MINUTES OF THE
CENTRAL BASIN WATERMASTER
WATER RIGHTS PANEL

PROGRESS PARK
BOARD ROOM
15500 DOWNEY AVE., PARAMOUNT, CA

THURSDAY, MARCH 10, 2016
1:30 P.M.

Chairman Honeycutt (Signal Hill) called the regular meeting of the Central Basin Watermaster Water Rights Panel to order at 1:30 pm.

1. PLEDGE OF ALLEGIANCE

Chairman Honeycutt lead the panel members and those in attendance in the Pledge of Allegiance.

2. ROLL CALL

Panel Members
John Oskoui          City of Downey
Jason Wen            City of Lakewood
Sarah Ho             City of Paramount
Charlie Honeycutt    City of Signal Hill
Toby Moore           Golden State Water Company
Ken Bradbury         Montebello Land and Water Company
Chris Garner

Also Present
Desi Alvarez          MCM Mgt.
Chris Repp            LADWP
Chris Castillo        City of South Gate
Mark Grajeda          PICO Water District
Mark Stuart           CA DWR
Tammy Hierlihy        CBMWD
Ken Scott             Ecogas
James Markman         Richards, Watson, Gershon
Kevin Sales           KJServices Environmental Consulting

3. PUBLIC COMMENTS

No public comments were received.
4. CONSENT CALENDAR

A correction was made to the January 14, 2016 minutes; the 4th paragraph on the 4th page showed a misspelling, listing Jim Markman as "Kim" Markman. The correction was noted and will be corrected on the finalized minutes.

Panel Member Oskoui (Downey) made a motion to approve both item 4a and 4b, with the correction to the January 14, 2016 minutes as noted above. Panel Member Bradbury (Montebello Land and Water Company) seconded the motion which was approved by a unanimous voice vote of the Panel.

5. TREASURER’S REPORT

Panel Member Moore (Golden State Water) presented the Treasurer Report.

Mr. Moore reviewed the financial report prepared by the City of Lakewood. The City’s summary report showed that the balance of the WRP’s account as of March 3, 2016 was $69,438.66.

A motion to Receive and File the item was made by Panel Member Wen (Lakewood) with a second by Panel Member Oskoui. The item was approved by a unanimous voice vote of the Panel members.

6. ADMINISTRATIVE BODY REPORT

There was no representative from the Water Replenishment District (WRD) in attendance at the meeting. As a result no Administrative Body Report was presented.

7. SUSTAINABLE GROUNDWATER MANAGEMENT ACT UPDATE

Because of the lack of a representative of the WRD at the meeting, this item, which had been carried over from the Water Rights Panel's January meeting, was not presented.

Panel Member Moore commented that the Sustainable Management Report was due to be filed by April 1, 2016, and WRD's absence at two consecutive Water Rights Panel meetings has potentially jeopardized the timely filing of the required report.

Panel Member Oskoui stated that, when the WRD's representative was not going to able to attend the Panel's meetings, a detailed reported of the requested information
should be provided to the Members. This is particularly important given that the Panel is now only meeting on an every-other-month basis.

Chairman Honeycutt stated that he would contact Mr. Rob Whitaker General Manager of the Water Replenishment District, to discuss the importance of the WRD's attendance at the Water Rights Panel's meetings and to determine why the District has missed the last two meetings and has not been providing the information that Panel needs on a timely basis.

8. CENTRAL BASIN WATER RIGHTS PANEL ELECTION / SELECTION OF ELECTION TELLERS (RULE 13C)
Chairman Honeycutt presented an overview of this item.

Effective June 30, 2016 the term of three (3) current Water Rights panel members comes to an end. As a result, the panel needs to hold an election to fill the three effected seats. The three Panel positions whose terms are ending on June 30, 2016 are:

1. A member of the Panel elected by Parties with Allowed Pumping Allocation (APA) of less than 5,000 acre feet who is not a member of the Small Water Producers Group. This seat is currently represented by the City of Signal Hill.

2. A member of the Panel elected by Parties with an APA of at least 5,000 acre feet, but less than 10,000 acre feet. This seat is currently represented by the City of Lakewood.

3. A member of the panel elected by all Parties holding any level of APA. This seat is currently represented by the City of Paramount.

The representatives elected to these Panel seats will serve for a four (4) year term.

The Panel members discussed the details of the election, determining that, in order to have the new Panel members by July 1, 2016, the election will need to take place at the Panel's May 12, 2016 meeting. The Panel members instructed staff to prepare the necessary ballot and election cover letter and mail copies to all Central Basin Water Right holders. The Panel members approved the draft ballot and election cover letter presented as part of this item, with a correction to the "Notice of Nomination and Election" letter, changing the date of the election noted in the last line of the letter from May 13, 2016 to May 12, 2016.

Chairman Honeycutt also discussed the selection of "electors" who will compile the votes and determine which representatives be elected to the Panel and in which seats. Currently the selected electors are Kevin Sales of KJServices, Panel Member Bradbury, and a representative of the City of Signal Hill.
Mr. Jim Markman (Richards, Watson, & Gershon) introduced a discussion about if currently serving Panel members in the three affected seats could be reelected or if they were subject to term limits. His opinion was that those members currently serving could not be reelected, though he also stated that the specific language in the Judgment could be interpreted differently.

Panel member Moore asked if a currently serving member could continue to serve if they were elected to a different position on the Panel, for example moving from the less than 5,000 APA seat to the elected by the Parties as a whole. Mr. Markman stated that the Panel could interpret the Judgment language in the way.

Panel Member Oskoui asked if any of the members who were involved in the development of the Third Judgment had memory of what the intent regarding the election of Panel members was? He stated that his recollection was that it was not the intent to limit the term of the serving Panel members.

Panel Member Wen (Lakewood) stated that it is important that the Panel have the benefit that comes from the experience of longer serving members and as a result he leans toward Panel members being able to continue to serve on the Panel if they are reelected.

Mr. Grajeda (Pico Water District) stated that during the involvement with the development of the Third Judgment there was no discussion or intent to establish term limits for Water Rights Panel members. The Judgment does establish a process of staggered terms for the Panel members, but it does not place limits on how long those members can serve if they are elected to multiple terms.

The Panel passed two motions regarding the Panel election.

Panel Member Oskoui made a motion to approve the election ballot and the "Notice of Nomination and Election" letter and send them out to all the Parties of the Central Basin Judgment. The motion was seconded by Panel Member Bradbury and was approved by a unanimous voice vote of the Panel.

Panel Member Moore made a motion to approved three electors, Kevin Sales, Panel Member Bradbury and a staff person from the City of Signal Hill to help conduct and tabulate the results of the May 12, 2016 Panel election. The motion was seconded by Panel Member Oskoui and was approved by a unanimous voice vote of the Panel members.

9. ATTORNEY’S REPORT

Mr. Markman commented on the difficulty in getting information on a timely basis from the WRD, saying that his staff had been unable to address several issues with water rights holders because of the inability to get the required information from the WRD.
Mr. Markman also stated that he has concerns with entering into negotiations with the State of California over the overextraction issue with CalTrans and their de-watering work along the 105 freeway, until the WRD completes some other issues they are currently negotiating with the State.

10. COMMITTEE UPDATES

Chairman Honeycutt updated the Panel that all the Regional Disadvantaged Communities Incentive Program (RDCIP) forms, applications and program mapping functions are available on the Water Rights Panel web site (www.cbwtermaster.org).

11. WATER METER TESTING

Chairman Honeycutt reported no water meters out of compliance.

The Panel also considered a proposal submitted by the California Department of Water Resources (DWR) to continue to provide water meter testing services for the Panel for an additional two years (through June 2018). Mr. Mark Stuart of the DWR was presented to discuss the proposal and answer any questions from the Panel members.

Mr. Stuart Stated that all the costs in the new proposal are the same as in the current contract. He went on to mention to the Panel that for the past two years they had not been charging for the occasions when there staff went out to conduct a well meter test only to have the test cancelled because the site was inaccessible and/or well staff did not show up at the appointed time.

Panel Member Oskoui suggested that the DWR revise its proposal to include a missed appointment fee that will be charged to the Panel when the DWR's staff goes out to an appointment to check the well meter and, because of whatever issue, the staff is unable to complete the meter test. The Water Rights Panel would then charge the well owner for the missed testing appointment.

The Panel asked Mr. Stuart to send a revised proposal which will then be reviewed and considered for approval at their May 12, 2016 meeting.

Mr. Stuart also made the Panel aware that occasionally they notice anomalies with wells while conducting the well meter testing. He asked if these anomalies, which are unrelated to the meter test, should be reported to the Water Rights Panel as part of their standard meter testing reports.

Panel members suggested that perhaps the WRP should ask for copies of the monthly pumping reports that are submitted to the WRP as a way to assess them for issues that fall under their purview and require follow-up actions. Chairman
Honeycutt stated that he would discuss this when he speaks to WRD General Manager Whitaker regarding the other concerns that the Panel has with the District.

A motion to Receive and File this report was made by Panel Member Oskoui and was seconded by Panel Member Wen. The motion was approved by a unanimous voice vote of the Panel.

12. SECRETARY'S REPORT

Kevin Sales of KJ Services Environmental Consulting gave the Panel an update on the status of the FY 2015/2016 Assessment Billing.

A motion to Receive and File the item was made by Panel Member Bradbury, with a second by Panel Member Garner (Long Beach). The item was approved by a unanimous voice vote of the Panel members.

13. WRITTEN COMMUNICATION

No written communications received.

14. AGENDA ITEMS FOR THE MAY 12, 2016 WATER RIGHTS PANEL MEETING

The agenda was discussed for the Water Rights Panel meeting of May 12, 2016.

The Panel Secretary will present the new proposal from the Department of Water Resources for continuing to support the Panel's well meter testing program.

The WRD will provide an update on the status of the Watermaster Annual Report, including when it is due and what period the report should cover.

The Panel will conduct an election to fill the three Panel seats which are expiring on June 30, 2016.

Update on the responsibility of the Water Rights Panel in reviewing the WP's monthly pumping reports to prevent fraud and anomalies.

The Panel Secretary and Treasurer will provide the Panel with an update on the payment status of the FY 15/16 Assessment Billing.

15. WATER RIGHTS PANEL MEMBER COMMENTS

Panel Member Moore asked if the historical Watermaster Annual Reports could be made available on the Water Rights Panel website. He also asked that the Panel's
web site be linked to the WRD web site and visa versa. The Panel Secretary will work on seeing what interconnectivity can be made.

16. ADJOURNMENT

Chairman Honeycutt adjourned the meeting at 2:15 pm.

[Signature]
CHAIRMAN

ATTEST:
[Signature]