

Antelope Valley Watermaster Board
Minutes of the Regular Meeting
Wednesday, April 25, 2018 – 10:00 a.m.
Location: Antelope Valley – East Kern Water Agency
6500 West Avenue N, Palmdale, CA 93551

1) Meeting was called to order at 10:04 a.m.

2) **Roll Call**

Robert Parris, AVEK Water Agency – Chairperson

Adrienne Reca, Landowners Alternate

Richard Gomez, Los Angeles County Waterworks District 40, Alternate

Adrienna Reca, Alternate Landowners

Leo Thibault, Public Water Suppliers

Matthew Knudson, Watermaster Administrator

Phyllis Stanin, Todd Groundwater – Watermaster Engineer

Craig Parton, Price Postel & Parma LLP – General Counsel

3) **Director Thibault** lead the Pledge of Allegiance

4) **Adoption of Agenda**

A motion was made by Director **Calandri**, seconded by Director **Reca** and unanimously carried to adopt the agenda.

5) **Public comments for non-agenda items.**

No public comment was heard from the floor.

6) **Consent Agenda**

A. Payment of the bills through April 20, 2018

Director **Thibault** requested clarification on the logo design and cost.

A motion was made by Director **Thibault**, seconded by Director **Reca** and unanimously carried to approve payment of the bills through April 20, 2018.

B. Treasurer's Report month ending March 30, 2018

A motion was made by Director **Thibault**, seconded by Director **Calandri** and unanimously carried to approve the Treasurer's Report for the month ending March 30, 2018.

7) **Advisory Committee Report**

Derek Yurosek reported that the Advisory Committee met on April 18, 2018, they reviewed the items as requested.

8) **Action Items**

A. Public Hearing to consider the proposed Procedures for Transfers.

a. Consideration and possible action to approve Resolution No. R-18-12.

A motion was made by Director **Thibault** and seconded by Director **Reca** and unanimously carried to open the Public Hearing for Resolution No R-18-12.

Phyllis Stanin reviewed the Transfer memo; comments by the Advisory Committee have been incorporated in the current document. **Ron Smith (RCSD)** asked about the transfer of unused Federal Reserve Rights and Return Flows. **Phyllis Stanin** referred to Section 1.3.6; unused Federal Reserve can be transferred but must be used in the year transferred. Returned Flows are addressed under Section 1.5.7.

Director Reca questioned the handling of the voting rights. **Phyllis Stanin** commented that Section 1.4.3 was added as a result of the Advisory Committee discussion on voting rights and noted that the Judgment doesn't address the issue but if it becomes an issue at a later date it can be addressed.

A motion was made by **Director Thibault**, seconded by **Director Gomez** and unanimously carried to close the Public Hearing.

A motion was made by **Director Thibault**, seconded by **Director Gomez** to adopt Resolution No. R-18-12 for discussion.

Director Reca commented on the concerns of the Exhibit 4 landowners and that the one sentence doesn't sufficiently address voting rights and the issue needs to be address.

Mr. Kyle pointed out that 1.4.3 deals with rental of water rights not the sale of water rights.

A motion was made by **Director Thibault**, seconded by **Director Gomez** and unanimously carried to adopt Resolution No. R-18-12 as written with the addition of permanent transfers and voting rights at a later date.

B. Public Hearing to consider the proposed Order of Water Use Under the Judgment.

a. Consideration and possible action to approve Resolution No. R-18-13.

A motion was made by **Director Thibault** and seconded by **Director Calandri** and unanimously carried to open the Public Hearing for Resolution No. R-18-13.

Phyllis Stanin reviewed the Order of Water Use memorandum. **Jeff Dunn** addressed the use of the Federal Reserve right and the priority of its use; the Federal Reserve right should hold the highest priority and be pumped first. **Richard Morris**, representative for the Federal Reserve Right, requested that nothing be passed until they receive direction from their legal counsel.

A motion was made by **Director Thibault**, seconded by **Director Reca** and unanimously carried to close the Public Hearing.

A motion was made by **Director Thibault**, seconded by **Director Gomez** to adopt Resolution No. R-18-13 moving the unused Federal Reserve right to the category of first priority for further discussion.

Director Reca requested that based on recommendation of the Advisory Committee this item be pulled until the next meeting.

A motion was made by **Director Thibault**, seconded by **Director Reca** and unanimously carried to table Resolution No. R-18-13 to the next regular meeting.

C. Review of Budget and Expenses to date.

a. Presentation on First Quarter Budget vs. Actual and Projected Expenses.

Peter Thompson reviewed the expenses for the first quarter and projected expenses.

Director Thibault commented that the Board will need to make some decisions on priorities. AVEK and PWD have not billed for staff charges, this year the maximum they can bill is \$45,000. I would like to see more detail on the bills for the attorney and the engineer. **Phyllis Stanin** commented that Kate White has spent her time working on the well applications, handling 30 applications; 18 have been approved and 12 are pending. Meters are another area of concern, only 20% of the meters have been installed. Rules and regulations and the annual report still need to be completed.

- D. New and Replacement Well Production Applications – 03/24/18 through 04/25/18.
- a. Consideration and possible action to approve Resolution No. R-18-14.
Director **Calandri** excused himself for this item do to a conflict of interest. **Alternate Derek Yurosek** took his place.

A motion was made by Director **Reca**, seconded by Director **Yurosek** and unanimously carried to approve Resolution No. R-18-14 approving the New and Replacement Well Production Applications 03/24/18 through 4/25/18.

- E. Pre-Rampdown Production Amounts for Exhibit 3 Producers.
Director **Calandri** returned to his position.

Phyllis Stanin reviewed the methodology of the pre-rampdown calculations and the 3 Tables presented; Tables 1 and 2 from the Watermaster Engineer and Table 3 from the Public Water Suppliers. Discussion centered on Quartz Hill Water District and the filing of a Cessation Report and if that should be taken into consideration.

- a. Consideration and possible action to approve Resolution No. R-18-15 approving Pre-Rampdown Production Amounts for Exhibit 3 Producers.
A motion was made by Director **Thibault**, seconded by Director **Gomez** to approve Resolution No. R-18-15 as presented referencing Table 3.
Ayes: **Gomez, Thibault, Parris** Nays: **Calandri, Reca**
Motion failed.

Craig Parton- suggested that the Board can direct General Counsel to file with the court in a neutral manner the pre-rampdown amounts for Exhibit 3 producers seeking the courts interruptive guidance.

A motion was made by Director **Reca**, seconded by Director **Calandri** to General Counsel to file with the court in a neutral manner the pre-rampdown amounts for Exhibit 3 producers seeking the courts interruptive guidance.

Ayes: **Reca, Calandri, Parris** Nays: **Gomez, Thibault**
Motion failed

Craig Parton – My other suggestion is that the players in this room can bring a similar motion to the courts.

- F. Carry Over Water
- a. Approve setting of the Public Hearing for May 23, 2018, for the proposed process and procedures related to Carry Over Water.

A motion was made by Director **Reca**, seconded by Director **Calandri** and unanimously carried to set Public Hearing for the proposed process and procedures related to Carry Over Water be set for May 23, 2018.

- G. Small Pumper Qualifying Form
- a. Consideration and possible action to approve revisions to the Small Pumper Qualifying Documentation Form

A motion was made by Director **Thibault**, seconded by Director **Reca** and unanimously carried to approve the revised Small Pumper Qualifying Form

- H. Report on Hearing for Phelan Pinon Hills Community Services District
Craig Parton – No opinion from the court at this time. We do need to provide the cost of replacement water.

9) Engineer's Report – Phyllis Stanin

- 26 parties have completed the meter documentation
- 2017 Production Reporting – 39.7% have reported to date
 - 6 of 11 Exhibit 3 Parties
 - 43 of 104 Exhibit 4 Parties
 - 1- of 9 State of California agencies

Attorney's Report

- April 30, 2018, court date to approve the Replacement Well and New Well Applications and the motion to extend the time for the Annual Report.
- New Golden Sands has been resolved and will not be going to court.
- Letter from Overlaying Producers requesting protocol and transparency in regard to communications with General Council.
- Response to motions filed.

A motion was made by Director **Thibault**, seconded by Director **Calandri** that if a response is required from our Attorney in any case that is referred to judge that he respond to it.

Ayes: **Calandri, Reca, Thibault, Parris** Nays: **Gomez**

Motion failed.

Staff Report's

Board Members Request for Future Agenda Items

Year to Date Budget Review
Enforcement of Judgment
Small Pumper Assessment Billing

Adjournment

Meeting was adjourned at 1:25 p.m.

APPROVED BY THE BOARD OF DIRECTORS:


Robert Parris – Chairman


Date


Patricia Rose – Interim Secretary