

MINUTES

RAYMOND BASIN MANAGEMENT BOARD  
REGULAR MEETING

Thursday, April 17, 2008

BOARD MEMBERS PRESENT AND PARTIES REPRESENTED

Chris Burt	Kinneloa Irrigation District East Pasadena Water Company Huntington Library and Art Gallery
Chris Cimino	City of Sierra Madre
Mike Hart	Sunny Slope Water Company
Bob Hayward	Lincoln Avenue Water Company La Canada Irrigation District Las Flores Water Company Pasadena Cemetery Association Valley Water Company
Shan Kwan	City of Pasadena
Pat Malloy	City of Arcadia
Christine Montan	City of Alhambra
Charles Shaw	San Gabriel County Water District
Lillian Woods	Rubio Canon Land and Water

BOARD MEMBERS ABSENT

Raul Saenz	California-American Water Company
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ADDITIONAL PARTY REPRESENTATIVES PRESENT

Sean Lahmeyer	Huntington Library and Art Gallery
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OTHERS PRESENT

Lupe Artis	Raymond Basin Management Board
Brad Boman	City of Pasadena
Christine Borja	Raymond Basin Management Board
Donna DiLaura	Raymond Basin Management Board
Mel Matthews	Kinneloa Irrigation District
Martin Ray	City of Alhambra
Kevin Smead	Stetson Engineers
Craig Stehsel	Southern California Edison
Tom Tait	City of Arcadia
Anthony Zampiello	Raymond Basin Management Board

## 1. PRELIMINARY ITEMS

The meeting was called to order by Mr. Pat Malloy, Chair. It was determined that a quorum was present, and Mr. Malloy led the group in reciting the Pledge of Allegiance.

On motion made by Director Shaw, seconded by Director Hart, and unanimously carried, the minutes of the January 16, 2008 meeting were approved, as presented.

## 2. REPORT FROM OTHER PARTIES

Mr. Craig Stehsel, of Southern California Edison, reported that Edison may raise their energy rates in 2009.

## 3. ELECTION OF OFFICERS

Director Cimino reported that the Nominating Committee recommended the following slate of officers:

Shan Kwan – Chair  
Chuck Shaw – Vice Chair  
Bob Hayward – Secretary  
Chris Cimino – Treasurer  
Anthony Zampielo – Assistant Secretary-Treasurer

The Chair asked if there were any other nominations from the floor, and, there being none, on motion made by Director Montan, seconded by Director Burt, and unanimously carried, the slate of officers was adopted for 2008-09.

## 4. TREASURER'S REPORT

Director Hayward reported that as of March 31, 2008, the Raymond Basin Management Board (RBMB) has collected \$460,000 in Assessments, and \$7,727 from the Long-Term Storage Program. He noted that all expected revenues from both assessments and Long-Term Storage Program Revenue has been collected for fiscal year 2007-08. He also stated that, to date, the RBMB has spent \$298,644 (which includes Title 22, Salvage Credit, and FWC Expenditures), and currently has a balance of \$17,940 in receivables and \$923,612 in available cash (which includes FWC Funds).

On motion made by Director Shaw, seconded by Director Burt, and unanimously carried, the Raymond Basin Management Board's Treasurer's Report was ordered received and filed.

Additionally, Mr. Tony Zampielo, the Executive Officer, reported that, pursuant to the investment policy guidelines, each Board member was provided a copy of the Quarterly Investment Report and it was ordered to be received and filed.

## 5. EXECUTIVE COMMITTEE REPORT AND APPROPRIATE ACTION

A. Update on Foothill Water Coalition – Director Malloy reported the group has been meeting monthly and making progress with Corps of Engineers. Also, Chair Malloy reported that a press kit and project information is now available from staff or on the FWC website at [www.foothillwc.org](http://www.foothillwc.org)

B. Travel Expense- Washington D.C. 1-28-08 & 3-4-08 the Executive Officer reported that at the February Executive Committee meeting the committee authorized reimbursement of expenses for Hart, Zampiendo and Kwan relating to two trips to Washington D.C., January 28, 2008 and March 4, 2008, in support of Basin project funding requests. The San Gabriel Valley Water Association paid for 100% of Malloy's expenses. This was a budgeted item and anticipated expenditure. Expenses were \$8,269.66

On motion made by Director Montan, seconded by Director Hayward, and unanimously carried, the action taken by the Executive Committee to authorize this expenditure was ratified.

## 6. AUTHORIZATION TO HAVE 2007-08 INDEPENDENT AUDIT PERFORMED

Director Shaw reported that the Finance and Administration Committee met on March 31, 2008 to consider this item and recommend continuing service with Egan and Egan to perform the 2007-08 financial audit. Director Shaw also noted that Egan and Egan are efficient and the cost remains at \$3,000.

On motion made by Director Shaw, seconded by Director Burt, and unanimously carried, the Raymond Basin Management Board authorized Egan and Egan to perform an audit of its financial statements for fiscal year 2007-08.

## 7. CONSIDERATION AND APPROVAL OF LONG TERM STORAGE POLICY ITEMS

The Executive Officer explained that at this time each year, the RBMB asks for party pumping schedules pursuant to establishing Long Term Storage Accounts. To date, the Management Board has received responses from most of the parties, and those responses indicate no significant variance from recent years. In response to a question by Director Montan, Mr. Zampiendo clarified the process by which staff collects the pumping schedules. He stated that staff sends letters requesting that each party advise whether or not they intend to increase production or increase storage amounts. On a motion made by Director Hart, seconded by Director Burt, and unanimously carried, the Board ordered the schedules received and filed and the said LTS accounts to be established.

Regarding the Administrative Charge for Long Term Storage (LTS) Accounts for fiscal year 2008-09, the Executive Officer stated that staff recommends

keeping the charge unchanged again at \$1.50 per acre-foot. On motion made by Director Montan, seconded by Director Burt, and unanimously carried, the Raymond Basin Management Board adopted a Long Term Storage Administrative Charge of \$1.50 per acre-foot for fiscal year 2008-09.

The Executive Officer also stated that each year the RBMB must establish a determination of loss from LTS accounts for the coming year, and he noted that currently loss is set at one percent. On a motion made by Director Kwan, seconded by Director Burt, and unanimously carried, the Raymond Basin Management Board established a determination of loss from LTS Accounts for fiscal year 2008-09 at one percent.

#### 8. CONSIDERATION AND APPROVAL OF BUDGET ITEMS

Director Shaw stated that a draft budget for fiscal year 2008-09 for the Raymond Basin Management Board was distributed to the parties. The tentative draft budget includes an estimated \$797,767 to be carried over from the current year, revenue of \$727,440, expenses of \$1,010,830, and the budget will be funded by an assessment equivalent to \$20 per acre-foot. (Exhibit A attached). Director Shaw noted that the increase in assessment is necessary to increase project reserves for the WSRP in order to meet any future matching funds requirements.

The Executive Officer gave the Board a briefing on assessment apportionment and items of note included in the 2008-09 tentative draft budget.

After a brief discussion a motion was made by Director Montan, seconded by Director Burt, carried with Director Hart abstaining, the draft Raymond Basin Management Board budget for fiscal year 2008-09 be adopted along with the corresponding exhibit illustrating each party's individual apportionment.

#### 9. CONSIDERATION AND ACTION APPROVING UTILIZING CONSULTANTS DURING FISCAL YEAR 2008-09

The Executive Officer reported that it is a long-standing practice at the beginning of each fiscal year to request approval from the Board of Directors for staff to work with budgeted consultants on an as needed basis. Monies to work with Stetson Engineers (\$30,000), Geoscience (\$10,000), Bucknam and Associates (\$10,000) and Snyder and Associates (\$5,000) on a time and materials basis are included in the 2008-09 budget.

A short discussion followed regarding the procedure by which additional work will be added to the existing agreements, if needed. The Executive Officer stated that all special projects will continue to be brought before the Board of Directors for approval. A motion to approve Stetson Engineers, Geoscience, Bucknam and Associates and Snyder and Associates was made by Director Montan, seconded by Director Hart, and unanimously carried.

#### 10. PUMPING AND STORAGE COMMITTEE REPORT

The Executive Officer reported that the Committee has not met since the last RBMB Quarterly meeting. He also reported that staff has received a draft of the Groundwater Monitoring and Management Report (Phase I) and results of the first field tests conducted by Stetson Engineers. He further stated that staff has met with both Stetson and Geoscience to review both the report and the field findings. Stetson is in the process of incorporating Geoscience's comments, particularly in regard to the Pasadena Sub-area mass in & out issue. Mr. Zampielo stated that Stetson will be meeting with the City of Pasadena to discuss the report. Staff will schedule a Pumping and Storage Committee meeting to discuss the findings from Phase I and the goals and objectives for Phase II.

Mr. Zampielo also reported that he is in receipt of a letter from the City of Pasadena requesting credit for water discharged in conjunction with the start-up and operation of the City's planned perchlorate treatment in the Monk Hill subarea. This request will also go before the Committee at their next meeting.

#### 11. UPDATE ON PASADENA CONJUNCTIVE USE AGREEMENT

Director Kwan reported that the agreement is currently being reviewed by the City of Pasadena's legal staff, specifically in regard to risk and insurance requirements.

#### 12. REPORT ON APRIL 16, 2008 STRATEGIC PLANNING RETREAT

Chair Malloy reported that the Board had a good turnout at the recent strategic planning retreat. There were many first time attendees and he appreciated their attendance. The efforts at the retreat resulted in new goals and objectives for the Board including a review of the By-laws and implementation of a succession plan for those directors who will retire soon. The Executive Officer stated that staff will provide a final summary of the retreat by email for review.

#### 13. EXECUTIVE OFFICER'S REPORT

Mr. Zampielo reported that staff submitted an application on behalf of the Board for AB 303 grants. Most recent reports indicate that the State will be announcing the recipients in early June of 2008. The State has allocated \$6,000,000 for the program and received over \$20,000,000 in requests.

#### 14. INFORMATION ITEMS

The Chair made note of the information items distributed with Board materials and ordered them received and filed.

15. OTHER BUSINESS

Director Montan reported that construction of the City of Alhambra Treatment facility is nearing completion, and the City plans to host a grand opening celebration in July.

16. ADJOURNMENT

There being no other business, a motion was made by Director Burt, seconded by Director Hart, and unanimously carried, adjourning to the next Regular Board meeting on Wednesday, July 16, 2008 at 2:00 p.m. (Azusa).



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Pat Malloy, Chair

Attest:



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Charles Shaw, Secretary