

**MINUTES OF THE
CENTRAL BASIN WATERMASTER
WATER RIGHTS PANEL

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

THURSDAY, APRIL 9, 2015
1:30 P.M.**

Chairman Glancy (Lakewood) called the regular meeting of the Central Basin Watermaster Water Rights Panel to order at 1:32 pm.

1. PLEDGE OF ALLEGIANCE

Panel Member Moore (Golden State Water) 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 Water Dept.
Sarah Ho	City of Paramount
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
Chad Lamacchia	LA DWP
James Markman	Richards, Watson, Gershon
Mohammad Mostahkami	City of Downey
David Pelser	City of Whittier
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 Wattier (Long Beach) made a motion to approve Item Nos. 4a, and 4b. Panel Member Moore seconded the motion. With abstentions from Panel Members Ho (Paramount) and Oskoui (Downey), the Panel Members approved the Consent Calendar by a voice vote.

5. TREASURER'S REPORT

Panel Member Moore 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 4/9/15 was \$107,608.18.

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.

As discussed at their March meeting, a follow-up collection letter was drafted and submitted to the Panel for review. The follow-up collection letter was approved and the Panel instructed the Secretary to send letters to all water rights holders that had not yet paid their FY 2014 - 2015 assessment invoices.

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 6 leases and no sales since the March Water Rights Panel meeting. A summary of water rights leases and sales is provided below. A detailed summary of the leases is provided in the attached *Allowed Pumping Allocation Transfers* dated April 1, 2015.

- Leases
 - There are currently 48 leases transferring a total of 23,333 acre-feet of water rights.
 - 38 leases, totaling 18,229 acre-feet, are with flex (i.e. 40% Carryover).
 - 10 leases, totaling 5,104 acre-feet, are without flex.

- Sales
 - 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-foot of Total Water Rights and 1.00 acre-foot 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
 - February 2015 groundwater production was approximately 11,490 acre-feet. Year-to-date Central Basin groundwater production is approximately 123,400 acre-feet.

2014-2015 Storage Activity

There is 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 March 2015, is shown 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	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 March, 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 March, no water has been put into storage in 2014-2015.

Additionally, Mr. Weeks made the following comments:

1. Since the preparations of the monthly report, two additional water sales for FY 2015 - 2016 in the amount of 700 acre feet were finalized:

a. Aqua Capital to the Bellflower Somerset Mutual Water Company for 100 acre feet.

b. Aqua Capital to the Puente Basin Water Authority for 600 acre feet.

In response to the announcement of the sale to the Puente Basin Water Authority, Panel Member Wattier asked that the Panel review this transaction because it involved water rights being sold to an agency outside the Central Basin. Mr. Wattier stated that he believed that an out of Basin sale such as this was not allowed under the Central Basin adjudication. The Panel requested that Mr. Markman review the matter in light of the Central Basin Judgment and report back on his findings.

2. Mr. Weeks stated that the WRD was currently in the process of working with the West Basin Water Rights Panel to develop a combined annual assessment billing. he stated that WRD is willing to produce a combined assessment billing for the Central Basin Water Rights Panel as well for FY 2015 - 2016. A single invoice will be created and sent to each water rights holder in the Central Basin for both the Administrative Body (WRD) assessment as well as for the Water Rights Panel assessment. When the payments are received the WRD would transfer the Water Rights Panel portion to its account.

A combined billing will help to eliminate some of the confusion that resulted this year from the Administrative Body and the Water Rights Panel each issuing its own, similar assessment billing.

The Panel Members asked Mr. Weeks to prepare and present at their next meeting a proposal for handling a combined assessment billing for FY 2015 - 2016.

The item was received and filed by the Panel.

7. COMMITTEE REPORTS

After reviewing the draft Regional Disadvantaged Communities Incentive Program (RDCIP) the Panel formally approved the program and directed that it be submitted to the Court for approval. The RDCIP Program is scheduled to be reviewed by the Court at a session on June 30, 2015.

After its approval by the Court, the Panel will begin to develop the policies and procedures necessary in order for interested parties to begin to submit programs for consideration under the RDCIP and provide the Panel with the review and assessment tools necessary to select and award projects under the Program.

Chairman Glancy (Lakewood) request a motion to approved the Regional Disadvantaged Communities Incentive Program as proposed. Panel Member Wattier made the motion which was seconded by Panel Member Oskoui. The motion was approved by a unanimous voice vote of the Panel.

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 March 2, 2015 through March 27, 2015. 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

As was reported during the March meeting, 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.

Having received no response from the well owner, the Panel instructed the Secretary to contact the owner and full-up on the steps they are taking to repair the well's meter.

The Panel received and filed this agenda item.

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 contact Paradise Memorial Park to ensure that the repair of their water meter has either been completed or is scheduled.

2. Mail out follow-up collection letters to those water rights holders that have not yet paid their FY 2014 - 2015 Water Rights Panel assessments.

3. Work with Jason Weeks of the WRD. as necessary, to assist with the develop of a combined assessment billing for FY 2015 / 2016.

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 May 14, 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
 - b. Attorney's report on the sale of water rights to an entity outside the Central Basin (Puente Basin Water Authority)
3. Committee Reports
 - a. Proposal for RDCIP implementation.
4. Water Meter Testing monthly report.
5. Discussion of bi-monthly meetings.
6. Closed session update.

12. WATER RIGHTS PANEL MEMBER COMMENTS

No Panel comments were received.

13. Closed Session of the Central Basin Water Rights Panel

Instructions given by the Panel to legal counsel. Reopened general meeting session at 2:20 pm.

14. ADJOURNMENT

The meeting adjourned at 2:21 pm.


CHAIRMAN

ATTEST.

