

**MINUTES OF THE
ASSOCIATION OF GROUND WATER AGENCIES (AGWA)
BOARD OF DIRECTORS MEETING
HELD MONDAY, MARCH 20, 2006 – 1:30 P.M.
AT MAIN SAN GABRIEL BASIN WATERMASTER**

Vice Chairman Rick Iger called the meeting to order.

Directors/Alternates present:

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

Affiliates present:

Kathy Kunysz	Metropolitan Water District of Southern California
John Otto	Tehachapi-Cummings County Water District

Others present:

Kraig Erickson	RMC Water and Environment
Fred Fudacz	Nossaman Guthner Knox & Elliott
Ian Goltz	Mission Geoscience Inc.
Eric Hendrix	Mission Geoscience Inc.
Keith Lyon	Municipal Water District of Orange County
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 January 9, 2006, meeting were approved. The Vice Chairman also stated that Financial Statements for January and February 2006 were available for review, and then he ordered the Financial Statements to be received and filed.

DISCUSSION AND ACTIONS

AGWA-AGWT Conference Feedback and Results -- Director Manning reported that the feedback from the conference has been good. Approximately 150 people attended, and the panels were interesting and well-suited for their audiences. He also reported that a member of his staff attended the tour on the following day and commented favorably on it. Director Blevins stated that he also received positive comments on the conference. Director Manning noted that there was some difficulty securing a political figure as the luncheon speaker due to the day of the week (Monday), and commented that if AGWA and AGWT wish to have politicians as speakers, the conference should perhaps fall on a Friday when legislators are more likely to be available. Director Manning also suggested that AGWA should consider moving ahead with a commitment to AGWT for a conference in 2007 in order to secure a date and facility and begin program planning. He also indicated that by AGWA's May

meeting he should be able to present a cost reconciliation for the conference and report on any money payable to AGWA by AGWT based on the agreement.

MWD Southern California Groundwater Basin Assessment Report – Ms. Kathy Kunysz reported that a questionnaire had been developed and distributed to groundwater managers within the MWD service area in order to gather information for a baseline study of the groundwater basins, including information on capacity, production, recharge, storage trends, governance, quality issues, etc. She stated that the responses to the questionnaires were due last Friday, but she understood that many responses had not yet been received and would be forthcoming.

Director Kennedy stated that Director Grebbian of Orange County Water District and President Rossi of Western Municipal Water District, along with Mr. Richard Atwater of Inland Empire Utilities Agency, had expressed concern about the potential interpretation of data and intended use of the study, and would like an opportunity to discuss these issues further with AGWA members and with MWD staff. He indicated that it might be appropriate for AGWA to retain a consultant to compile and organize the data for submittal to MWD. Ms. Kunysz noted that MWD has staff as well as a consultant working on the study. It was agreed that a conference call may be arranged with AGWA members and MWD staff to further discuss the organization of the collected data, especially in regard to the intended use of the study.

Request from Mission Geoscience Inc. for Affiliate Membership -- The Vice Chairman stated that Mission Geoscience Inc. had submitted a request to become an affiliate member of AGWA, and invited its representatives to provide some background on the organization. Mr. Eric Hendrix, Principal Hydrogeologist, described Mission Geoscience's involvement in groundwater matters, including wellhead protection studies and various hydrologic investigations. He also noted that the company had done considerable work with Golden State Water Company and its legal counsel in the Southern California area. On motion made by Director Manning, seconded by Director Williams and unanimously carried, Mission Geoscience Inc. was approved as an affiliate member of AGWA. The Vice Chairman noted that the company should provide the names of its designated representatives to receive meeting notices and information.

COMMITTEE REPORTS

MWD Liaison Committee – Director Sovich noted that Three Valleys MWD and other MWD member agencies continue to develop the Central Pool Integrated Area Study as part of the MWD System Overview Study. He indicated that the group is identifying long-term demands, and seeking ways to provide MWD members with operational flexibility in managing those demands by optimizing use of local supplies.

Ms. Kunysz reported that newly appointed MWD General Manager Jeff Kightlinger had named Roger K. Patterson as Assistant General Manager for water planning and resources. Debra Man, Chief Operating Officer, has also been named Assistant General Manager.

Communications Committee – Director Manning stated that the Committee had been considering improvements to the AGWA website for some time, and asked if the board wished to consider paying a consultant to redesign and maintain it. Director Blevins and

others expressed general support for such services. Director Zampiello noted that Director Brill had suggested and begun work on website improvements, including inter-active links for each of the member agencies that would bring up brief presentations for each basin; however, the concept had not been further developed. Director Manning indicated that he would obtain a proposal for website services from his agency's consultant for the next meeting, and he was open to suggestions for other consultants, as well.

Director Iger pointed out that volunteers were needed to assist with the development and coordination of the next AGWA-AGWT conference, especially since AGWA will have limited support staff available for the next several months. Director Blevins volunteered to assist with conference program development, and it was determined that support staff should be available well before any significant conference planning activities begin.

Legislative Committee – Director Williams reported that the Legislature had not succeeded in passing an infrastructure bond measure for the June ballot, but the various bond bills, including the water bond, would continue to be debated in hopes of being placed on the November ballot. She also reported that GRA's Lobby Day is scheduled for Monday, April 17 in Sacramento, and encouraged all members to attend, since AGWA and GRA share common interests. She noted that registration information and an agenda are available on the GRA website. Director Manning stated that groundwater needs to be better represented in water bonds, and agreed that the GRA Lobby Day provided a good opportunity to educate legislators on the importance of groundwater. Mr. Rosentrater concurred, pointing out that legislators have many misconceptions about groundwater storage and conjunctive use, and April and May would be the time to educate legislators and work for better groundwater representation in bond measures considered for November.

Director Iger suggested that AGWA might find additional ways to coordinate with GRA, and that a GRA Southern California branch meeting could potentially be coordinated with an AGWA meeting.

Mr. Rosentrater then reviewed several bills currently in the Legislature, including SB 1640 introduced by Senator Kuehl in response to last year's vetoed SB 820 and again attempting to measure water use and availability throughout the state; he also noted SB 1425 pertaining to groundwater extractions.

AGENCY REPORTS

Director Blevins reported that as consultant to the Watermaster he has re-evaluated the safe yield for the Sylmar Basin, which was at 6,510 acre-feet and has been increased to 6,800 acre-feet. The increase will be shared by the cities of Los Angeles and San Fernando. He also reported that the safe yield for the San Fernando Basin may be re-evaluated but is a sensitive issue affecting the cities of Los Angeles, Glendale and Burbank. Water levels in the basin have experienced a general decline, despite recharge of nearly 70,000 acre-feet.

Mr. Otto reported that, after 35 years of operation under the Judgment, the cities and community in the Tehachapi Basin want more information on the operation of the Basin than what is currently available through the Watermaster and the court, so a groundwater model is being developed. The project is similar to one done previously for the Cummings Basin.

Director Sovich stated that in the Six Basins area San Antonio Water Company has requested a storage agreement for water spilled to the San Antonio Spreading Grounds. A similar agreement is already in place with the City of Pomona, but the terms may need to be revisited in light of the new request. Director Sovich also reported that Three Valleys Municipal Water District continues to serve as lead agency for the San Antonio Spreading Grounds conjunctive use project with MWD, and that project is now in design. Additionally, the City of La Verne has initiated a small conjunctive use project in the Live Oak Basin, and construction is expected to begin this summer.

Director Kennedy reported that Orange County Water District is preparing to set its pumping assessment, and the amount is planned to increase from \$205 to \$224 per acre-foot. He also noted that eight wells are being installed as part of its MWD conjunctive use program, and the cost has reached \$2 million per production well. He added that the wells are generally between 700 and 1,000 feet deep, and the cost per well does not include land purchase.

In the Raymond Basin, Director Zampielo stated that the City of Pasadena and the Jet Propulsion Laboratory have reached an agreement to clean up perchlorate contamination in four wells in the Monk Hill area. However, other wells are also contaminated, and thus far no agreement has been reached for their remediation. Director Zampielo also noted that the Raymond Basin Management Board is developing draft supplemental water criteria to address the quality of imported water used for spreading and injection. Additionally, he reported that RBMB has passed a resolution of support for the Pasadena/MWD conjunctive use program, but it's not clear at this time if RBMB will be a party to that agreement.

Director Williams reported that low levels of 1,2,3-TCP have been detected in the northern facilities of the Baldwin Park Operable Unit clean-up project, and the parties are evaluating whether additional treatment facilities will be needed, or if existing facilities can adequately address the contaminant. The facilities already include three treatment phases -- ion exchange for perchlorate, air stripping for volatile organics, and UV/oxidation for NDMA and 1,4-dioxane; however, liquid phase carbon treatment may be required for removal of 1,2,3-TCP.

Director Manning stated that Chino Basin parties continue to negotiate an agreement known as "Peace Two," which addresses several issues left unresolved from negotiations five years previously, including a plan for the next phase of implementation for the desalters. The court requires that a solution be presented to these issues by July of this year. Additionally, he noted that Chino Basin has two significant plumes of contamination: one near Ontario International Airport, and one near Chino Airport. The Ontario plume is primarily VOCs with some perchlorate, but no apparent responsible party has been identified for the perchlorate contamination. Regarding the Chino Airport plume, the only responsible party is the County, and the Watermaster hopes to partner its hydraulic control effort with the County's remediation requirements, resulting in reduced costs to both sides and a water supply for Chino Hills.

Mr. Rosentrater noted a recent decision by the San Bernardino County Local Agency Formation Commission determining that the San Bernardino Valley Water Conservation District's sphere of influence was "zero" and there was overlap with the purpose of San Bernardino Valley Municipal Water District. The decision could mean consolidation of the districts some time in the future.

Director Iger reported that the State Water Project allocations for the year have been increased to 70 percent, and that amount could increase with current storms. Article 21 water is still available, and up to 7,000 cfs is being pumped out of the Delta for the benefit of the collective State Water Project contractors. Of that, Kern County is receiving about 1,000 cfs. Additionally, he discussed the availability of Central Valley Project water for the long-term federal contractors at about \$32/acre-foot.

Director Iger also stated that the GAMA report for the Bakersfield area is now on the State Water Board website, and the report sensationalizes and unfavorably characterizes the quality of area water, particularly for the city of Bakersfield.

Director Manning noted that the GAMA program would be initiated in Chino Basin in a few months, and a kick-off meeting with USGS representatives was planned soon. He indicated that he would invite President Rossi, Director Williams, and any other interested AGWA members to attend.

Director Iger also reported that Kern County Water Agency's new website, kcwa.com, was up and operating as of that day.

Mr. Fudacz reported that the Antelope Valley groundwater adjudication is unfolding, and a judge from San Jose has been appointed by the Judicial Council to preside. The action includes the federal government, the state of California, and even the city of Los Angeles as parties.

NEXT MEETING

The Chairman stated that the next AGWA regular meeting is scheduled for Monday, May 15, 2006, at the offices of the Chino Basin Watermaster in Rancho Cucamonga. Lunch will be served at 1:00 p.m., and the regular meeting will begin at 1:30 p.m. Chino Basin Watermaster personnel will provide a presentation on current issues and projects.

Carol Williams, Secretary/CFO

ATTEST:

Rick Iger, Vice Chairman