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January 20, 2016

**VIA POSTING TO THE COURT'S WEBSITE**

All Counsel & Parties

**RE: *Antelope Valley Groundwater Litigation***  
***Judicial Council Coordination No. 4408***

Dear Counsel & Parties:

Please find attached an Agenda for the meeting to be held on January 21, 2016 at 2:00 p.m. at Lancaster City Hall. A copy of the Notice of the meeting is also attached along with other material that will be useful.

For those of you who cannot be present, a call-in number will be provided as follows:

1. Please join my meeting.

**<https://global.gotomeeting.com/join/367255093>**

2. Use your microphone and speakers (VoIP) - a headset is recommended. Or, call in using your telephone.

Dial +1 (646) 749-3122

Access Code: 367-255-093

Audio PIN: Shown after joining the meeting

Meeting ID: 367-255-093

Very truly yours,

**BRUNICK, McELHANEY & KENNEDY**



WILLIAM J. BRUNICK

WJB\pjg



**Antelope Valley-East Kern Water Agency**  
6500 West Avenue N, Palmdale, CA 93551  
Tel: (661) 943-3201 • Fax (661) 943-3204 • [www.avek.org](http://www.avek.org)  
Contact: Dwayne Chisam

## **NOTICE OF PUBLIC MEETING**

### **NOTICE OF DISCUSSION OF WATER MASTER ORGANIZATION**

Posted: 01/05/16

A meeting is set for Thursday, January 21, 2016 at 2:00 p.m., at Lancaster City Hall Council Chambers, 44933 Fern Ave., Lancaster, California 93534.

Pursuant to Final Judgment in the Antelope Valley Groundwater Cases, Santa Clara Case No. 1-05-CV-049053 the court appointed a Watermaster consisting of a five member Board. Two members, AVEK and Waterworks 40, were identified. A second Public Water Supplier member will be identified. Two Landowner members must be elected.

This process is identified in Section 18, Watermaster, of Exhibit A of the Judgment. A public meeting will be held to organize the Antelope Valley Watermaster. Section 18.1.1 outlines the appointment of Watermaster by the Court and the Watermaster Composition. Section 18.1.1 identifies AVEK and Los Angeles County Water Works 40 as members as well as a second Public Water Supplier representative. Representatives of AVEK, Waterworks 40, and the second Public Water Supplier representative could be identified on January 21, 2016. Landowner representatives are to be determined based on majority vote of parties listed on Exhibit 4 based on proportionate share of Production Rights identified on Exhibit 4. This process could be further discussed on the 21<sup>st</sup> to expedite the final composition of the Watermaster on or before February 15, 2016.

# Antelope Valley Watermaster Discussion

January 21, 2016

# Today's Meeting

- \* Introduction
- \* Formation of Watermaster Board
- \* Formation of Advisory committee
- \* Process for selection of the  
Watermaster Engineer

# Introduction

- \* AVEK's Role
  - \* Facilitator
  - \* Take direction from the Watermaster Board
    - \* Regarding administrative matters
- \* Copies of Watermaster section of final judgement

# Introduction

- \* Presentation of other Watermasters
- \* Robert Wagner

# Formation of the Antelope Valley Watermaster Board

- \* First Order of Business ,
- \* Seating Watermaster Board
- \* Appointmtns of AVEK, WW40
- \* Selection by Public Water Suppliers
- \* Election by Landowners
- \* Process yet to be defined

# Formation of the Advisory Committee

- \* Second order of Business
- \* Establishing the Advisory Committee
  - \* Method of establishment



# Selection of the Antelope Valley Watermaster Engineer

- \* Third Order of Business
- \* Watermaster Board selects  
Watermaster Engineer
- \* Input from the Advisory Committee
- \* Unanimous Vote of Watermaster  
Board members

# Suggested Antelope Valley Watermaster Organizational Plan

- \* Monthly organizational meetings
  - \* Today (informational )
  - \* February
    - \* Watermaster Board (Status)
    - \* Advisory Committee
  - \* March
    - \* Seating Watermaster Board
    - \* Advisory Committee

# Antelope Valley Watermaster Organizational Plan

- \* Following seating of the Watermaster Board
- \* All meetings will be under direction of the Watermaster Board
  - \* Monthly Board Meetings
    - \* Subject to the Brown Act
  - \* Advisory Committee meetings
    - \* Subject to the Brown Act

# \*Questions



1 Edwards Air Force Base or Plant 42, provided such change in the point of extraction does not  
2 cause Material Injury. In exercising its discretion under this Paragraph 17.2, the United States  
3 shall consider information in its possession regarding the effect of Production from the intended  
4 new point of extraction on the Basin, and on other Producers. Any such change in point(s) of  
5 extraction shall be at the expense of the United States. Nothing in this Paragraph is intended to  
6 waive any monetary claim(s) another Party may have against the United States in federal court  
7 based upon any change in point of extraction by the United States.

8 **18. WATERMASTER**

9 **18.1 Appointment of Initial Watermaster.**

10 **18.1.1** Appointment and Composition: The Court hereby appoints a  
11 Watermaster. The Watermaster shall be a five (5) member board composed of one representative  
12 each from AVEK and District No. 40, a second Public Water Supplier representative selected by  
13 District No. 40, Palmdale Water District, Quartz Hill Water District, Littlerock Creek Irrigation  
14 District, California Water Service Company, Desert Lake Community Services District, North  
15 Edwards Water District, City of Palmdale, City of Lancaster, Palm Ranch Irrigation District, and  
16 Rosamond Community Services District, and two (2) landowner Parties, exclusive of public  
17 agencies and members of the Non-Pumper and Small Pumper Classes, selected by majority vote  
18 of the landowners identified on Exhibit 4 (or their successors in interest) based on their  
19 proportionate share of the total Production Rights identified in Exhibit 4. The United States may  
20 also appoint a non-voting Department of Defense (DoD) Liaison to the Watermaster committee to  
21 represent DoD interests. Participation by the DoD Liaison shall be governed by Joint Ethics  
22 Regulation 3-201. The opinions or actions of the DoD liaison in participating in or contributing  
23 to Watermaster proceedings cannot bind DoD or any of its components.

24 **18.1.2** Voting Protocol for Watermaster Actions:

25 **18.1.2.1** The Watermaster shall make decisions by unanimous vote  
26 for the purpose of selecting or dismissing the Watermaster Engineer.  
27  
28

1                   **18.1.2.2**       The Watermaster shall determine by unanimous vote, after  
2 consultation with the Watermaster Engineer, the types of decisions that shall require unanimous  
3 vote and those that shall require only a simple majority vote.

4                   **18.1.2.3**       All decisions of the Watermaster, other than those  
5 specifically designated as being subject to a simple majority vote, shall be by a unanimous vote.

6                   **18.1.2.4**       All board members must be present to make any decision  
7 requiring a unanimous vote.

8                   **18.1.3**       In carrying out this appointment, the Watermaster shall segregate  
9 and separately exercise in all respects the Watermaster powers delegated by the Court under this  
10 Judgment. All funds received, held, and disbursed by the Watermaster shall be by way of  
11 separate Watermaster accounts, subject to separate accounting and auditing. Meetings and  
12 hearings held by the Watermaster shall be noticed and conducted separately.

13                  **18.1.4**       Pursuant to duly adopted Watermaster rules, Watermaster staff and  
14 administrative functions may be accomplished by AVEK, subject to strict time and cost  
15 accounting principles so that this Judgment does not subsidize, and is not subsidized by AVEK.

16                  **18.2**       Standard of Performance. The Watermaster shall carry out its duties,  
17 powers and responsibilities in an impartial manner without favor or prejudice to any Subarea,  
18 Producer, Party, or Purpose of Use.

19                  **18.3**       Removal of Watermaster. The Court retains and reserves full  
20 jurisdiction, power, and authority to remove any Watermaster for good cause and substitute a new  
21 Watermaster in its place, upon its own motion or upon motion of any Party in accordance with the  
22 notice and hearing procedures set forth in Paragraph 20.6. The Court shall find good cause for  
23 the removal of a Watermaster upon a showing that the Watermaster has: (1) failed to exercise its  
24 powers or perform its duties; (2) performed its powers in a biased manner; or (3) otherwise failed  
25 to act in the manner consistent with the provisions set forth in this Judgment or subsequent order  
26 of the Court.

1                   **18.4       Powers and Duties of the Watermaster.** Subject to the continuing  
2 supervision and control of the Court, the Watermaster shall have and may exercise the following  
3 express powers and duties, together with any specific powers and duties set forth elsewhere in  
4 this Judgment or ordered by the Court:

5                   **18.4.1       Selection of the Watermaster Engineer.** The Watermaster shall  
6 select the Watermaster Engineer with the advice of the Advisory Committee described in  
7 Paragraph 19.

8                   **18.4.2       Adoption of Rules and Regulations.** The Court may adopt  
9 appropriate rules and regulations prepared by the Watermaster Engineer and proposed by the  
10 Watermaster for conduct pursuant to this Judgment. Before proposing rules and regulations, the  
11 Watermaster shall hold a public hearing. Thirty (30) days prior to the date of the hearing, the  
12 Watermaster shall send to all Parties notice of the hearing and a copy of the proposed rules and  
13 regulations or amendments thereto. All Watermaster rules and regulations, and any amendments  
14 to the Watermaster rules and regulations, shall be consistent with this Judgment and are subject to  
15 approval by the Court, for cause shown, after consideration of the objections of any Party.

16                   **18.4.3       Employment of Experts and Agents.** The Watermaster may  
17 employ such administrative personnel, engineering, legal, accounting, or other specialty services,  
18 and consulting assistants as appropriate in carrying out the terms of this Judgment.

19                   **18.4.4       Notice List.** The Watermaster shall maintain a current list of  
20 Parties to receive notice. The Parties have an affirmative obligation to provide the Watermaster  
21 with their current contact information. For Small Pumper Class Members, the Watermaster shall  
22 initially use the contact information contained in the list of Small Pumper Class members filed  
23 with the Court by class counsel.

24                   **18.4.5       Annual Administrative Budget.** The Watermaster shall prepare a  
25 proposed administrative budget for each Year. The Watermaster shall hold a public hearing  
26 regarding the proposed administrative budget and adopt an administrative budget. The  
27 administrative budget shall set forth budgeted items and Administrative Assessments in sufficient  
28

1 detail to show the allocation of the expense among the Producers. Following the adoption of the  
2 budget, the Watermaster may make expenditures within budgeted items in the exercise of powers  
3 herein granted, as a matter of course.

4 **18.4.6 Investment of Funds.** The Watermaster may hold and invest any  
5 funds in investments authorized from time to time for public agencies in the State of California.  
6 All funds shall be held in separate accounts and not comingled with the Watermaster's personal  
7 funds.

8 **18.4.7 Borrowing.** The Watermaster may borrow in anticipation of  
9 receipt of proceeds from any assessments authorized in Paragraph 9 in an amount not to exceed  
10 the annual amount of assessments.

11 **18.4.8 Transfers.** On an annual basis, the Watermaster shall prepare and  
12 maintain a report or record of any transfer of Production Rights among Parties. Upon reasonable  
13 request, the Watermaster shall make such report or record available for inspection by any Party.  
14 A report or records of transfer of Production Rights under this Paragraph shall be considered a  
15 ministerial act.

16 **18.4.9 New Production Applications.** The Watermaster shall consider  
17 and determine whether to approve applications for New Production after consideration of the  
18 recommendation of the Watermaster Engineer.

19 **18.4.10 Unauthorized Actions.** The Watermaster shall bring such action  
20 or motion as is necessary to enjoin any conduct prohibited by this Judgment.

21 **18.4.11 Meetings and Records.** Watermaster shall provide notice of and  
22 conduct all meetings and hearings in a manner consistent with the standards and timetables set  
23 forth in the Ralph M. Brown Act, Government Code sections 54950, et seq. Watermaster shall  
24 make its files and records available to any Person consistent with the standards and timetables set  
25 forth in the Public Records Act, Government Code sections 6200, et seq.

26 **18.4.12 Assessment Procedure.** Each Party hereto is ordered to pay the  
27 assessments authorized in Paragraph 9 of this Judgment, which shall be levied and collected in  
28



accordance with the procedures and schedules determined by the Watermaster. Any assessment which becomes delinquent, as defined by rules and regulations promulgated by the Watermaster shall bear interest at the then current real property tax delinquency rate for the county in which the property of the delinquent Party is located. The United States shall not be subject to payment of interest absent congressional waiver of immunity for the imposition of such interest. This interest rate shall apply to any said delinquent assessment from the due date thereof until paid. The delinquent assessment, together with interest thereon, costs of suit, attorneys fees and reasonable costs of collection, may be collected pursuant to (1) motion by the Watermaster giving notice to the delinquent Party only; (2) Order to Show Cause proceeding, or (3) such other lawful proceeding as may be instituted by the Watermaster or the Court. The United States shall not be subject to costs and fees absent congressional waiver of immunity for such costs and fees. The delinquent assessment shall constitute a lien on the property of the Party as of the same time and in the same manner as does the tax lien securing county property taxes. The property of the United States shall not be subject to any lien. The Watermaster shall annually certify a list of all such unpaid delinquent assessments. The Watermaster shall include the names of those Parties and the amounts of the liens in its list to the County Assessor's Office in the same manner and at the same time as it does its Administrative Assessments. Watermaster shall account for receipt of all collections of assessments collected pursuant to this Judgment, and shall pay such amounts collected pursuant to this Judgment to the Watermaster. The Watermaster shall also have the ability to seek to enjoin Production of those Parties, other than the United States, who do not pay assessments pursuant to this Judgment.

**18.5** **Watermaster Engineer.** The Watermaster Engineer shall have the following duties:

**18.5.1 Monitoring of Safe Yield.** The Watermaster Engineer shall monitor all the Safe Yield components and include them in the annual report for Court approval. The annual report shall include all relevant data for the Basin.

**18.5.2 Reduction in Groundwater Production.** The Watermaster Engineer shall ensure that reductions of Groundwater Production to the Native Safe Yield (Rampdown) take place pursuant to the terms of this Judgment and any orders by the Court.

**18.5.3 Determination of Replacement Obligations.** The Watermaster Engineer shall determine Replacement Obligations for each Producer, pursuant to the terms of this Judgment.

**18.5.4 Balance Obligations.** The Watermaster Engineer shall determine Balance Assessment obligations for each Producer pursuant to the terms of this Judgment. In addition, the Watermaster Engineer shall determine the amount of water derived from the Balance Assessment that shall be allocated to any Producer to enable that Producer to fully exercise its Production Right.

**18.5.5 Measuring Devices, Etc.** The Watermaster Engineer shall propose, and the Watermaster shall adopt and maintain, rules and regulations regarding determination of Production amounts and installation of individual water meters. The rules and regulations shall set forth approved devices or methods to measure or estimate Production. Producers who meter Production on the date of entry of this Judgment shall continue to meter Production. The Watermaster rules and regulations shall require Producers who do not meter Production on the effective date of entry of this Judgment, except the Small Pumper Class, to install water meters within two Years.

**18.5.6 Hydrologic Data Collection.** The Watermaster Engineer shall (1) operate, and maintain such wells, measuring devices, and/or meters necessary to monitor stream flow, precipitation, Groundwater levels, and Basin Subareas, and (2) to obtain such other data as may be necessary to carry out this Judgment.

**18.5.7 Purchases of and Recharge with Replacement Water.** To the extent Imported Water is available, the Watermaster Engineer shall use Replacement Water Assessment proceeds to purchase Replacement Water, and deliver such water to the area deemed most appropriate as soon as practicable. The Watermaster Engineer may pre-purchase

1 Replacement Water and apply subsequent assessments towards the costs of such pre-purchases.  
2 The Watermaster Engineer shall reasonably and equitably actively manage the Basin to protect  
3 and enhance the health of the Basin.

4 **18.5.8 Water Quality.** The Watermaster Engineer shall take all  
5 reasonable steps to assist and encourage appropriate regulatory agencies to enforce reasonable  
6 water quality regulations affecting the Basin, including regulation of solid and liquid waste  
7 disposal, and establishing Memorandums of Understanding with Kern and Los Angeles Counties  
8 regarding well drilling ordinances and reporting.

9 **18.5.9 Native Safe Yield.** Ten (10) Years following the end of the seven  
10 Year Rampdown period, in the seventeenth (17th) Year, or any time thereafter, the Watermaster  
11 Engineer may recommend to the Court an increase or reduction of the Native Safe Yield. The  
12 Watermaster Engineer shall initiate no recommendation to change Native Safe Yield prior to the  
13 end of the seventeenth (17th) Year. In the event the Watermaster Engineer recommends in its  
14 report to the Court that the Native Safe Yield be revised based on the best available science, the  
15 Court shall conduct a hearing regarding the recommendations and may order a change in Native  
16 Safe Yield. Watermaster shall give notice of the hearing pursuant to Paragraph 20.3.2. The most  
17 recent Native Safe Yield shall remain in effect until revised by Court order according to this  
18 paragraph. If the Court approves a reduction in the Native Safe Yield, it shall impose a Pro-Rata  
19 Reduction as set forth herein, such reduction to be implemented over a seven (7) Year period. If  
20 the Court approves an increase in the Native Safe Yield, it shall impose a Pro-Rata Increase as set  
21 forth herein, such increase to be implemented immediately. Only the Court can change the  
22 Native Safe Yield.

23 **18.5.10 Change in Production Rights in Response to Change in Native**  
24 **Safe Yield.** In the event the Court changes the Native Safe Yield pursuant to Paragraph 18.5.9,  
25 the increase or decrease will be allocated among the Producers in the agreed percentages listed in  
26 Exhibits 3 and 4, except that the Federal Reserved Water Right of the United States is not subject  
27 to any increase or decrease.

# Watermaster Overview

January 21, 2016

By Robert C. Wagner, P.E.  
Wagner & Bonsignore Consulting Civil Engineers

# What is a Watermaster?

“The main purpose of the Watermaster Program is to ensure water is allocated according to established water rights as determined by court adjudications or agreements by an unbiased, qualified person, thereby reducing water rights court litigation, civil lawsuits, and law enforcement workload. It also helps prevent the waste or unreasonable use of water.”

(California Department of Water Resources Watermaster Program)



# What is a Watermaster?

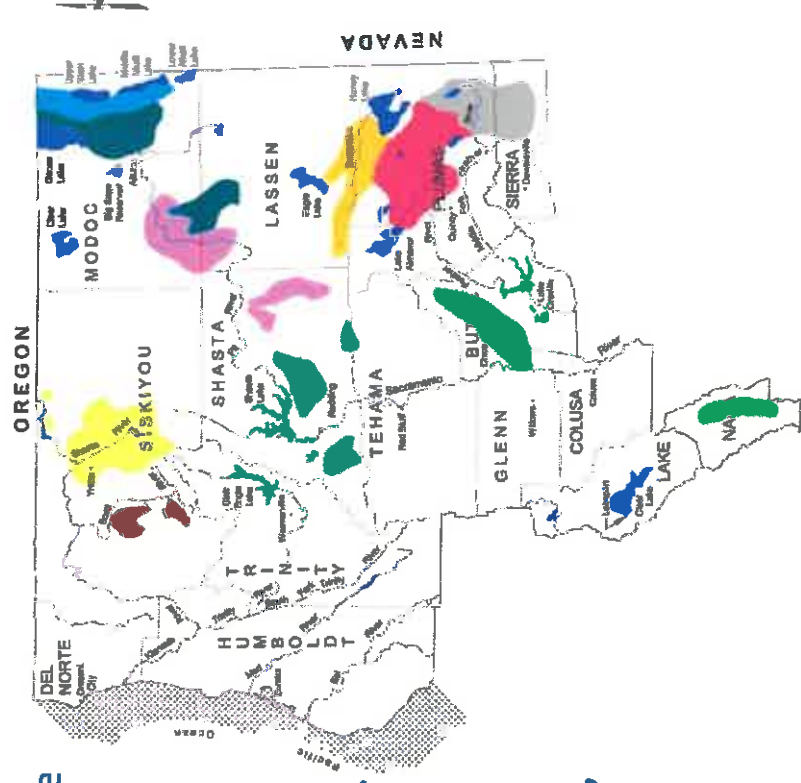
## Service Areas

The eight Northern District field watermasters work full

The eight Northern District field watermasters work full time in their respective service areas during the irrigation season, usually April 1 through September 30. It is the watermaster's responsibility to physically regulate between 100 to 200 diversions within one or more service areas during this period. The watermaster normally spends his day checking diversions and adjusting them as needed. If this is done on a routine basis, fewer problems occur. The water users are not permitted to regulate their diversions unless specifically instructed by the watermaster to do so.

In addition, the Watermaster works with advisory/management boards in the basins to review activities such as delinquent accounts, drought responses, and proposed amendments to the judgments. The Watermaster also records water rights sales and leases between parties and maintains successor lists.

Source: California Department of Water Resources Watermaster Program

[illegible]

# What is an Adjudication of Water Rights?

- \* Determination of the rights and responsibilities of Parties to an overused water supply
- \* Adjudication of water rights is common and includes
  - \* Stream Systems
  - \* Groundwater Basins
  - \* Interconnected groundwater and surface water systems

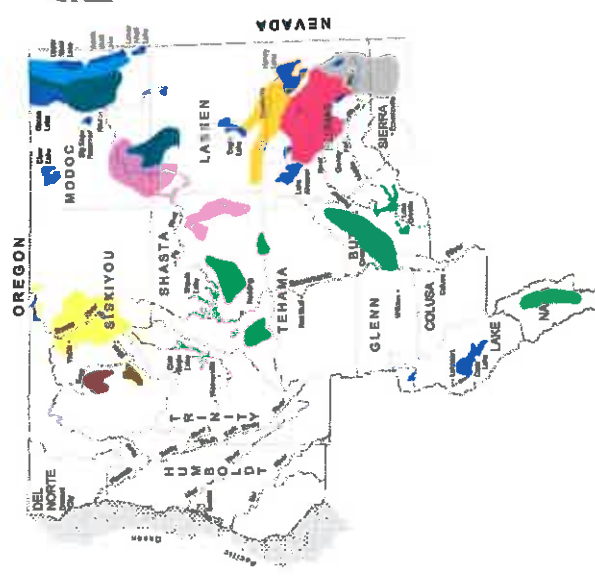


# Watermasters are Common

- \* Watermasters are typically appointed by the court as part of the adjudication process
- \* Many streams in northern California are adjudicated and are subject to a Watermaster

- \* Some examples:

- \* Ash Creek
- \* Butte Creek
- \* Hat Creek
- \* Middle Fork Feather
- \* North Fork Pitt River
- \* Shasta River





# Watermasters are Common

- \* Many groundwater basins including surface water systems in southern California are adjudicated and subject to a court appointed Watermaster
- \* Some examples:
  - \* Antelope Valley
  - \* Mojave Basin Area (Mojave River System)
  - \* San Bernardino Basin Area (Santa Ana River System)
  - \* Chino Basin
  - \* San Gabriel Basin

# Typical Watermaster Duties

- \* Typical Watermaster duties include:
  - \* Hydrologic data compilation and analysis
  - \* Determination and protection of water rights and water agreements
  - \* Maintain records of parties and changes of ownership through time
  - \* Establish that uses of water are reasonable, beneficial and consistent with the court order
  - \* Collection of water level, water quality, and water usage data
  - \* Evaluate water production of parties for determination of Replacement Water Obligations, and assessments
  - \* Evaluate transfers and maintain records of transfers over time
  - \* Filing annual report to the court on issues affecting the water resources of the adjudicated area

# Mojave Basin Area Adjudication

- \* Mojave Water Agency (MWA) is the Watermaster
- \* MWA was appointed as Watermaster in 1993 pursuant to the Court Judgment
- \* Watermaster functions as arm of the court
- \* Watermaster members act in an impartial manner
- \* Subarea Advisory Committees provide input
- \* Watermaster administers the Judgment for 475 parties (approximately 1,700 wells)
- \* Periodic review of over 6,000 minimal producers
- \* Watermaster rules are applied uniformly to parties and subareas

# Mojave Basin Area Adjudication

- \* Watermaster Roles and Responsibilities
  - \* Conduct studies and prepare an annual report of its findings and activities to the Court
    - \* Watermaster has prepared 21 annual reports to date
    - \* Reporting requirements are very similar to the Antelope reporting requirements
  - \* Provides detailed annual consumptive use analysis for all water use
  - \* Annually evaluates change in storage, incorporating functions of inflow and outflow, consumptive use, return flows, and recharge
  - \* Protects sensitive riparian habitat

# Mojave Basin Area Adjudication

- \* Administrative Functions of Watermaster
- \* Maintains records of production rights, land use, and water use
- \* Records water transfers, maintains records for all such transfers and reports changes in ownership of Base Annual Production rights to the Court
- \* Maintains storage accounts
- \* Collect required assessments

# Antelope Valley Watermaster

- \* Watermaster acts as an arm of the court to manage the basin's water resources and enforce the terms of the Judgment
- \* Court has continuing Jurisdiction
- \* Watermaster's responsibilities are specifically outlined in Exhibit A to the Judgment (paragraph 18, pages 44-56)
- \* The requirements for Watermaster's Annual Report to the Court are outlined in paragraph 18.5.18
- \* First report is due April 2017



# Watermaster Duties

The Annual Report shall include a compilation of the following (paragraph 18.5.18, page 55)

- \* Replacement Obligations
- \* Hydrologic Data Collection
- \* Purchase and Recharge of Imported Water
- \* Notice List
- \* New Production Applications
- \* Rules and Regulations
- \* Measuring Devices, etc
- \* Storage Agreements
- \* Annual Administrative Budget
- \* Transfers
- \* Production Reports
- \* Prior Year Report
- \* Amount of Stored Water owned by each Party
- \* Amount of Stored Imported Water owned by each Party
- \* Amount of unused Imported Water Return Flows owned by each Party
- \* Amount of Carry Over Water owned by each Party
- \* All changes in use

# Antelope Valley Watermaster

Questions?