

**MINUTES OF THE
CENTRAL BASIN WATERMASTER
WATER RIGHTS PANEL

PROGRESS PARK
BOARD ROOM
15500 DOWNEY AVE., PARAMOUNT, CA

THURSDAY, AUGUST 13, 2015
1:30 P.M.**

Chairman Glancy (Lakewood) called the regular meeting of the Central Basin Watermaster Water Rights Panel to order at 1:36 pm.

1. PLEDGE OF ALLEGIANCE

Panel Member Wattier (Long Beach) led the Pledge of Allegiance.

2. ROLL CALL

Panel Members

John Oskoui	City of Downey
James Glancy	City of Lakewood
Kevin Wattier	City of Long Beach
Chris Cash	City of Paramount
Charlie Honeycutt	City of Signal Hill
Toby Moore	Golden State Water Co.
Ken Bradbury	Montebello Land & Water Co.

Also Present

Desi Alvarez	MCM Mgt.
Vince Brar	City of Cerritos
Dan Mueller	City of Downey
Jason Wen	City of Downey
David Pelser	City of Whittier
Hye Jin Lee	City of Whittier
Tammy Hierlihy	Central Basin MWD
James Markman	Richards, Watson, Gershon
Mohammad Mostahkami	City of Downey
Kevin Sales	KJServices Environmental Consulting
Jason Weeks	Water Replenishment District
Grace Kast	Grace Kast Consulting

3. PUBLIC COMMENTS

No public comments were received.

4. CONSENT CALENDAR

Panel Member Wattier made a motion to approve Item No. 4a and Item 4b, as presented. The motion was seconded by Panel Member Honeycutt (Signal Hill). With abstentions from Panel Member Oskoui (Downey) and Panel Member Bradbury (Montebello Land & Water), the Panel Members approved the Consent Calendar by a voice vote.

5. ELECTION OF OFFICERS

Chairman Glancy introduced the item. With the recent retirement of Mr. Farising, the Vice Chairman, and the pending retirement of Mr. Glancy, the current Chairman, the Water Rights panel needed to hold an election to fill these two positions.

Panel Member Cash suggested that the election of the officers be postponed until the September meeting because of a the number of new members that will be joining the Panel at that meeting. In addition to Panel Member Honeycutt, the new representative for the City of Signal Hill, other new Panel members being seated at the September meeting include the representatives from the cities of Lakewood and Long Beach.

The general consensus of Panel was that postponing the election of the Panel's new Chairman and Vice Chairman until the September 10th meeting made sense.

A motion to appoint Panel Member Honeycutt (Signal Hill) as temporary Chairman to lead September 10th meeting was made by Panel Member Cash (Paramount) with a second by Panel Member Oskoui (Downey). The item was approved by a unanimous voice vote of the Panel members.

6. TREASURER'S REPORT

Panel Member Moore (Golden State Water) presented the Treasurer Report.

Mr. Moore reviewed the financial report prepared by the City of Lakewood. The City's summary report showed that the balance of the WRP's account as of August 13, 2015 was \$67,225.46.

A motion to Receive and File the item was made by Panel Member Oskoui with a second by Panel Member Cash. The item was approved by a unanimous voice vote of the Panel members.

7. ADMINISTRATIVE BODY REPORT

Chairman Glancy introduced Mr. Jason Weeks of the Water Replenishment District to provide an update on the status of the Administrative Body.

Mr. Weeks reported the following updates:

2014-2015 Water Rights Activity

The 2014-2015 Administrative Year closed on June 30, 2015. In summary, there was approximately:

- 180,000 acre-feet of pumping
- 12,700 acre-feet of In-Lieu
- 71 leases transferring 32,400 acre-feet of pumping rights
 - 24,100 acre-feet with flex
 - 8,300 acre-feet without flex
- 9 water rights sales/transfers

In addition, a request was received under the terms of Section IV.K of the Central Basin Judgment which allows for increased extractions for certain water purveyors. Golden State Water Company requested increased extraction in the Central Basin of 2,814.00 acre-feet and the retirement of a like amount of unused rights in the West Coast Basin. This increased extraction is reflected in the values shown in the draft Central Basin water rights accounting table and their retirement is reflected in the West Coast Basin accounting table.

Mr. Jason Weeks (Water Replenishment District) presented the 2014-2015 draft water rights accounting and lease tables to the Panel members. Final accounting and lease tables are due to Court in mid-October 2015.

2014-2015 Storage Activity

2014-2015 storage activity consisted of 899.49 acre-feet extracted from storage and 2,020 acre-feet put into storage, all through Carryover Conversion. A summary of water currently in storage is provided in the table below.

Party	Quantity (acre-feet)	Storage Account
Downey, City of	1,350.00	Individual Storage Account
Cerritos, City of	500.00	Individual Storage Account
Lakewood, City of	500.00	Individual Storage Account
Long Beach, City of	13,177.31	Individual Storage Account
Los Angeles, City of*	6,020.00	Individual Storage Account
Maywood Mutual Water Company No. 3	300.00	Individual Storage Account
South Gate, City of*	500.00	Individual Storage Account

Whittier Union High School District	50.00	Individual Storage Account
TOTAL	22,397.31	

*Includes 2014-2015 Carryover Conversion requests.

2015-2016 Administrative Body and Water Rights Panel Invoicing - Update

Consolidated 2015-2016 invoices for the Water Rights Panel and the Administrative Body will be mailed to water rights holders the week of August 17th.

Mr. Weeks presented a draft copy of the 2014 - 2015 Water Rights Accounting Table that will be included in the WRD's Annual Watermaster Report. Jason asked that the Panel members review the draft Accounting Tables to verify that the information shown was correct. Mr. Jason Weeks (Water Replenishment District) will present the draft FY 2014-2015 annual report at the September 10th meeting.

Lastly, Mr. Weeks presented a Basin Update. He noted that to date the basin has received only 62% of normal precipitation and that the water level at their key monitoring well is down 2.1' year over year. He stated that the delivery of the 25,000 acre feet (AF) of water received from the State Water Project has been completed. While originally the State committed to delivering 25,000 AF of replenishment water, to be divided between the Upper San Gabriel Basin and the Central Basin, the actual amount received at the Central basin spreading grounds was 18,500 AF.

A motion to Receive and File the item was made by Panel Member Honeycutt with a second by Panel Member Bradbury. The item was approved by a unanimous voice vote of the Panel members.

8. ATTORNEY'S REPORT

Chairman Glancy introduced Mr. James Markman of Richards, Watson, Gershon to present an update on any issues or matters that potentially impact the Panel or water purveyors in the Central Basin.

Mr. Markman discussed three cases of businesses or entities that are extracting water without water rights.

Atlas Iron and Metals has contacted the Water Replenishment District to resolve their over extraction issue. The goal is for the company to intervene in and become party to the adjudication suit and then arrange to cover their production by purchases or leases of available water rights, involving very small quantities.

Caltrans is in the process of working with the Water Replenishment District to address the water extraction due to the dewatering of the 105 Freeway.

Mr. Markman reported that he has sent a cease and desist letter to Artesia Ice Company on behalf of the Water Rights Panel. The current operators of the business do not have water rights in spite of having a well on site. The Panel is requiring them to stop pumping water immediately and until they make arrangements to become a party to the Basin adjudication and secure, through purchase or lease, appropriate water rights.

Lastly Mr. Markman stated that it may be necessary to include a Close Session item on the agenda for the Panel's September meeting to discuss these issues in greater detail.

Panel Member Oskoui made a motion to Receive and File the item. Panel Member Bradbury seconded the motion which was approved by a unanimous voice vote of the Panel members.

9. COMMITTEE REPORTS

Panel Member Honeycutt introduced Grace Kast (Grace Kast Consulting) to present the interest assessment report for the RDCIP program.

Grace received interest for the RDCIP program from the City of Lynwood. Along with Lynwood, Grace contacted Park Water Company and the City of Cerritos. Both parties also expressed interest in the RDCIP program.

The Panel discussed whether or not to proceed with the remaining activities to be undertaken under Task 1 of the previously approved RDCIP administration project. The remaining activities include the preparation of the grant application documents and an application review checklist to be used by the Panel when assessing applicants received under the RDCIP program.

The Panel further discussed if it was necessary to provide outreach to applicants and help them with the development and submittal of their RDCIP applications. Ultimately the panel members decided that it was not their role to provide that level of support and that, in the final analysis, the success of the RDCIP program will be dependant on a potential water buyer and seller to join together with a qualified Disadvantaged Community (DA) to develop a project and submit to the Water Rights Panel. The Panel's role will be to ensure that an application format is provided and that a methodology is in place to assess applications when they are received.

Panel Member Cash (Paramount) made a motion to proceed with the first component of the RCIP program; development and approval of RDCIP required documents, such as the application form and application review criteria. Also to consider potential projects as they are presented to the Panel. Panel Member Wattier seconded the motion which was approved by a unanimous voice vote of the Panel members.

10. WATER METER TESTING CONTRACT WITH DWR

Chairman Glancy stated that there were no water meter tests conducted for the month of July. The California Department of Water Resources (DWR) has resumed meter testing for the month of August.

The Panel received and filed this agenda item.

11. SECRETARY'S REPORT

Kevin Sales of KJServices Environmental Consulting, as the secretary for the Water Rights Panel, made comments on the following items:

1. Reminded all in attendance at the Water Rights Panel meetings to please remember to sign in to help ensure an accurate attendance listing for the meeting minutes.

2. Introduced Aliah Meza from KJServices. Aliah will be attending the September meeting in Kevin's absence.

10. WRITTEN COMMUNICATIONS

No written communications were received.

11. AGENDA ITEMS FOR NEXT MEETING

The agenda was discussed for the Water Rights Panel meeting of September 10, 2015. It was agreed that the following items would be included on the Panel's meeting agenda:

1. Treasurer's Report.
2. Attorney's Report
3. Administrative Body Report.
 - a. Draft FY 2014/2015 Annual Watermaster Report
 - b. Assessment Billing update
4. Committee Reports
 - a. Review existing sub-committees and discuss the possible need for other sub-committees.
5. Water Meter Testing monthly report.
6. Water Rights Panel officers' election.

12. WATER RIGHTS PANEL MEMBER COMMENTS

Panel member Kevin Wattier announce that this was his final meeting as he is retiring from the City of Long Beach. Chairman Glancy thanked Mr. Wattier for his key contributions to the development and successful implementation of the Central Basin Third Judgment and his work to help establish and provide key guidance to the Central Basin Water Rights Panel.

Chairman Glancy stated that the September 10th meeting will be his final one as he will be beginning his retirement shortly after.

13. ADJOURNMENT

The meeting adjourned 2:15 pm.



CHAIRMAN

ATTEST:

