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RESOLUTION NO. 05-24-320

**A RESOLUTION OF THE MAIN SAN GABRIEL BASIN WATERMASTER
RESCINDING RESOLUTION NO. 05-23-315 AND
ADOPTING ASSESSMENTS FOR PRODUCERS OF THE BASIN
FOR FISCAL YEAR 2023-24 AND
SETTING REPLACEMENT WATER ASSESSMENTS FOR 2023-24 and 2024-25**

WHEREAS, the Main San Gabriel Basin Watermaster “Watermaster” is the Court-appointed agency with the responsibility to manage and maintain the quality and quantity of water in the Main San Gabriel Basin “Basin”.

WHEREAS, pursuant to the most recent amendments to the Judgment, dated June 21, 2012, and Rules and Regulations adopted by Resolution No. 03-13-251, Watermaster has established assessments to be levied on water production for specific purposes detailed in this resolution; and

WHEREAS, Watermaster has adopted assessments effective July 1, 2024; and

NOW THEREFORE, BE IT RESOLVED BY THE MAIN SAN GABRIEL BASIN WATERMASTER, as follows:

Section 1. Resolution No. 05-23-315 is hereby rescinded.

Section 2. There is hereby fixed, established, and levied an In-Lieu Assessment in the amount of Five Dollars (\$5.00) per acre-foot on all Production from the Basin during Fiscal Year 2023-24, except that such In-Lieu Assessment shall not be applicable to the non-consumptive use portion of an Overlying Right.

Section 3. There is hereby fixed, established, and levied an Administration Assessment in the amount of Twenty-one Dollars (\$21.00) per acre-foot on all Production from the Basin during Fiscal Year 2023-24, to meet the said expenses of said adopted Administration Budget.

Section 4. There is hereby adopted, an Administration Budget for Fiscal Year 2024-25, in the amount of Five Million, Four Hundred Sixty-one Thousand, Four Hundred Eighty-six Dollars (\$5,461,486), attached hereto as Attachment “A”.

1 Section 5. There is hereby fixed, established, and levied, a Water Resource Development
 2 Assessment "RDA" of One Hundred Seventy-Five Dollars (\$175.00) per acre-foot on all Production
 3 from the Basin during Fiscal Year 2023-24 and One Hundred Seventy-Five Dollars (\$175.00) per acre-
 4 foot on all Production from the Basin during Fiscal Year 2024-25, in accordance with Resolution No.
 5 12-16-281 as described in Attachment "B" (schedule) of this Resolution, except that such RDA
 6 Assessment shall not be applicable to the non-consumptive use portion of an Overlying Right.
 7 Watermaster shall annually determine the RDA applicable to the current production year and estimate
 8 the same for the next succeeding four years. Said determination shall be made in April of each year,
 9 and in accordance with Section 18(e) of Watermaster's Rules and Regulations and adopted in May of
 10 each year.

11 Section 6. There is hereby fixed, established, and levied a Make-Up Water Assessment in
 12 the amount of Zero Dollars (\$0.00) per acre-foot on all Production from the Basin during Fiscal Year
 13 2023-24, to meet the said expenses associated with the lower area obligation under the Long Beach
 14 Judgment.

15 Section 7. There is hereby fixed, established, and levied the Replacement Water
 16 Assessments on Excess Production from the Basin during Fiscal Year 2023-24, and 2024-25, from
 17 within each of the three Responsible Agencies within the Basin as referenced, below.

Production Based Assessments		
Assessment Description	2023-24 Amount per Acre-Foot	2024-25 Amount per Acre-Foot
In Lieu Assessment	\$5.00	Not determined at this time.
Administration Assessment	\$21.00	Not determined at this time.
Water Resource Development Assessment	\$175.00	Not determined at this time.
Make-Up Water Assessment	\$0.00	Not determined at this time.
Other Assessment as may be determined by Watermaster Board pursuant to the Amended Judgment.	Not determined at this time.	Not determined at this time.

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Replacement Water Assessments		
Assessment Description	2023-24 Amount per Acre-Foot	2024-25 Est. Amount per Acre-Foot
SGVMWD	\$240.00	\$260.00
TVMWD	\$1,003.00	\$1,012.00
USGVMWD	\$1,106.00	\$1,115.00

Section 7. Description of Assessments:

In-Lieu Assessment

Watermaster entered into the Alhambra Exchange Agreement on March 24, 1975 establishing the Basin-wide In-Lieu Assessment. The City of Alhambra agreed to forgo pumping its wells and take direct treated water through an MWD connection for the benefit of the Basin as a whole. The In-Lieu Assessment applies to all Pumping except for the non-consumptive use portion of an Overlying Right. Also included in the In-Lieu Assessment is any Production related to Watermaster’s Direct-Delivery Imported Water Program implemented on January 1, 2015 by Resolution No. 12-14-270.

Administration Assessment

Within thirty (30) days after completion of the hearing on the Preliminary Determination of the Operating Safe Yield of the Basin and Watermaster’s determination thereof, Watermaster shall adopt a proposed budget for the succeeding fiscal year. The Administrative Assessment shall be uniformly applicable to each acre-foot of Production.

Water Resource Development Assessment

Watermaster adopted Resolution No. 05-14-263 providing for the development of a long-term storage program to purchase and store imported water in the Basin, or to augment

1 natural recharge for general benefit of the Basin, when available, as defined by Section 45(b)(7)
2 of the Amended Judgment.

3 Make-up Water Assessment

4 Watermaster is obligated to deliver an amount of water, calculated by the San
5 Gabriel River Watermaster to the Lower Area as a result of the Long Beach Judgment. At times
6 when natural delivery isn't possible, Watermaster must purchase Replacement Water to deliver
7 resulting in a Make-Up Water Assessment.

8 Replacement Water Assessment

9 Replacement Water Assessments shall be collected from each party on account of
10 such party's Production in excess of its Diversion Rights, Pumper's Share or Integrated
11 Production Right, and on account of the consumptive use portion of Overlying Rights, computed
12 at the applicable rate established by Watermaster consistent with the Watermaster Operating
13 Criteria, and other relevant factors, including the projected cost and availability of Supplemental
14 Water supplies. Subject to Rules and Regulations adopted by Watermaster, Replacement Water
15 Assessment rates may be in an amount calculated to allow Watermaster to purchase more than
16 one acre-foot of Supplemental Water for each acre-foot of excess Production to which such
17 Replacement Water Assessment applies, when such purchases are necessary to secure
18 Supplemental Water supplies for the benefit of the Basin and parties.

19 The Watermaster Board recognizes the challenges associated in securing
20 Supplemental Water and varied pricing, and has determined that pricing should better anticipate
21 varying short-term costs and conditions while at the same time, provide economic incentive for
22 Producers to pre-purchase Replacement Water to every extent practicable. In a case where
23 Watermaster receives a discounted available rate, Water Resource Development Assessment
24 funds will specifically apply to additional water purchases.

1 The Judgment enables each Producer to establish an Individual Producer Cyclic
2 Storage Account which allows Replacement Water to be pre-purchased and stored to meet the
3 Producer's current and ongoing pumping needs. Supplemental Water pre-purchased for
4 Individual Producer Cyclic Storage, when available, may be made at the prevailing rate (Tier 1-
5 Untreated for MWD Member Agencies) applicable from within each of the three Responsible
6 Agencies and not the Replacement Water Rate adopted by this Resolution.

7 Section 8. Upon receipt of the final Production Reports for the appropriate Fiscal Year, the
8 Secretary of Watermaster is, hereby, instructed to calculate the required Assessments due from each
9 Producer from the Basin by multiplying its total production from the Basin by the appropriate
10 Assessment Rate, per acre-foot. The Secretary shall then furnish each Producer with a statement of the
11 amount due to Watermaster on account of such required Assessments, on or before August 15, 2024.

12 Section 9. Said required Assessments shall be payable by all Producing Parties, on
13 production within the Basin during Fiscal Year 2023-24, on or before September 20, 2024, and the same
14 shall be delinquent thereafter.
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18 Dated: May 1, 2024

19 
Chair

20 Attest:
21 
Secretary



2024-25 Adopted Administration Budget

Attachment "A"

	2023-24 Adopted Budget	2023-24 Estimated Actual	2024-25 Adopted Budget
REVENUE			
Administrative Assessment ¹	\$ 3,240,000	\$ 3,020,692	\$ 3,465,000
BPOU Reimbursements	155,000	155,000	144,600
Interest Income ²	40,000	404,108	414,500
Admin/Other Income	319,400	325,184	333,000
Forward from Previous Fiscal Year	1,220,260	1,829,876	1,104,386
TOTAL REVENUE	\$ 4,974,660	\$ 5,734,860	\$ 5,461,486
EXPENSES			
Watermaster Board Compensation	\$ 20,000	\$ 15,000	20,000
Salaries, Benefits & Employee Development	2,038,500	2,081,000	2,188,800
Meeting and Travel	25,000	23,000	52,500
Vehicle Expense	11,000	12,500	13,000
Insurance	39,000	43,320	48,600
Office Supplies, Services, Rent and O&M	279,700	250,368	306,800
Legal Services	450,000	250,000	450,000
Audit	22,000	24,535	31,200
Public Education	115,000	112,100	118,200
Engineering ³	448,000	336,900	490,000
Production Reporting	5,000	5,000	5,000
Inspection/Meter Checks	37,500	37,500	40,000
Water Quality Monitoring	1,168,300	1,168,300	1,183,500
Water Quality Management	270,000	270,951	251,000
Contingency (Balance Figure) ⁴	45,660	-	262,886
TOTAL EXPENSES	\$ 4,974,660	\$ 4,630,474	\$ 5,461,486

¹ Figure based on Administrative Assessment of \$21.00/AF (\$21.00/AF X 165,000 AF = \$3,465,000)

² One-time Transfer from the Make-Up Fund Interest: CY of \$219,308 for the Admin. Assessment Shortfall due to lower Production, plus \$89,200 for the overlap of E.O. & Sr. Accountant, for FY 24-25, \$334,500 for the overlap of Retirees.

³ Engineering for FY 24-25 includes \$10k increase due to RDA Buying Power & BPOU Agreement Renewal Work. Also, \$50k for Public Health Goals (PHG - every 3-yrs) under Federal/State /County - Tech Review.

⁴ Contingency 5-year Average is 3.7%. FY 24-25 Contingency at 4.8%.

**Main San Gabriel Basin Watermaster
2024-25 Administration Budget
Detail of Revenues**

Assessments Received (2023-24 Production)		\$ 3,465,000
Estimate of Production (AF)	165,000	
Proposed Admin. Assessment (\$/AF)	\$21.00	
BPOU Reimbursement		\$ 144,600
BPOU Labor & OH	144,600	
Interest		\$ 414,500
Interest on Operating Cash	80,000	
Overlap Costs for Retirees.	334,500	
Admin/Other Income		\$ 333,000
Administrative Reimbursement	332,000	
Other Income (Carrier/Sale of Annl Rpts etc.)	1,000	
Forward from Previous Fiscal Year		\$ <u>1,104,386</u>
	<i>TOTAL REVENUE</i>	\$ 5,461,486

**Main San Gabriel Basin Watermaster
2024-25 Administration Budget
Detail of Expenditures**

Watermaster Board Compensation	\$	20,000
Salaries/Benefits/Employee Development	\$	2,188,800
Salaries & Overtime	1,388,300	
Benefits & Taxes	700,000	
Contribution to Medical Retiree Fund	85,500	
Employee Educational Reimbursement	10,000	
Employee Training	5,000	
Meeting/Travel	\$	52,500
ACWA/Basin conferences	18,000	
In-house meeting expense	10,500	
Outside meeting expense	3,100	
Strategic Planning	20,000	
Employee Recognition and Christmas Luncheon	900	
Vehicle Expense	\$	13,000
1 car allowance @ \$900/mo plus 2-mos. @ \$700/mo.	12,200	
Staff mileage reimbursement	800	
Insurance	\$	48,600
Staff, Treasurer's Bonds & Notary	350	
Travel/Accident Insurance	750	
Liability Coverage (inc D&O and Pollution Protection)	45,000	
Property & Cyber Liability Coverage	2,500	
Supplies/O&M	\$	306,800
Building lease @ \$5,578/mo	67,000	
Management Fee and O&M	5,000	
Office Improvements	8,500	
Postage & meter lease	4,000	
Copier lease/usage	12,000	
Telephone	8,500	
Printing Expense	11,000	
Office supplies & services	50,000	
Dues (associations, professional)	33,700	
Equipment Maintenance/Agreements	45,500	
Computer/Office Equipment	61,600	
Legal Services	\$	450,000
Nossaman LLP	450,000	
Auditing Fees	\$	31,200
Financial Audit (incl. Actuaries)	31,200	
Public Education	\$	118,200
Events (Water Forum)	6,000	
WM public education/relations material	22,200	
WM Outreach messaging	90,000	

Engineering		\$	299,000
General (meetings, OSY, annual report, etc.)	289,000		
Landfill inspections	10,000		
Federal, State, County - Technical Review		\$	191,000
General Review (meetings, report prep, studies, etc.)	163,000		
Database Management	16,000		
CASGEM	2,000		
Modeling	10,000		
Production Reporting	5,000	\$	5,000
Inspection/Meter Checks	40,000	\$	40,000
Water Quality Monitoring		\$	1,183,500
Sampling/Administration & Lab (Title 22)	563,500		
Sampling/Administration & Lab (UCMR5)	260,000		
Sampling/Administration & Lab (PFAS)	360,000		
SOC Waivers (every 3 years)	-		
Water Quality Management		\$	251,000
Section 28 Staff Reports	80,000		
Five-Year Plan	51,000		
Groundwater monitoring /well testing program	110,000		
Quagga Mussel Plan	10,000		
Contingency (balance figure)		\$	262,886
		\$	5,461,486
	TOTAL EXPENSES		

Attachment "B"

<u>Year</u>	<u>RDA</u>	<u>Estimated MWD Water Purchase</u>
FY 2016-17	\$40/AF	9,146 AF
FY 2017-18	\$70/AF	15,411 AF
FY 2018-19	\$105/AF	22,365AF
FY 2019-20	\$140/AF	28,449 AF
FY 2020-21	\$175/AF	33,929 AF
FY 2021-22	\$175/AF	32,219 AF
FY 2022-23	\$175/AF	30,988 AF
FY 2023-24	\$175/AF	29,847 AF
FY 2024-25	\$175/AF	28,713 AF
FY 2025-26	\$175/AF	27,593 AF

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