

**MINUTES OF THE
ASSOCIATION OF GROUND WATER AGENCIES (AGWA)
BOARD OF DIRECTORS MEETING
HELD MONDAY, JANUARY 9, 2006 – 1:30 P.M.
AT CHINO BASIN WATERMASTER**

Chairman John Rossi called the meeting to order.

Directors/Alternates present:

John Rossi, Chairman	Western Municipal Water District
Rick Iger, Vice Chairman	Kern County Water Agency
Ken Manning	Chino Basin Watermaster
Behrooz Mortazavi	Eastern Municipal Water District
Carol Williams	Main San Gabriel Basin Watermaster
Carol Williams	Raymond Basin Management Board
John Kennedy	Orange County Water District
Mike Sovich	Six Basins Watermaster
Melvin Blevins	Upper Los Angeles River Area Watermaster

Affiliates present:

Michael Donovan	Psomas & Associates
Kathy Kunysz	Metropolitan Water District of Southern California
Amy Rego	Metropolitan Water District of Southern California
John Otto	Tehachapi-Cummings County Water District

Others present:

Gordon Treweek	Chino Basin Watermaster
Ken Breitag	Main San Gabriel Basin Watermaster
Alfred Smith	Nossaman Guthner Knox & Elliott
Tom West	RMC Water and Environment
Rick Hansen	Six Basins Watermaster
Phil Rosentrater	Western Municipal Water District

MINUTES/FINANCIAL STATEMENTS

On a motion by Director Blevins, seconded by Director Manning, and unanimously carried, the minutes of the July 18, 2005 and October 17, 2005 meetings were approved. The Chairman also stated that Financial Statements for October through December 2005 were available for review, and then he ordered the Financial Statements to be received and filed.

DISCUSSION AND ACTIONS

Nominating Committee Report - Director Blevins reported that he had spoken with Director Rossi and Director Iger about continuing in their respective roles as AGWA Chair and Vice Chair, and he stated that both have agreed to do so. He also noted that Director Williams should continue as Secretary/CFO, and her staff should continue performing AGWA administrative functions.

On motion by Director Blevins, seconded by Director Manning and unanimously carried, AGWA elected the following officers for 2006: Director Rossi, Chairman; Director Iger, Vice Chairman; and Director Williams, Secretary/Chief Financial Officer.

MWD Southern California Groundwater Basin Assessment Report – The Chairman reported that a meeting was held on December 16 at MWD relative to an issue which arose in MWD's Water Planning, Quality and Resources Committee. He noted that the meeting was well-attended by representatives of Southern California groundwater basins, and he explained that Ms. Kathy Kunysz of MWD has been assigned to lead a project to study basins in MWD's service area.

Ms. Kunysz explained that MWD is seeking to perform a baseline study of the groundwater basins, assembling information about capacity, production, recharge, storage trends, governance, quality issues, and much more. She stated that MWD staff is currently developing a questionnaire to help gather this information, and she noted that AGWA may be a good forum to get feedback on the questionnaire. She stressed that this project is currently limited to gathering facts about the basins. Consultants have been hired to help with the project, which is expected to last about six months.

2006 AGWA-AGWT Conference – Mr. Breitag reported that registrations for the conference are being received by AGWT, and he stated that efforts are still being made to publicize the daylong event. He distributed brochures for AGWA members to, in turn, distribute at upcoming meetings.

AGWA's Role with Other Groundwater Associations - The Chairman stated that it might be beneficial to AGWA to consider joining efforts with other groundwater associations to become a more prominent voice relative to Southern California groundwater issues. He noted that a formal affiliation with GRA could be a possibility, and Director Williams noted that it would be good if AGWA could participate in GRA's Lobby Day. The Board then discussed possible ways in which AGWA could become more prominent.

COMMITTEE REPORTS

MWD Liaison Committee – Mr. Hansen noted that MWD has been discussing a new rate structure for 2007, which largely leaves current rates unchanged. Ms. Rego reported that Replenishment Water will remain available from MWD through April and that Diamond Valley Reservoir is currently full.

Regulatory Committee – Director Mortazavi stated that he had nothing of note to report relative to regulatory issues, and he suggested that, given overlap of many regulatory issues with legislative issues, that the Committee might be merged with AGWA's Legislative Committee.

Communications Committee – Director Manning reported that the program for the AGWA-AGWT conference continues to come together, with MWD Board Chairman Wes Bannister scheduled to make the lunchtime keynote address. Mr. Breitag stated that the deadline for items for AGWA's winter 2006 newsletter would be January 20.

Legislative Committee – Director Williams reported that there have not yet been many bills introduced in the new state legislative session. She noted that GRA's Lobby Day would be

happening in the spring, and that might be a great opportunity for AGWA to get involved with that organization.

The Chairman noted that he now has a staff person who will be able to assist AGWA with legislation analysis.

Director Mortazavi reported that Eastern Municipal Water District is trying to get a bill introduced which would better define recycled water issues.

AGENCY REPORTS

Director Mortazavi reported that Eastern MWD is in the process, together with two other water agencies, two cities and 60-70 pumpers, of adjudicating a couple of small groundwater basins. The process, which is expected to take another year or two, has been complicated by the involvement of Indian tribes. One of the tribes is seeking to build a casino, which would require Congressional action.

Director Blevins reported that water levels in the San Fernando Basin have continued to drop, and a status conference with the court is scheduled for March 24 due to the situation.

Director Manning reported that in the Chino Basin work is being done to finalize expenditure of \$10 million, received through a DWR grant, to add to \$40 million of work already completed to expand basin spreading facilities. He also reported that the Santa Ana Regional Board recently issued cleanup and abatement orders to six corporations identified by EPA as PRPs for groundwater contamination in the vicinity of Ontario Airport, and negotiations with the PRPs are beginning. Additionally, Director Manning reported that Chino Basin parties are in the process of completing an agreement known as "Peace Two," which addresses several issues left unresolved from negotiations five years previously.

Director Iger reported that the State Water Project allocations for the year have been increased to 65 percent, and Article 21 water is still available from the previous year. Plus, some San Joaquin Valley water districts are still storing carry-over water in San Luis Reservoir. He also reported that turbidity in the California Aqueduct went up dramatically as a result of recent storms in Northern California. Over the past year the Kern County Water Agency has spread 700,000 acre-feet, and a total of 1.3 million acre-feet has been spread in the county.

Mr. Otto reported that Tehachapi-Cummings County Water District has so far been unable to receive Article 21 water available to it because of the high cost of natural gas, which is necessary to pump the water up 3,400 in elevation to get to the district. Instead, the district is putting the water into storage in the San Joaquin Valley for use at a later date.

Director Williams reported that for the past several years the Main San Gabriel Basin Watermaster has been participating, with Los Angeles County and many other parties, in development of a San Gabriel River Master Plan. Among project proposals for the plan were three by the Fly Fishers Club of Orange County, which a consensus of the parties decided should not be included in the plan; however, the county included the three proposals, anyway. Among the provisions of club's proposals are minimum stream flow, which raises serious issues relative to water supply and water rights, and Watermaster feels it is now in a position where it must oppose the plan. Director Williams also reported that Watermaster

staff has been participating in a process to develop an Integrated Regional Water Management Plan for Los Angeles County, and she noted that AGWA may have an opportunity for a future role in this effort.

Director Kennedy reported that, due to the heavy rains last year, Orange County Water District is beginning to discuss how much it might be able to increase basin pumping in the coming year. He noted that artesian wells have appeared in areas of Orange County for the first time in many years.

Mr. Smith reported that there has been little activity recently in the Antelope Valley adjudication as parties wait for the federal government to decide whether to allow the matter to move forward in state court.

NEXT MEETING

The Chairman stated that the next AGWA regular meeting is scheduled for Monday, March 20, 2006, at the offices of the Main San Gabriel Basin Watermaster, 725 North Azusa Avenue in Azusa. Lunch will be served at 1:00 p.m., and the regular meeting will begin at 1:30 p.m.

Carol Williams, Secretary/CFO

ATTEST:

John Rossi, Chairman