

**MINUTES OF THE
ASSOCIATION OF GROUND WATER AGENCIES (AGWA)
BOARD OF DIRECTORS MEETING
MONDAY, JULY 16, 2007
AT CHINO BASIN WATERMASTER**

Chairman John Rossi called the meeting to order.

Directors/Alternates present:

Rick Iger, Vice Chair	Kern County Water Agency
Ken Manning	Chino Basin Watermaster
John Rossi, Chairman	Western Municipal Water District
Mike Sovich	Six Basins Watermaster
Carol Williams, Secty/CFO	Main San Gabriel Basin Watermaster
Tony Zampiello	Raymond Basin Management Board

Affiliates present:

Michael Donovan	Psomas and Associates
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Others present:

Kathy Casterline	Kern County Water Agency
Donna DiLaura	Main San Gabriel Basin Watermaster
Fred Fudacz	Nossaman Guthner Knox & Elliott LLP
Mario Garcia	Six Basins Watermaster
Phil Rosentrater	Western Municipal Water District

MINUTES/FINANCIAL STATEMENTS

It was noted by the Chairman that the quorum required for conducting Board business was not present. Director Manning moved that the absent directors be polled electronically and that the minutes of the March 26, 2007 and May 21, 2007 meeting be approved, pending receipt of a majority of affirmative electronic votes from those Directors not present. The motion was seconded by Director Zampiello and staff was directed to request electronic votes from those absent directors. The Chairman stated that Financial Statements through June 30, 2007 were available for review, and then ordered the Financial Statements to be received and filed. (NOTE: Subsequent to the meeting, the absent directors were polled, and the minutes of the March 26 and May 21 meetings were approved with 7 affirmative votes.)

DISCUSSION AND ACTION ITEMS

Update on Alternative to CRWQCB Santa Ana Region Proposed WDRs for Injection/Percolation of Imported Water- Chairman Rossi reported on the progress of the workgroup formed to develop an alternative to the Santa Ana Regional Water Quality Control Board's proposed Waste Discharge Requirements on imported water recharge. Chairman Rossi reported that a streamlined draft agreement has been circulated to all parties who would be part of the cooperative plan for approval. He also reported that he expects all parties to agree to a sixty day review and approval period. Chairman Rossi stated that the format of the agreement remains based on the CEQA approach, where interested parties would be notified of a project and allowed to comment. He also noted that this first phase of the agreement includes objectives for TDS, nitrate and salinity, as well as pre-approved

modeling efforts to evaluate project impacts. Additionally, Chairman Rossi stated that the second phase of the agreement process addressing standardized monitoring methods and protocols will begin in two weeks. He also reported that the Santa Ana Regional Board staff will not take the agreement to the Regional Board for approval until the second phase of the agreement is completed.

Update on GAMA program implementation/results in AGWA member areas – Chairman Rossi reported that ACWA and the AB 599 Advisory Committee have a workshop planned for August 23 to review USGS' progress and interaction with local agencies and to discuss a process for addressing questions regarding data. He also stated that he is not aware of any active sampling being conducted at this time. Mr. Iger stated that he is waiting on the USGS report for his area. In response to a question by Ms. Williams regarding pharmaceutical testing results, those present stated that they have yet to receive any results on such testing.

It was also noted that the National Water Research Institute (NWRI) has been asked to prepare a scope for a 2-day workshop with water industry representatives on how to address the issue of monitoring for emerging chemicals when health and risk information has not yet been established.

Status of MWD Groundwater Basin Assessments – Chairman Rossi reported that Metropolitan Water District hosted a workshop on Thursday, May 24th, from 10:00 a.m. to 12:00 p.m. to prompt discussion and feedback on the draft report. Director Zampielo stated that the main concerns discussed by those in attendance included presentation of some of the basic water data, terminology and water quality descriptions. Director Manning indicated that MWD staff will present a final draft of the Groundwater Basin Assessment to the MWD Board of Directors by September 2007, so comments to the Executive Summary will need to be submitted as soon as possible.

Status of Decision re: State Water Project Pumping – Director Iger stated that the pumps at the Delta which supply water to the State Water Project are back on, following a shut down by the State earlier this month in order to protect the Delta smelt fish; however, allocations of water are expected. Mr. Fudacz noted that Judge Wanger's ruling indicates the potential for a one-third reduction in pumping in average years. Director Iger indicated that the SWP allocation may only be 25 percent next year. He also noted that there may now be a concern for off-peak pumping, in light of a theory that the smelt may be more attracted to the pumps at night. He stated that MWD is sponsoring studies to identify methods to keep the smelt away from the pumps, including consideration of temperature, daylight, and other factors.

Chairman Rossi reported that MWD is discussing a policy whereby if the SWP allocation is less than 60 percent, agricultural deliveries would be cut by 30 percent effective January 1.

Director Iger reported that Kern County intends to borrow approximately 35,000 acre-feet of water from Metropolitan Water District from the San Luis reservoir and replace the water later in the year with groundwater.

Status of California Groundwater Coalition Effort with GRA and Others - Director Williams reported that staff has been collecting contributions from CGC members and continues to seek additional members. Director Williams also stated that the CGC lobbyists at Hatch & Parent would like to schedule meetings with legislators soon and would like to include the

appropriate groundwater agency representatives for those legislative districts; therefore, staff requests that members submit their forms as soon as possible. Chairman Rossi provided a cover letter to be sent with the form to recruit new members to participate in the CGC effort. Director Iger requested that staff advise Hatch & Parent not to contact his area legislators.

COMMITTEE REPORTS

MWD Liaison Committee – Chairman Rossi congratulated Director Manning for his work with Mr. Richard Atwater, Inland Empire Utilities Agency, in successfully increasing the Chino Basin Dry-Year Yield Program with Metropolitan Water District from 100,000 acre-feet to 150,000 acre-feet. The “take” provision of the agreement is also now increased to up to 50,000 acre-feet per year.

A short discussion followed regarding AB 885 (Calderon), a bill that would maintain the current composition and number of the board of directors of the Metropolitan Water District as of January 2007 but would require MWD to periodically review and make recommendations to the Legislature regarding the composition of its board. The bill was still in the Senate Local Government Committee as of this date.

Director Sovich reported in regard to Proposition 84, Chapter 2, that the California Department of Public Health has issued a solicitation for pre-applications for project grants under that chapter (safe drinking water emergency funding, small community infrastructure improvements for contaminants, and programs to prevent or reduce groundwater contamination in drinking water); the application period closes July 31, 2007. More information is available on the Department of Health Services website. He also reported that additional funds may be available for desalter projects, including retroactive funding for projects already completed.

Communications Committee – Director Manning reported that a planning meeting will be held in September for the 2008 conference to plan speaker forum topics and potentially add vendor booths. He stated that the partnership with AGWA and American Ground Water Trust continues, and AGWT remains involved in the conference. Lastly, Director Manning stated that a tour of the Monte Vista Water District site for injection of high quality water into the Chino Groundwater Basin may be offered as part of the conference.

With regard to the website, Director Manning reported that he will request that a link to the MWD Groundwater Basin Assessment report be added once it is available. Website improvements are pending.

Legislative/Regulatory Committee – Director Williams reported that SB 1002 (Perata), Water Quality, Flood Control and Wildlife bill, is the most pressing legislative issue at this time. Director Williams stated that ACWA is currently opposing the bill, but the CGC group is supporting it because it would direct that certain Prop. 84 funds be used for groundwater programs. Additionally, Mr. Rosentrater distributed a list of the legislative issues that Western Municipal Water District is tracking. He also distributed a copy of a press release issued by Governor Schwarzenegger’s office addressing the water supply situation in California.

AGENCY REPORTS

Director Williams reported that the Valley County Water District treatment plant, part of the Baldwin Park Operable Unit cooperative cleanup project, will be featured in a December episode of the Discovery Channel cable television program Modern Marvels.

Director Zampiello reported that the Raymond Basin Management Board is acting as administrators of the newly formed Foothill Water Coalition, comprised of representatives from the foothill area groundwater management agencies and municipal water districts. The Coalition's focus is on securing federal grant funding for water supply studies and projects, and may also serve as a platform for joint efforts with regard to supply reliability and cooperation within the region. One such effort is the Water Resources Development Act bill, currently under consideration by the Senate. If approved, the Coalition will proceed with an area study in the spring of 2008. He also reported that the RBMB Pumping and Storage Committee is currently developing the specific elements of a basin-wide management plan which considers past management practices, proposed programs and recommendations from the recently completed Baseline Study. The intent is to develop a plan that will serve to address issues of drought and over production while long-term solutions are being developed. Additionally, in regards to the status of the Pasadena Groundwater Storage Program, Director Zampiello stated that the Environmental Impact Report is available for review and comment on the RBMB website at www.raymondbasin.org. Lastly, he reported that a focused task force has been formed with Foothill Municipal Water District and the producers of the Monk Hill sub-area to develop solutions to supply concerns unique to that group of producers.

On behalf of Six Basins, Mr. Sovich reported that the annual report is currently being completed. He also reported that the San Antonio Spreading Grounds and the Live Oak Spreading Grounds conjunctive use programs are scheduled to be completed by March 2008. Mr. Sovich also introduced Mr. Mario Garcia, stating that he has returned to TVMWD and will be appointed as his alternate to AGWA for Six Basins. Lastly, Mr. Sovich reported that Six Basins is currently considering its Operating Safe Yield for 2008.

Director Iger introduced Ms. Michelle Casterline, Hydrologist with Kern County Water Agency, stating that Ms. Casterline will be working with Mr. Haslebacher on hydrology reports and various water projects. Director Iger reported Kern County water agencies continue to pump groundwater, and KCWA may store Delta water in San Luis Reservoir and allow groundwater pumping to continue. He also reported that Semitropic Water Storage District is interested in expanding its storage program and has purchased its own drill rig. He also indicated that the connection to MWD can now provide 350 cfs, up from 300, and will increase to a capacity of 600 cfs with the proposed expansion.

Mr. Fudacz reported that the San Fernando Basin has experienced a long term decline in storage. He stated that there are no restrictions of carryover credits and there is thus a large accumulation of credits, but the actual water for those credits may not exist. A court hearing was held two months ago and the judge encouraged all parties to reach an agreement. The parties appear to have reached an agreement; however, one party is still considering its position.

Director Manning reported that a timeline has been established for the Chino Basin Watermaster Peace II agreement to go the court and to the Regional Board. He also reported that Monte Vista Water District has starting injecting high quality treated water from the

Water Facilities Authority into the Chino Basin as part of the Basin's first-ever Aquifer Storage and Recovery (ASR) program. The district is working with Chino Basin Watermaster on a "max benefit" and thereby avoiding regulation by the Regional Board. Additionally, Director Manning reported that CBWM continues to work with the Ontario and Chino Airports on water quality issues and is trying to implement hydraulic control in those areas. He noted that the groundwater protection activities cannot wait for agreement from the airports, and CBWM may be forced to move ahead and sue later to recover costs. Lastly, Director Manning reported that the board has approved a long term subsidence plan for the Chino Basin, and CBWM counsel will bring it before the court next month.

Chairman Rossi reported that the State Board hearings were held recently in connection with applications from Western Municipal Water District and other water agencies for additional water rights on the Santa Ana River resulting from water stored behind the Seven Oaks Dam. All parties presented their cases and were in general agreement, and are hoping for a decision from the State Board in late fall. Chairman Rossi also reported that construction of the Perris Valley Pipeline, 6.5 miles of 96-inch pipeline that will provide substantial water reliability and quality to western Riverside County, is scheduled to begin in September 2007. Additionally, state grant funds have been awarded for the Riverside-Corona Feeder, and federal legislation that would provide up to \$50 million toward the project is also moving forward.

NEXT MEETING

The next regular meeting of AGWA is scheduled for **Monday, September 17, 2007, at 1:30 p.m.** at the offices of the Main San Gabriel Basin Watermaster, located at 725 N. Azusa Avenue, Azusa, CA, 91702.

Carol Williams, Secretary/CFO

ATTEST:

John Rossi, Chairman