

**MINUTES OF A REGULAR MEETING OF
THE MAIN SAN GABRIEL BASIN WATERMASTER
729 NORTH AZUSA AVENUE, AZUSA, CALIFORNIA
HELD WEDNESDAY, APRIL 3, 2024 AT 2:30 O'CLOCK P.M.**

A regular meeting of the Main San Gabriel Basin Watermaster (Watermaster) was duly and regularly held in the Conference Room of the City of Azusa Light and Water Administration Facility, at 729 North Azusa Avenue, in the City of Azusa, County of Los Angeles, State of California, 91702 on Wednesday, April 3, 2024, at the hour of 2:30 p.m.

CALL TO ORDER

Mrs. Lynda Noriega, Chair, called the meeting to order and presided thereover.

PLEDGE OF ALLEGIANCE

Chair Noriega led the attendees in the Pledge of Allegiance.

ROLL CALL OF WATERMASTER MEMBERS

The following members of Watermaster were present on roll call:

PRESENT: Melissa Barbosa, Dr. Anthony Fellow, Benjamin Lewis, Jr., David Michalko, Lynda Noriega, Jennifer Santana and Martin Zvirbulis.

ABSENT: Steven Placido and Anteneh Tesfaye.

STAFF AND OTHERS PRESENT

Staff present at the meeting included: Russ Bryden, Executive Officer; Anthony Zampello, Chief Administrative Officer; Fred Fudacz, Attorney; Kelly Gardner, Assistant Executive Officer; Steve Johnson, Consulting Engineer; Jenny Savron, Consulting Engineer; Arrica Jimenez, Administration Manager; Ana Mata, Executive Assistant; Ana Rodriguez, Accountant II and Lauren Augino, Water Resources Analyst II.

Others present included: Anthony Alberti, Stephanie Alvarado, Ed Chavez, Dan Colby, Tom Coleman, John Corona, Paul Cranmer, Paul DiMaggio, Cris Fealy, Roy Frausto, Shawn Harkness, Garry Hofer, Steve Kiggins, Matt Litchfield, Tom Love, Jose Martinez, Stephanie Moreno, Tara Mulally, Jeffrey Pellissier, Carlos Solis and Paul Zampello.

ADOPTION OF AGENDA

The Chair asked if there were any changes to be made to the agenda. On motion made by Dr. Anthony Fellow, seconded by Mr. Martin Zvirbulis, Secretary, and unanimously carried, the agenda was adopted as presented.

TIME RESERVED FOR PUBLIC COMMENT

No comments were offered.

CONSENT CALENDAR

On motion made by Mr. Benjamin Lewis, Jr., seconded by Mrs. Jennifer Santana, and unanimously carried, the following items were approved:

- a) Minutes of a Regular Meeting of Watermaster held March 1, 2024;
- b) Lists of Demands: Items 20422 through 20448, and three electronic debits, in the amount of \$311,990.54 on the Administrative Fund and Items 0424-S and 0424-U in the amount of \$1,732,910.34 on the Replacement Water Fund;
- c) Financial Statements, March 2024.

PRELIMINARY DETERMINATION OF OPERATING SAFE YIELD FOR FISCAL YEARS 2024-25 THROUGH 2028-29

The Consulting Engineer, Mr. Steve Johnson, stated that, pursuant to Section 43 of the amended Judgment, a Preliminary Determination of the Main San Gabriel Basin's (Main Basin) Operating Safe Yield (OSY) is to be made by each April Regular Meeting of Watermaster, with the final determination to be made at the May meeting. He explained that the OSY is the amount of water that Watermaster determines can be pumped from the Basin before Replacement Water must be purchased. Mr. Johnson pointed out that he is only recommending a preliminary determination at this time and will make a final recommendation at the May meeting. He provided a brief overview of how he typically presents the data used to determine his recommendations and stated that his report this year would be somewhat different in order to best report the current water supply conditions.

Mr. Johnson began his formal report by reading Section 42 of the Judgment, which states in part, "...Watermaster shall recharge Replacement Water in accordance with the Watermaster Operating Criteria and, insofar as practicable, to maintain the water level at the Key Well above Elevation two hundred (200)." He noted last year that it was not practical to set the OSY to meet the 200-foot groundwater level requirement because it was not possible to reach that level in one year; this will take multiple years of average to above average local rainfall.

He reported that the Key Well elevation was 223.8 feet on March 15, 2024, about 54.4 feet higher than the historic low of 169.4 feet set in November 2018, about 18.9 feet higher than this time last year.

Mr. Johnson also stated that during this recent drought, Watermaster has been more proactive by implementing provisions of the Judgment, and developing and instituting new studies, programs and plans to address conditions as they progressively worsened. He added that without the actions of Watermaster and the Producers, Basin water supply conditions would have been much worse. He reported that the actions included storm

water capture, cyclic storage conservation, basin-wide low water vulnerability assessment, in-lieu program, Stormwater Augmentation Program, and the Metropolitan Water District of Southern California (MWD) Water Supply Agreement.

Additionally, he reviewed current hydrologic conditions, and referred to a graph indicating accumulated rainfall at Puddingstone Dam of 20.60 inches, noting that this is about 111 percent of average for this time of year.

Mr. Johnson also reported that total production in the Basin for the first two quarters of FY 2023-24 was about 95,000 acre-feet, adding that important factors keeping the Key Well from dropping any lower, are reduced production and water conservation.

Finally, based on all of these factors, he stated that the recommendation for the Preliminary Determination of the OSY is 160,000 acre-feet for 2024-25, and 150,000 acre-feet for the subsequent four years. Mr. Johnson reported that the “Preliminary Determination of OSY” report for 2024 was distributed electronically and stated that copies of the report will be posted to Watermaster’s website and notice of such will be distributed to all Parties.

The Chief Administrative Officer, Mr. Anthony Zampiello, provided a brief explanation of current and historic actions to responsibly manage the Main Basin. He added that the “Preliminary Determination of OSY” report for FY 2024-25 through 2028-29 will be sent to all Parties by electronic transmittal no less than ten days before the May 1, 2024 Annual Hearing on Determination of OSY and Regular Meeting of the Watermaster.

On motion made by Mr. David Michalko, Vice Chair, seconded by Mr. Lewis, and unanimously carried, Watermaster received and filed the “Preliminary Determination of OSY” report for 2024-25 through 2028-29.

A RESOLUTION OF THE MAIN SAN GABRIEL BASIN WATERMASTER APPROVING AND ADOPTING THE GOVERNMENTAL EXECUTIVE RETIREMENT PLAN

Adoption of Resolution No. 04-24-319 Approving Contribution – Mr. Zampiello stated that this plan has been in place for several years, and is an item that comes before Watermaster for approval each year. He noted that this is part of the annual Executive Officer evaluation process and requires Board action and adoption of a resolution.

On motion made by Vice Chair Michalko, seconded by Mr. Lewis, and unanimously carried, the following resolution was then read, adopted, and passed as read:

RESOLUTION NO. 04-24-319

**A RESOLUTION OF
THE MAIN SAN GABRIEL BASIN WATERMASTER
APPROVING AND ADOPTING
THE GOVERNMENTAL EXECUTIVE RETIREMENT PLAN**

(see next page)

REPORT FROM BASIN WATER MANAGEMENT COMMITTEE

Vice Chair Michalko referred to a written Committee report included in the Board packet. He reported that the Basin Water Management Committee (BWMC) met on March 13, 2024, and discussed a few items, one which requires Watermaster action today.

Authorization to Extend Renewal of Golden Meters Agreement for two years: Staff provided an overview of the services provided by Golden Meters, stating that Golden Meters has agreed to extend their existing contract for additional two years with a slight increase of \$15.00 per meter tested. To satisfy the requirements of Watermaster's Rules and Regulations of bi-annual testing of all production meters, the BWMC recommended that the Board approve a two-year contract extension with Golden Meters.

On motion made by Vice Chair Michalko, seconded by Ms. Melissa Barbosa, and unanimously carried, Watermaster authorized the extension renewal of Golden Meters Agreement for two years.

REPORT FROM FINANCE COMMITTEE

Review of Preliminary Draft Administration Budget for FY 2024-25:

Mr. Zampiello referred to a written Committee report included in the Board packet. He reported that the Finance Committee met on March 18, 2024 to review the Preliminary Draft Administration Budget and Assessments for Fiscal Year (FY) 2024-25 and proposed assessments. He stated that Watermaster staff prepared two draft budgets for consideration, one holding the Administrative Assessment at \$18.00 per acre-foot from last year, and a second with an increase to \$23.00 per acre-foot.

Mr. Zampiello noted relative to expected expenditures, the most significant budget increase is seen in Salaries/Benefits, explaining the transition overlap for two key positions; the Executive Officer and Controller, as their respective retirements are pending in the coming months. He explained that the increase in Salaries and Benefits also includes a 3.5% cost of living increase for all staff as well as step increases for a few employees.

Following a discussion related to challenges associated with proposed assessment increases and strategies for minimizing impacts to Producers, the Committee asked Watermaster staff to prepare additional information for review on the available funding in the Make-Up Water Fund and interest earned through Local Agency Investment Fund.

Mr. Zampiello reported that the Finance Committee met again on March 25, 2024 and discussed revised considerations on the proposed budget and the Make-Up Water Fund. The Committee discussed challenges associated with proposed assessment increases and strategies for minimizing impacts to all Producers and recommended a \$21.00 per acre-foot Administrative Assessment (\$3.00 per acre-foot increase), and a \$5.00 per acre-foot In-Lieu Assessment (\$3.00 per acre-foot decrease).

Lastly, he stated that the Administrative Committee's recommendation of the Preliminary Draft Administration Budget for FY 2024-25 and Assessments for FY 2023-24 productions will be considered for approval by the Watermaster Board of Directors at its May 1, 2024 meeting.

By consensus, Watermaster received and filed the Preliminary Draft Administration Budget for FY 2024-25.

On motion made by Chair Noriega, seconded by Secretary Zvirbulis, and unanimously carried, the Finance Committee report received and filed.

ATTORNEY'S REPORT

Mr. Fred Fudacz, Attorney, reported that a Status Conference before Presiding Judge, the Honorable Maureen Duffy-Lewis regarding Main San Gabriel Basin conditions is scheduled for April 8, 2024.

He provided a brief update on the matter with the Los Angeles County Department of Parks and Recreation related to Watermaster assessments for Legg Lakes water usage as part of a water production agreement for the Whittier Narrows Operable Unit, stating that an interim agreement is in place while extension discussions continue.

ENGINEER'S REPORT

Mr. Johnson reported that the Baldwin Park Key Well level was 224.4 feet on March 21, 2024, an increase of about 0.6 feet from the prior week, an increase of about 2.4 feet from the prior month, and about 26.0 feet higher than one year ago. He also reported that it includes about 77,000 acre-feet of untreated imported water in cyclic storage accounts, which represents about 10.0 feet of groundwater elevation at the Key Well. The historic low for the Key Well has been established at 169.4 feet on November 21, 2018.

Mr. Johnson then reported briefly on hydrologic conditions as of March 26, 2024, stating that total rainfall at Puddingstone Dam is 21.28 inches, which is about 132 percent of average; and at the Los Angeles Civic Center, rainfall is 22.33 inches, which is 161 percent of average, for this time of year.

Additionally, Mr. Johnson stated that total combined canyon storage, as of March 26, 2024, was 54,068 acre-feet, about 65 percent of capacity. He also stated that as of March 26, 2024, the San Gabriel Reservoir inflow was 416 cubic feet per second (cfs), release was 1,385 cfs and the Morris Reservoir inflow was 1,379 cfs, release was 1,030 cfs.

Mr. Johnson then reported that the Azusa Land Reclamation and Peck Road landfills were inspected and found to be operating normally with no violations. He referred to a written report included in the Board packet that includes additional water supply and rainfall information.

EXECUTIVE OFFICER/CHIEF ADMINISTRATIVE OFFICER'S REPORT

Mr. Zampielo reported that a written copy of his report on Outside Activities is included in the Board packet.

He introduced Mr. Russ Bryden as the new Executive Officer of Watermaster. Additionally, he announced that Mrs. Lupe Artis, Controller, is retiring and recruitment for her replacement is underway.

REPORT FROM RESPONSIBLE AGENCIES

Dr. Fellow reported on behalf of Upper San Gabriel Valley Municipal Water District (USGVMWD), provided a brief update on MWD's budget process, stating that new business models are being discussed.

Mrs. Santana also reported on behalf of USGVMWD, referenced a report provided by USGVMWD to Watermaster. She reported that on March 13, 2024, the USGVMWD Board of Directors Meeting included an overview of the MWD Representative Appointment Policy. She stated that a USGVMWD Board of Directors Meeting is scheduled for April 10, 2024. Mrs. Santana also stated that the USGVMWD Administration and Finance Committee met on April 2, 2024, noting that the discussion included USGVMWD and MWD's proposed biennial budget for FY's 2024-25 and 2025-26.

Mr. Tom Love, General Manager, also reported on behalf of USGVMWD, stating that a Producer Meeting is scheduled for April 10, 2024.

Related to the USGVMWD Board of Directors Meeting on April 10, 2024, Mr. Love added that the discussion will include a MWD update by Mr. Adán Ortega, Board Chair and Mr. Adel Hagekhalil, General Manager.

Mr. Matt Litchfield, General Manager, Three Valleys Municipal Water District (TVMWD), reported on behalf of TVMWD, stating that this morning's TVMWD Board of Directors meeting included a presentation on MWD's Biennial Budget.

Mr. Steve Kiggins, Assistant General Manager, San Gabriel Valley Municipal Water District (SGVMWD), reported on behalf of SGVMWD, stating that the SGVMWD Board of Directors Meeting on March 11, 2024, included a discussion on a proposed grant policy.

REPORT FROM OUTSIDE COMMITTEE LIAISONS

Chair Noriega reported that any reports from the Outside Committee Liaisons are included in the Board packet.

INFORMATION ITEMS

The following items listed on the agenda for information of Watermaster were noted, and ordered received and filed:

- a) Permanent transfer of 2,372.51 acre-feet of Prescriptive Pumping Right from IBY Property Owner, LLC to Rexford Industrial 15801 1st, LLP
- b) Temporary assignment or lease of 4,925.76 acre-feet of Production Right from Co-Tenancy of Laurence R. Pellissier Irrevocable QTIP Trust, et al to California Domestic Water Company for FY 2023-24
- c) Notice of available water rights for lease from Metropolitan Water District of Southern California FY 2023-24
- d) Transmittal of San Gabriel Valley Municipal Water District monthly report for February 2024

COMMENTS FROM WATERMASTER MEMBERS

Dr. Fellow reported that USGVMWD and Foothill Municipal Water District are hosting a water tour on May 20, 2024. He also congratulated Mr. Bryden on his appointment as Executive Officer at Watermaster.

Ms. Barbosa, Mr. Lewis, Mrs. Santana, Mr. Zvirbulis welcomed Mr. Bryden.

Mr. Michalko is looking forward to working with Mr. Bryden.

Chair Noriega also welcomed Mr. Bryden and asked him to formally introduce himself.

Mr. Bryden thanked the Watermaster Board for the opportunity and looks forward to working with the Watermaster Board, staff and Producers. He also provided a career overview.

FUTURE AGENDA ITEMS

- a) Consideration of Extension Agreement for Producer Cyclic Storage for United Rock Products

CLOSED SESSION

A Closed Session was not held.

ADJOURNMENT

The Chair asked if there were other business to come before Watermaster, and there being none, the meeting was adjourned to a regular meeting of Watermaster on Wednesday, May 1, 2024 at 2:30 p.m. in the Conference Room of the City of Azusa Light and Water Administration Facility at 729 North Azusa Avenue, Azusa, CA 91702.

SECRETARY'S SIGNATURE

MARTIN ZVIRBULIS

ATTEST:

LYNDA NORIEGA
CHAIR

DRAFT