

**MINUTES OF A REGULAR MEETING OF
THE MAIN SAN GABRIEL BASIN WATERMASTER
729 NORTH AZUSA AVENUE, AZUSA, CALIFORNIA
HELD WEDNESDAY, JULY 1, 2009 AT 3:00 O'CLOCK P.M**

A 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, July 1, 2009 at the hour of 3:00 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: Dan Arrighi, Robert W. Bowcock, James Byerrum, Ed Chavez, Al Contreras, Pat Malloy, Michael Quinn and Charles E. Shaw.

ABSENT: Thomas Love

(Mr. Love arrived later in the meeting.)

STAFF AND OTHERS PRESENT

Staff present at the meeting included: Carol Williams, Executive Officer; Alfred Smith, Attorney; Stephen Johnson, Consulting Engineer; Tony Zampiello, Assistant Executive Officer and Donna DiLaura, Administrative Coordinator.

Others present included: Chet Anderson, Brian Bowcock, Mark Carney, Barbara Carrera, Ken Deck, Tom Lindros, Victor Meza, Dave Michalko, James Prior, Martin Ray, Patrick Scanlon and Dale Wert.

ADOPTION OF AGENDA

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

TIME RESERVED FOR PUBLIC COMMENT

No comments offered.

CONSENT CALENDAR

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

- a) Minutes of a Regular Meeting of Watermaster held June 3, 2009.
- b) Lists of Demands: Items 13940 through 13976 in the amount of \$582,985.39 on the Administrative Fund, and Items 857-858 in the amount of \$605,221.64 on the Replacement Water Fund.
- c) Financial Statements, June 2009

BASIN WATER MANAGEMENT ACTIVITIES

The Consulting Engineer reported that Golden State Water Company (GSWC) has submitted an application for destruction of Garvey Well No. 1, Garvey Well No. 2 and an Unnamed Well at the Garvey Plant Site, located in the City of Rosemead. He noted that by submitting the application, GSWC has met a requirement set forth by Watermaster in March relative to the approval of GSWC's application to drill new Garvey Well No. 3, and to construct a Water Treatment Facility at its Garvey Plant site.

The Consulting Engineer stated that Garvey Well No. 1 was drilled in 1902 to a depth of 424 feet below ground surface, has a 16-inch casing and the pumping capacity was about 200 gallons per minute. Garvey Well No. 2 was drilled in 1940 to a depth of 428 feet bgs, has a 14-inch casing and the pumping capacity was about 200 gpm. Both wells were shut down in 2003 due to Volatile Organic Compound (VOC) contamination. Watermaster does not have any records concerning the Unnamed Well at the Garvey Plant Site. Electrical service has been disconnected at all three wells, pumping equipment has been removed and the wells have been capped. GSWC has indicated it will no longer produce from these wells. The Consulting Engineer recommended that Watermaster approve GSWC's application to destroy Garvey Well No. 1, Garvey Well No. 2 and an Unnamed Well at the Garvey Plant Site, subject to the conditions in the staff report.

On motion made by Mr. Malloy, seconded by Mr. Bowcock, and unanimously carried, Watermaster approved Golden State Water Company's application to destroy Garvey Well No. 1, Garvey Well No. 2 and an Unnamed Well at its Garvey Plant site, subject to the conditions in the staff report.

INFORMATION ITEMS

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

- a) Temporary assignment or lease of 380.103 AF production right from Mary Kay Dawes to La Puente Valley County Water District for FY 2009-10

- b) Temporary assignment or lease of 1,500 AF production right from Hanson Aggregates West, Inc. to San Gabriel County Water District for FY 2008-09
- c) Temporary assignment or lease of 17.80 AF production right from Aqua Capital Management LP to Valley County Water District for FY 2008-09
- d) Temporary transfer or lease of 57.49 AF production right and 12.51 AF carryover right from Richard J. Woodland to Coiner Nursery for FY 2008-09
- e) Temporary assignment or lease of 15.21 AF production right from The Bandel Family Trust to Suburban Water Systems for FY 2008-09
- f) Temporary assignment or lease of 37.98 AF production right from Ruth Elaine Ailor Garnier Trust to Suburban Water Systems for FY 2008-09
- g) Temporary assignment or lease of 107.93 AF production right from Southwest Water Systems to Suburban Water Systems for FY 2008-09
- h) Temporary assignment or lease of 150 AF production right from Sonoco Product Co. to California Domestic Water Co. for FY 2008-09
- i) Temporary assignment or lease of 20 AF production right from Adams Ranch Mutual Water Co. to California Domestic Water Co. for FY 2008-09
- j) Temporary assignment or lease of 550 AF production right from Hanson Aggregates West, Inc. to California Domestic Water Co. for FY 2008-09
- k) Temporary assignment or lease of 5,000 AF production right from City of Alhambra to San Gabriel Valley Water Co. for FY 2008-09
- l) Temporary assignment or lease of 159.87 AF integrated production right from the Metropolitan Water District of Southern California to San Gabriel Valley Water Co. for FY 2008-09
- m) Temporary assignment or lease of 1,000 AF production right from Workman Mill Investment Co. to San Gabriel Valley Water Co. for FY 2008-09
- n) Change of Designee for MillerCoors LLC to Donell Hicks
- o) Transmittal of SGVMWD monthly report for May 2009
- p) Various newspaper articles

ATTORNEY'S REPORT

Relative to the Baldwin Park Operable Unit increase in financial assurances, the Attorney stated that the Trustee has issued a second formal notice of deficiency to the Cooperating Respondents to address the shortfall left by the Fairchild bankruptcy, allowing the CRs 120

days to make the required deposit. The Attorney noted that the non-Fairchild CRs are expected to cover the \$95,000 deficiency if Fairchild does not pay its portion.

The Attorney also stated that the SEMOU litigation stay has been extended to September 14, 2009.

ENGINEER'S REPORT

The Consulting Engineer reported that the level of the Baldwin Park Key Well, as of June 30, was 195.4 feet, noting that the Key Well is now at a new historic low. He also noted that the previous historic low of 195.5 feet was set on December 23, 2004, during the winter season when storm flows would begin to replenish the Basin. The Consulting Engineer stated that the Key Well is now dropping at a rate of approximately .5 foot per week, and there will likely be another five or six months of dry weather before any rainfall storm flows would begin to bring up Basin water levels.

The Consulting Engineer also reported that San Gabriel Valley Municipal Water District began its release of 11,500 acre-feet of water to the Basin on June 15 at 40 cfs. He stated that 32,000 acre-feet of water is currently being held in the canyon. A release from Morris of 9,000 to 10,000 acre-feet is scheduled for the end of July for use by both the Main and Central Basins.

Relative to hydrologic conditions, the Consulting Engineer stated that rainfall at the Los Angeles Civic Center to date remains at 60 percent of average. Additionally, the Consulting Engineer stated that the five area landfills were inspected and no violations were found.

Lastly, the Consulting Engineer reported that a small gasoline engine fuel spill has been detected in the Hansen pit. He noted that he will monitor the situation and keep Watermaster advised of the status.

EXECUTIVE OFFICER'S REPORT

The Executive Officer reported that a Strategic Planning Workshop for the Watermaster board is scheduled for Tuesday, August 18, 2009, from 8:00 a.m. to 5:00 p.m. at the Courtyard by Marriott in Baldwin Park. She stated that staff has advised Watermaster board members, the Consulting Engineer and Attorney of the meeting, and noted that this is a closed executive session. The Executive Officer also noted that additional materials will be distributed for review prior to the workshop.

Chairman Byerrum stated that this is a very important planning session and requested that Watermaster members make every effort to attend and participate.

REPORT FROM RESPONSIBLE AGENCIES

(Mr. Love joined the meeting)

Relative to the Groundwater Reliability Improvement Program, Mr. Contreras reported that Upper San Gabriel Valley Municipal Water District (Upper District) is working with its

GRIP project partners to develop an understanding on governance, cost sharing, and the various roles and responsibilities of each party. Unfortunately, a common date has not yet been reached for the parties to meet.

Mr. Brian Bowcock reported that Three Valleys Municipal Water District, in its efforts to seek alternate sources of supply, signed a Letter of Intent with ten other water agencies seeking additional information in consideration of a joint project with Cadiz, Inc. to make use of an aquifer in the Mojave Desert for both storage and water supply. Mr. Bowcock then congratulated Ms. Carol Williams, Executive Officer, on receiving her Doctor of Water Award from the Southern California Water Utilities Association.

Mr. Love noted that SGVMWD has been delivering water at 40 cfs since June 15. He also noted that efforts are underway with the Foothill Water Coalition to review the feasibility of constructing wastewater scalping plants to treat wastewater for recharge in the foothills area.

COMMENTS FROM WATERMASTER MEMBERS

Mr. Arrighi noted that he would be on vacation and absent from the August Watermaster meeting. Mr. Love stated that he, too, may miss the August meeting.

Mr. Malloy wished everyone a Happy Fourth of July.

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. Quinn, and unanimously carried, the meeting was adjourned to the next regular meeting of Watermaster on Wednesday, August 5, 2009, at 3:00 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