

**MINUTES OF THE  
CENTRAL BASIN WATERMASTER  
WATER RIGHTS PANEL  
PROGRESS PARK  
BOARD ROOM  
15500 DOWNEY AVE., PARAMOUNT, CA  
THURSDAY, MARCH 12, 2015  
1:30 P.M.**

Chairman Glancy (Lakewood) called the regular meeting of the Central Basin Watermaster Water Rights Panel to order at 2:11pm.

**1. PLEDGE OF ALLEGIANCE**

Panel Member Mueller (Downey) led the Pledge of Allegiance.

**2. ROLL CALL**

Panel Members

Dan Mueller	City of Downey
James Glancy	City of Lakewood
Kevin Wattier	City of Long Beach Water Dept.
Chris Cash	City of Paramount
Ken Farfsing	City of Signal Hill
Toby Moore	Golden State Water Co.
Ken Bradbury	Montebello Land & Water Co.

Also Present

Desi Alvarez	MCM Management
Chris Castillo	City of South Gate
Gladis Deras	City of Pico Rivera
Tammy Hierlihy	Central Basin MWD
Grace Kast	Grace Kast Consulting
Chad Lamacchia	LA DWP
James Markman	Richards, Watson, Gershon
Mohammad Mostahkami	City of Downey
Mark Stuart	CA Dept. of Water Resources
Kevin Sales	KJServices Environmental Consulting
Jason Weeks	Water Replenishment District

**3. PUBLIC COMMENTS**

No public comments were received.

**4. CONSENT CALENDAR**

Panel Member Cash (Paramount) made a motion to approve Item Nos. 4a, and 4b. Panel Member Wattier (Long Beach) seconded the motion. The Panel Members approved the Consent Calendar by a unanimous voice vote.

**5. TREASURER'S REPORT**

Panel Member Moore (Golden State Water Co.) 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 3/2/15 was \$119,497.18.

A listing of the currently outstanding FY 14/15 Water Rights Panel Assessment billing was provided to the Panel members as an update. Collection activities continue to secure payment for the remaining Assessment invoices.

Chairman Glancy, along with other members of the Panel, suggested that a second collection letter be developed and sent to those water rights holders that still have not paid their FY 2014 / 2015 assessment. The Panel suggested that the second collection letter include language stating that unpaid assessment fees will be added to the next fiscal year's billing.

The Panel instructed the Secretary to draft the follow-up assessment collection letter and submit it to the Chairman for review and approval.

The item was received and filed by the Panel.

**6. 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**

There have been 2 leases and no sales since the February Water Rights Panel meeting. A summary of water rights leases and sales is provided below.

· Leases

- o There are currently 42 leases transferring a total of 19,873 acre-feet of water rights.

§ 35 leases, totaling 16,569 acre-feet, are with flex (i.e. 40% Carryover).

§ 7 leases, totaling 3,304 acre-feet, are without flex.

§ 3 additional leases, announced at the meeting, acre-feet unknown

#### Sales

- o There have been 5 water rights sales.

§ Petersburg, L.P to California Domestic Water Company

- 373.75 acre-feet of Total Water Rights and 299.00 acre-feet of APA

§ California Domestic Water Company to Forestar (USA) Real Estate Group Inc.

- 373.75 acre-feet of Total Water Rights and 299.00 acre-feet of APA

§ CECC, LLC to ECOGAS, INC.

- 1.00 acre-feet of Total Water Rights and 1.00 acre-feet of APA

§ Atkinson Brick Company to LA Brickyard, LLC

- 11.00 acre-feet of Total Water Rights and 9.00 acre-feet of APA

§ Aqua Capital Management to LADWP

- 1,875.00 acre-feet of Total Water Rights and 1,500.00 acre-feet of APA

#### Groundwater Production

- o January 2015 groundwater production was approximately 12,520 acre-feet. Year-to-date Central Basin groundwater production is approximately 111,900 acre-feet.

#### 2014-2015 Storage Activity

There are currently 20,377.31 acre-feet of water in storage, all of which is within Individual Storage Accounts; no water has been stored in the Community Storage Pool. A summary of stored water, as of February 2015, is shown in the table below.

Party	Quantity	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	4,500.00	Individual Storage Account
Maywood Mutual Water Company No. 3	300.00	Individual Storage Account
Whittier Union High School District	50.00	Individual Storage Account

**TOTAL** **20,377.31**

Through February, a total of 899.49 acre-feet of stored water has been extracted in 2014-2015. All of this extraction has occurred from Long Beach's Individual Storage Account and is reflected in the volumes reported above.

Through February, no water has been put into storage in 2014-2015.

Additionally, Mr. Weeks made the following comments:

1. Paradise Memorial Park - Since the water meter at Paradise Memorial Park has been inoperable since June 2014, the WRD will send an RA invoice based on a monthly water usage of one acre foot (1 AF)
2. The WRD, as the Administrative Body, will work with the Water Rights Panel to develop a combined billing for FY 2015 / 2016. A combined billing will help address the confusion that resulted from each entity (AB and WRP) sending their own invoices.
3. Mr. Weeks stated that the replenishment water deliveries being received from the State Water Project should be completed by April 30, 2015. The replenishment water deliveries continue at a low volume of approximately 200 CFS.
4. Monitoring wells in the Central Basin have show a small increase in water levels due to the delivery of the replenishment water as well as the infiltration of some storm water runoff from rains received during the first quarter of 2015.

The item was received and filed by the Panel.

## 7. COMMITTEE REPORTS

Vice Chairman Farfsing (Signal Hill) introduced the summary of the comments received during the RDCIP comment period. Approximately 24 comments were received along with some additional small edits and corrections identified during the comment period.

Grace Kast (Grace Kast Consulting) reviewed each of the comments received for the Panel members. The following changes were approved by the Panel:

- Page 5 - Clarified "supermajority" - removed the term "at-least".
- Page 6 - Clarified "supermajority" - removed the term "at-least".
- Page 7 - Clarified education and training required for the RDCIP bank Account independent auditor.

In response to a comment by Mr. Mark Grajeda (Pico Water District), the Panel reiterated its position opposing setting a value for the groundwater storage space available through the RDCIP. The Panel's position was represented by a comment from Mr. Wattier (Long Beach Water Dept.) stating that the Panel was not to be a "deal Maker or set a value for the groundwater storage". Disadvantaged communities submitting projects to the Panel under the RDCIP will need to establish the value of the groundwater storage space they are requesting as part of the proposed project.

Several Panel members, including Chairman Glancy, Mr. Cash, and Mr. Mueller, reiterated the Panel's belief that Disadvantaged Communities that present projects under the RDCIP will need to determine the value of the groundwater storage space and that they, along with any partnering agencies or groups, are in a better position than the Panel to determine that value. Chairman Glancy also stated that the value of the groundwater storage available under the RDCIP will increase and decrease over time depending upon the conditions in the Central Basin and the demand for the space.

The panel briefly discussed Comment #13 which dealt with developing an application process schedule that Disadvantaged Communities will follow when applying for the program. The Panel's consensus was that a schedule could be developed at a later time if the demand for the program warranted it. Panel Member Farfsing comment that the RDCIP was a completely new program and that no one knows how popular it will be. The Program can be modified as needed over time and additional administrative components, such as an application schedule, can be added.

In response to Comment 22, the Panel opted to clarify the education and experience requirements for the auditor hired to conduct the annual audit of the RDCIP Bank Account.

Panel Member Cash (Paramount) made a motion to approve the changes to the RDCIP as presented and accepted by the Panel. Panel Member Farfaring seconded the motion. The Panel Members approved the motion by a unanimous voice vote.

8. **WATER METER TESTING CONTRACT WITH THE CALIFORNIA DEPARTMENT OF WATER RESOURCES**

Chairman Glancy presented the Department of Water Resources' initial well testing reports for the period of February 9, 2015 through February 27, 2015. With the exception of the well shown below, all the well meters tested during the period passed their inspection. Copies of the well test results were mailed to each of the well owners.

Paradise Memorial Park - SWN/Owner# 03S12W01K009S/2

The meter on this well appears to have been inoperable since June 2014. A letter was mailed to the owner advising them of the meter's inoperable condition and notifying them that repairs needed to be made within 30-days. Once the meter is repaired the owner was instructed to contact the Department of Water Resources to schedule a re-inspection. The Panel instructed the Secretary to send a follow-up letter to the well owner within 30-days to verify that meter repairs have been made or are scheduled.

9. **SECRETARY'S REPORT**

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

1. Confirmed that he will prepare and send a follow-up letter to Paradise Memorial Park to ensure that the repair of their water meter has either been completed or is scheduled.

2. Draft new collection letter to be sent to those water rights holders that have not paid their FY 2014 / 2015 assessment.

3. Work with Jason Weeks to develop a combined assessment billing for FY 2015 / 2016.

10. **WRITTEN COMMUNICATIONS**

No written communications were received.

13. **AGENDA ITEMS FOR NEXT MEETING**

The agenda was discussed for the Water Rights Panel meeting of April 9, 2015. It was agreed that the following items would be included on the Panel's meeting agenda:

1. Treasurer's Report.
2. Administrative Body Report.
  - a. Combined Assessment Billing for FY 2015 / 2016
3. Committee Reports
  - a. Approve finalized RDCIP Program.
4. Water Meter Testing monthly report.

**15. WATER RIGHTS PANEL MEMBER COMMENTS**

Panel Member Wattier asked what role the Water Rights Panel should take in addressing over-extractors (water rights owners that pump more water than their water rights provide for). Should over-extractors receive a letter the following year showing the amount of water extracted over their allocation during the prior year? Should their production amounts be reduced for the following year by an amount equal to the over-extraction? Should the over-extractor be referred to the Court? The Panel needs to develop a policy to address the issue.

Other panel members cited the over-extraction of groundwater along the 105 Freeway by Caltrans to help prevent damaging settling to the roadway. How should a case like that be handled? Is the water currently being used (no)? Can a secondary use for the water be found? The Panel Members requested that this issue be added to the agenda for their next meeting on April 9th. The Panel Members also requested that Jim Markman investigate the issues from a legal point-of-view. They also requested that Panel Member Mueller (Downey) investigate possible local uses for the groundwater being extracted by Caltrans along the 105 Freeway.

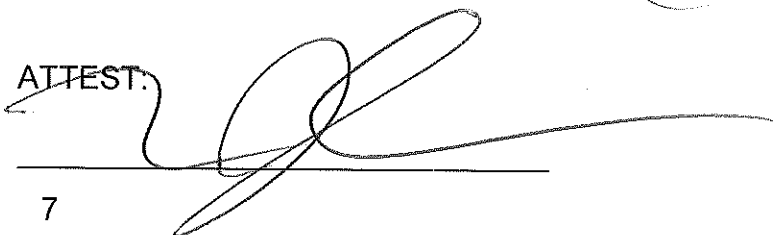
Chairman Glancy shared copies of a letter sent from the Central Basin Water Association to the Central Basin Municipal Water District requesting that the flow of replenishment water being received through CENB-48 be increased. The current low flow level (150 cfs) in conjunction with unforeseen events (such as rain days, MWD outages, unscheduled maintenance, etc) may prevent the full quantity of replenishment water from being received by the end of April.

**16. ADJOURNMENT**

The meeting adjourned at 3:20 pm.

  
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CHAIRMAN

ATTEST:

  
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