ON PROPOSED WAIVERS OF ASSESSMENTS**

The Chair stated that this was the time and place fixed and noticed for a public hearing to be conducted relative to one request for waiver of assessments. The Chair asked if there was any public comment associated with the application. There being no public comment, the Chair called on the Consulting Engineer to review the staff report.

San Gabriel Valley Water Company (San Gabriel) - The Consulting Engineer reported that the waiver application before Watermaster today is from San Gabriel Valley Water Company (San Gabriel) for 1,935.59 acre-feet of water treated and discharged from its Plant B6 to the

Big Dalton Wash. San Gabriel constructed a water treatment facility at its Plant B6 for testing, protecting and improving the water quality of the Basin as part of the Baldwin Park Operable Unit (BPOU) cleanup plan.

He explained that Section 18(e) of Watermaster's Rules and Regulations allows a Producer to apply in writing to Watermaster for a waiver of all or part of Watermaster assessments for water pumped for the purpose of testing, protecting, or improving water quality.

Additionally, the Consulting Engineer stated in the staff report that San Gabriel constructed a new single pass ion exchange treatment system to replace its existing regenerable resin ion exchange treatment system. San Gabriel conducted California Department of Public Health's (CDPH) required amended Water Supply Permit compliance testing to allow use of the Single Pass System as a potable water supply. Treated water was discharged from Plant B6 extraction wells B25A, B26A, and B26B to Big Dalton Wash between July 1, 2012 and June 30, 2013, and there was no outflow to the ocean during the testing period.

The Executive Officer briefly reviewed action taken in the past on similar waivers of assessment, specifically noting discussion by Watermaster in 2008 about waiving only the Replacement Assessments in certain situations. The staff recommendation on the request from San Gabriel is that Watermaster waive the appropriate assessments associated with San Gabriel's Plant B6 treatment facility operations and discharge to Big Dalton Wash from July 1, 2012 to June 30, 2013, totaling 1,935.59 acre-feet.

On motion made by Chair Byerrum, seconded by Mr. Michalko and unanimously carried, with Mr. Arrighi abstaining, Watermaster approved the waiver of the Replacement Water Assessment associated with the San Gabriel B6 discharge.

## **TIME RESERVED FOR PUBLIC COMMENT**

No comments were offered.

## **CONSENT CALENDAR**

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

- a) Minutes of the Regular Meeting of Watermaster held July 10, 2013.
- b) Lists of Demands: Items 15946 through 15979 in the amount of \$306,536.96 on the Administrative Fund, Item 938 in the amount of \$127,395.53 on the Replacement Water Fund, and Item 443 in the amount of \$76,000.00 on the Make-Up Water Fund
- c) Financial Statements, July 2013

**ADOPTION OF RESOLUTION OF APPRECIATION COMMEMORATING  
OUTSTANDING SERVICE OF BROOKS A. PANGBURN (Resolution No. 08-13-256)**

The Executive Officer stated that a resolution of appreciation has been prepared commemorating the outstanding services of Mr. Brooks A. Pangburn. He introduced Mr. Pangburn's wife, Mrs. Sharon Pangburn, and their son and grandson; Duane and Christopher Mattern. He then read resolution No. 08-13-256 commemorating the outstanding services rendered by Mr. Pangburn as an employee of Watermaster, and thanked the Pangburn family for being present.

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

**RESOLUTION NO. 08-13-256**

**A RESOLUTION OF THE MAIN SAN GABRIEL BASIN WATERMASTER  
EXPRESSING APPRECIATION, COMMEMORATING AND INVITING PUBLIC  
ATTENTION TO THE OUTSTANDING SERVICES RENDERED BY  
BROOKS A. PANGBURN  
AS AN EMPLOYEE OF WATERMASTER**

(see next page)

**CONSIDERATION OF APPROVAL OF LOAN DOCUMENTS WITH CITIZENS BUSINESS  
BANK FOR LINE OF CREDIT UP TO \$15,000,000**

The Executive Officer reported that efforts to establish a line of credit with Citizens Business Bank (CBB) was a time consuming process. With the assistance of the Administrative Committee, the last remaining issues have been resolved and the credit line can now be established.

The Attorney stated that the agreement with CBB is the first of its kind on record, and he thanked both the staff at the bank and Watermaster staff for their extensive efforts. The Attorney noted that, if necessary, the agreement could be renewed without further Court action. In response to a question by Mr. Trevino, the Attorney and the Executive Officer briefly reviewed the terms of the agreement and the purpose of the credit line. The Executive Officer noted that Watermaster will use reserve funds first, before using the line of credit.

Mr. Love commented that the credit line gives Watermaster the opportunity to purchase water on behalf of individual parties. Chair Byerrum noted that Mr. Robert Zeltner, representing CBB, is in attendance today. He thanked Mr. Zeltner, the Attorney, and the Executive Officer for their efforts.

On motion made by Mr. Anderson, seconded by Mr. Rich and unanimously carried, Watermaster approved the loan documents with Citizens Business Bank for a line of credit up to \$15,000,000.

## **REPORT FROM ADMINISTRATIVE COMMITTEE**

Mr. Arrighi reported that the Administrative Committee met on July 17, 2013 and one item requires action by Watermaster today.

Consideration of Financial Participation for Education Regarding the National Park Service National Recreation Area Federal Designation, Not to Exceed \$50,000. The Executive Secretary reported that the San Gabriel Valley Water Association (SGVWA) is seeking partners to help fund the ongoing efforts toward public education regarding the issue. To date, the SGVWA has spent over \$120,000. The Committee recommendation is that Watermaster approve financial participation for a not to exceed amount of \$50,000.

On motion made by Mr. Arrighi, seconded by Mr. Michalko and unanimously carried, Watermaster approved financial participation with the SGVWA for educational efforts relative to the National Park Service National Recreation Area Federal Designation, at a not to exceed amount of \$50,000.

## **REPORT FROM BASIN WATER MANAGEMENT COMMITTEE**

Mr. Michalko reported that the Basin Water Management Committee met on July 17, 2013 and discussed two items, neither of which requires Watermaster action at this time. He noted that a Committee Report is included in the board packet for review should anyone be interested in the discussion items. Mr. Michalko reminded those present of the Stakeholder meeting to be held on Thursday, August 15, 2013 at 2:30 p.m., at the Swiss Park Restaurant and Banquet Center, located in Whittier. At this meeting, the Executive Officer will give a presentation on Watermaster's Resource Development Assessment.

## **ATTORNEY'S REPORT**

The Attorney reported that he continues working with Los Angeles County Department of Public Works staff to schedule a field tour with representatives of the United States Fish and Wildlife Service (FWS) regarding the critical habitat designations for the Santa Ana Sucker and Southwestern Willow Flycatcher.

The Attorney also reported that a proposed settlement in principle is underway with regard to the South El Monte Operable Unit (SEMOU) insurance claim. He stated that Watermaster held an insurance policy that reimbursed a majority of attorney fees relating to the case; however, it did not cover costs relating to charges associated with representation of Los Angeles County. The disputed amount is approximately \$54,000, and the proposed settlement in principle is for \$22,500. He will continue to keep Watermaster updated on the progress as it becomes available.

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

## **ENGINEER'S REPORT**

The Consulting Engineer reported that, as of August 2, 2013, the Key Well elevation was 199.7 feet, reflecting a decrease of 2.5 feet since July 5. The Consulting Engineer 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 85,000 acre-feet of cyclic storage in the Basin at present.

The Consulting Engineer also reported on rainfall totals so far this year, stating that totals are close to normal for this time of the year. Additionally, the Consulting Engineer noted that inflow into the San Gabriel Reservoir continues to be very low, resulting in only about 14,000 acre-feet of water in canyon storage. He also noted that the San Gabriel Valley Municipal Water District recently delivered a total of approximately 4,000 acre-feet of State Water Project water to the Basin. Additionally, the Consulting Engineer noted that total production for FY 2012-13 is estimated to be approximately 240,000 acre-feet.

Lastly, the Consulting Engineer 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**

A written copy of the Executive Officer's report on Outside Activities is included in the board packet. He highlighted a number of the activities that staff has engaged in over the past month including facilitation of a stakeholder meeting to be held on Thursday, August 15, to review Watermaster's Resource Development Assessment, as a component of its efforts to improve water supply reliability. The Executive Officer also reported that Watermaster staff is continuing the preparation of its Three-year Purchased Water Plan as required in Section 30 of the Rules and Regulations.

Additionally, Watermaster staff continues to be involved in efforts by the SGVWA to develop strategies relative to the proposal to designate a considerable portion of the San Gabriel Watershed and Mountains as a unit of the National Parks System. Staff has attended a number of meetings to discuss the issue with various stakeholders.

Watermaster staff also participated in a meeting with staff of the Metropolitan Water District (MWD) and Upper San Gabriel Valley Municipal Water District (USGVMWD) to discuss ways to maximize water deliveries to Basin, and to review proposed changes to Watermaster's Cyclic Storage Agreements.

Lastly, the Executive Officer stated that the Los Angeles Department of Public Works (LADPW) included him in the program at the re-dedication ceremony at Morris Dam on Wednesday, July 24, 2013. Additionally, Wendy La, Staff Engineer, participated in a four-part public service announcement campaign hosted by U.S. Senator Ed Hernandez, O.D., entitled San Gabriel Water Wise.

## **REPORT FROM RESPONSIBLE AGENCIES**

Mr. Love reported that the San Gabriel Valley Municipal Water District (SGVMWD) did not hold a regular Board of Directors meeting in July. Additionally, Mr. Love reported briefly on the upcoming San Gabriel Valley Water Forum, to be held on Thursday, October 3, 2013. He noted that the speakers scheduled to appear include Ms. Erin Brockovich, Environmental and Consumer Advocate, and Ms. Felicia Marcus, Chairperson, State Water Resources Control Board.

Lastly, Mr. Love reported that efforts continue between SGVMWD, the Metropolitan Water District (MWD), and cities such as Sierra Madre and Arcadia, to increase the exchange of water within the Main Basin. He noted again that the City of Sierra Madre has reached an agreement with the City of Arcadia to use its conveyance system to deliver cyclic storage water to the City of Sierra Madre system.

Dr. Fellow reported on behalf of the USGVMWD. He provided a written copy of his report that highlighted activities such as a Strategic Planning Workshop held on June 25, 2013, and the goals set forth at the workshop. Dr. Fellow also reported briefly on the Bay Delta Conservation Plan, noting that MWD is in support of the current draft of the plan.

Mr. Brian Bowcock, reporting on behalf of Three Valleys Municipal Water District (TVMWD) commended the Executive Officer for his participation at the San Gabriel Valley National Recreation Area Designation Workshop hosted by the San Gabriel Valley Council of Governments on July 30, 2013 in San Dimas. Mr. Bowcock noted that he received many accolades about Mr. Zampiello's presentation. Lastly, Mr. Bowcock complimented staff at CBB for their efforts with Watermaster relative to the line of credit.

## **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 448 AF Production right from Covina Irrigating Company to California Domestic Water Company for FY 2012-13
- b) Temporary transfer or lease of 65 AF Production right from Gale & Vicki Banks to San Gabriel Valley Water Company for FY 2012-13
- c) Temporary transfer or lease of Integrated Production right consisting of 166.98 AF Prescriptive Pumping right and 9.59 AF Diversion Component from Metropolitan Water District to San Gabriel Valley Water Company for FY 2012-13
- d) Temporary transfer or lease of 230.60 AF Production right from William Knight to California Domestic Water Company for FY 2012-13

- e) Temporary transfer or lease of 400 AF Production right from California Domestic Water Company to Golden State Water Company – San Gabriel for FY 2012-13
- f) Whittier Narrows Operable Unit Newsletter
- g) 2013 San Gabriel Valley Water Forum Information
- h) SGVMWD transmittal of monthly report for June 2013
- i) Various newspaper articles

### **COMMENTS FROM WATERMASTER MEMBERS**

Mr. Michalko congratulated Ms. Gardner on her appointment as Watermaster's Assistant Executive Officer.

### **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, September 4, 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

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DAN ARRIGHI

ATTEST:

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JAMES BYERRUM  
CHAIR