

**MINUTES OF THE
ASSOCIATION OF GROUND WATER AGENCIES (AGWA)
BOARD OF DIRECTORS MEETING
MONDAY, SEPTEMBER 18, 2006 – 1:30 P.M.
AT MAIN SAN GABRIEL BASIN WATERMASTER**

Chairman John Rossi called the meeting to order. Director Iger was present by proxy.

Directors/Alternates present:

John Rossi, Chairman	Western Municipal Water District
Carol Williams, Secty/CFO	Main San Gabriel Basin Watermaster
Tony Zampielo	Raymond Basin Management Board
Mario Garcia	Water Replenishment District of So. Calif.
Mark Mackowski	ULARA Watermaster
Mike Sovich	Six Basins Watermaster

Affiliates present:

Kathy Kunysz	Metropolitan Water District of Southern California
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Others present:

David DeJesus	Three Valleys Municipal Water District
Donna DiLaura	Main San Gabriel Basin Watermaster
Alfred Smith	Nossaman, Guthner, Knox & Elliott LLP

MINUTES/FINANCIAL STATEMENTS

On a motion by Director Zampielo, seconded by Director Sovich, and unanimously carried, the minutes of the July 17, 2006 meeting were approved. The Chairman also stated that Financial Statements through August 31, 2006 were available for review, and then he ordered the Financial Statements to be received and filed.

DISCUSSION AND ACTIONS

Update on CRWQCB Santa Ana Region Proposed WDR's 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. He reported that Bill Dendy has been retained as facilitator, and participants will be contacted to determine their concerns and needs regarding imported water. Water quality management is expected to be performed voluntarily by local agencies, with focus on specific areas within the region. Groundwater modeling may also be an option for the future.

In response to a question from Director Mackowski, Chairman Rossi clarified that the proposed source monitoring is needed to obtain cyclic data for imported water use in the basin, for example, the amount imported during a drought and at other times throughout the year. Ms. Kathy Kunysz stated that MWD is reviewing the proposed program and likely has much of the data. Chairman Rossi also indicated that the workgroup is still discussing whether the monitoring program will be limited to constituents such as Total Dissolved Solids, or if it will be expanded to include organic compounds and emerging chemicals.

Renewal of Newsletter Consultant Services (w/Jennifer Greenlief) – Director Williams presented Ms. Greenlief’s proposal for renewal of her annual contract to prepare AGWA's quarterly newsletter. On a motion by Director Sovich, seconded by Director Mackowski, and unanimously carried, renewal of the agreement with Jennifer Greenlief was approved, at a cost of \$1,850.00 per quarterly newsletter, and \$85 per hour for graphic arts coordination.

Update on GAMA program implementation/results in AGWA member areas – Chairman Rossi reported that the USGS performed sampling and analysis in the Temecula area, which accounts for seventy-five of the total samples taken in the area. USGS attempted to conduct additional random GAMA sampling in this area also, but was unsuccessful due to permission issues at a few of the testing sites, and also because some of the selected wells are currently not in service. The resulting data report was published approximately six months ago, and the Interpretive Report is expected to be issued soon. USGS maintains that it will seek input from well owners and water agencies in developing the report; however, water agencies are concerned about how monitoring results will be reported and interpreted, since some of the sampling was analyzed by standard methods, while other constituents were analyzed using ultra-low detection methods.

Chairman Rossi noted that USGS sampling continues in other Basins, and while not all well owners are allowing USGS staff on-site, USGS reports that, based on data collected to date, the top fifteen percent of the largest basins have provided eighty-ninety percent of groundwater data for the state.

Director Williams reported that in June 2005 USGS sampled in the San Gabriel, San Fernando and Raymond Basins. The San Fernando Basin was sampled first, followed by San Gabriel and Raymond Basins. She stated that Watermaster is still waiting for the data report from the sampling, and was never informed as to which wells were sampled, since USGS ignored Watermaster’s request to participate in the sampling process.

In response to a question regarding the primary goal of the GAMA program, Chairman Rossi responded that the purpose was to develop a comprehensive statewide water monitoring program, and post the data online for public access. A fifteen person taskforce was appointed to determine what procedures needed to be in place in order to do this. After Proposition 13 was passed, \$50 million was made available to USGS to conduct the program, and the task force has had little involvement in the program implementation.

Lastly, Chairman Rossi suggested inviting USGS to update the Board on the status of the GAMA program and schedule for releasing reports for AGWA member areas.

COMMITTEE REPORTS

MWD Liaison Committee –Ms. Kathy Kunysz reported that Metropolitan Water District continues to collect data for the Southern California Groundwater Basin Assessment Report from the questionnaires, published reports and the internet. MWD staff has divided MWD's service area into seventeen areas, from Ventura to San Diego, for study purposes. MWD staff and consultants continue to work on a summary of information of groundwater basin data, and plan to provide the summary for review and critique by the end of October. She also stated that the current replenishment charts in the study do not include in-lieu replenishment, and MWD staff is working to determine the best way to reflect in-lieu

replenishment in the report. MWD anticipates that the report will be quite extensive and include a summary of facilities, spreading basins, water barriers and desalters, in addition to all of the available GIS data. Detailed bar charts, graphs and 11 x 17 pullout sheets will be included, as well as five to 10 pages of explanations for each of the seventeen areas assessed. Ms. Kunysz indicated that MWD staff hopes to have the report ready for board review by the end of the year.

Communications Committee – Chairman Rossi, on behalf of Director Manning, reported that the contracts for the February 2007 AGWA Conference are being reviewed, and he expects the contracts to include specific details regarding the services to be provided by the American Groundwater Trust and AGWA. The location will be the same as this year. Final financial reconciliation will be provided by Director Manning at a later date.

With regard to the ongoing website upgrades, Chairman Rossi reported that he will arrange a demonstration of the revised layout for AGWA members at the November meeting.

Legislative/Regulatory Committee – Director Williams that SB 1640 (Kuehl), 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, passed the Legislature and is awaiting signature by the Governor.

AGENCY REPORTS

Director Zampello reported that the Raymond Basin Management Board is continuing to develop criteria for supplemental water used for recharge or injection. A Draft Criteria will be presented to the Board for adoption at the October meeting. Upon approval, the Board will begin working through the administrative side of the permitting process. Also, Raymond Basin currently has a \$5 million authorization for Foothill Community projects in the House version of the Water Resources Development Act bill. The projects are intended to increase flexibility of imported water deliveries across the Foothill Communities and bring replenishment water to the Raymond Basin. The bill is currently under review by a Conference Committee.

Director Sovich reported that Six Basins Conjunctive Use project is nearing the final design phase. Land use negotiations between Six Basins and the Pomona Valley Protective Association (PVPA) had slowed project progress. The Six Basins Board recently approved continuing negotiations regarding the MOU between the two parties. Various pipeline and well projects are currently out for bid, with construction scheduled to begin in January/February of 2007. Projects must be 100% completed by March of 2008. He also reported that Six Basins is working through storage and water loss issues with City of Pomona for water spilled to the San Antonio Spreading Grounds.

Director Garcia reported that conjunctive use continues to be a major issue in the Central and West Basins. The basins' Judgments contain no provision for storage, and while all stakeholders seem to support the concept, there has been no agreement as to who should control storage programs. The Central and West Basin Conjunctive Use Workgroup, which had ceased to meet in mid-2005, is being reorganized with new facilitators. Also, Director Garcia reported that WRD's Water Resources Committee is inviting representatives from other basins to make presentations to the committee on the management and operations of the various other basins in the area.

Mr. Mackowski reported that Mel Blevins' contract with the ULARA Watermaster expired on September 1, 2006. Mr. Blevins may or may not continue to be involved with AGWA on behalf of ULARA Watermaster. At this time, Mel's previous email address is no longer in use and he does not yet have a new email. Mr. Mackowski also reported that a new project is being considered, involving a portion of the Foothill Feeder pipeline, which was built approximately 25 years ago, but not put in service due to potential safety issues. If the pipeline is repaired or extended successfully, the City of Burbank is interested in using the pipeline to deliver replenishment water to local spreading facilities.

Director Williams reported on the operation of the Baldwin Park Operable Unit facilities, stating that Valley County Water District's extraction wells continue to have 1,2,3- TCP levels very close to the Notification Levels. The VCWD facility has been operating on an intermittent basis, with the treated water discharged for conservation; however, the plant is currently shut down for County flood control channel maintenance. The installation of liquid phase carbon units has been authorized by the BPOU insurance carrier, and the site design process has started. VCWD has a few units currently not in use at another plant that will be moved to the Lante plant, and additional units may be purchased if necessary. It will be approximately another six months before the units are in place and VCWD can begin operating as planned, including providing water to Suburban Water Systems.

Chairman Rossi reported that Chino Basin Watermaster, Western MWD and OCWD are working with Sen. Feinstein on Title XVI funding for groundwater and recycled water projects, and are hoping to obtain a competitive application approach for receiving funding, rather than seeking special authorizations. Several recycling and desalter projects have been proposed, but USBR has testified against the funding, stating that USBR does not have sufficient funding. Additionally, USBR has indicated it wants to build facilities, and not simply administer grant funds. Director Williams confirmed that Title XVI money only provides up to 25 percent of capital costs, up to \$20 million.

Chairman Rossi also reported Natomas Central Mutual Water Company has groundwater available and is offering an option on its water rights at \$50 per acre-foot. American States Utility Services, Inc., which operates the Natomas system, is working on behalf of Natomas to negotiate a 5,000 acre-foot transfer agreement. The Municipal Water District of Orange County had previously considered the transfer.

Mr. Smith reported that the North Gualala Water Company (NGWC) has sought support for a Supreme Court review of its Appellate Court decision because of the concern regarding potential State Board jurisdiction over groundwater that arose when the State Board required NGWC to obtain a permit to pump groundwater from two wells located near the North Fork Gualala River. North Gualala Water Company also challenged the State Board's interpretation of pumping limitations placed on the permit. However, the Supreme Court denied the petition for review, so the Appellate Court decision stands.

NEXT MEETING

The Chairman stated that the next regular meeting of AGWA is scheduled for Monday, November 20, 2006, at the offices of the Chino Basin Watermaster, located at 9641 San Bernardino Road, Rancho Cucamonga, CA 91730. 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