

December 12, 2016

ANTELOPE VALLEY WATERMASTER ADVISORY COMMITTEE
MEETING AGENDA

December 15, 2016 1:00 p.m.

**Los Angeles County Farm Bureau
41228 12th Street West, Suite A
Palmdale, CA 93551**

Conference Call Number: (877) 402-9757

Access Code: 8384110

Action Items:

1. Approval of November 17, 2016 meeting minutes.
2. Discussion and Adoption of Operating Procedures.
3. Establishment of the Administrative Pumping Assessment.
4. Discussion of role in selection of the Watermaster Engineer.
5. Requests for future agenda items.

Enclosures:

November 17, 2016 Draft Minutes

Drafts of Operating Procedures

Draft AVWB 2016-2017 Budgets provided at December 5, 2016 AVWB meeting

AVWB Public Hearing Notice for December 19, 2016

AV Adjudication Judgement Sections for Watermaster and Advisory Committees

Roster and Contact Information

September 28, 2016 Producer-Approved Structure

December 12, 2016

ANTELOPE VALLEY WATERMASTER ADVISORY COMMITTEE
EXECUTIVE COMMITTEE MEETING MINUTES

November 17, 2016 2:00 p.m.

Palmdale Water District Board Room
2029 East Avenue Q
Palmdale, CA 93550

Conference Call Number: (877) 402-9757 Access Code: 8384110

Action Items:

1. Selection of Chair and Vice-Chair.

The Committee unanimously voted to have the Chair and Vice-Chair be shared by representatives from the overlayers and public water suppliers. The first Chair is Dennis LaMoreaux (DL), PWD and first Vice-Chair Derek Yurosek, Bolthouse Properties.

2. Discussion and Adoption of Title and Operating Procedures.

After a discussion, the Committee agreed to submit comments on the draft received from the City of LA to DL by December 9th for future discussion. They also tentatively agreed that the 16-member committee should be titled the Advisory Committee rather than the Executive Committee.

3. Establishment of the Administrative Pumping Assessment.

The Committee agreed that the Administrative assessment for 2016 should be calculated from the actual 2016 AVWB costs divided by the production rights in Exhibits 3 and 4 of the Adjudication Judgement.

4. Agricultural Landowner Member Vacancy (Gary Van Dam elected to AVEK Board).

The was no action on this item.

5. Other items.

These future items for discussion were brought up:

- Getting items on the AVWB agenda
- Adding information about the Advisory Committee to the AVWB website
- Getting Glotrans instructions
- The next meeting was tentatively set for 2:00 pm, December 15th, possibly at the LA Farm Bureau office

ATTENDANCE 11/17/17

November 7, 2016

Antelope Valley Advisory Committee – Executive Committee Roster

Agricultural Landowner Members

✓ Derek Yurosek	661-330-2610 or 661-323-4005	DYurosek@BolthouseProperties.com
✓ Gary Godde	775-720-6551	g_godde@msn.com
✓ Gary Van Dam	661-889-6802	vandamgary@gmail.com
✓ George Cappello	661-978-3310	gcappello@grimmway.com

Industrial Landowner Member

✓ Nathan W. Francis	661-754-2778	Nathan.Francis@riotinto.com
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Public Landowner Member

✓ Greg Reed	213-367-2117	greg.reed@ladwp.com
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Los Angeles County Water Purveyor Members

✓ Chad Reed	661-943-3170 or 661-810-0381	creed@qhwd.org
✓ Dennis LaMoreaux	661-456-1017	dlamoreaux@palmdalewater.org

Kern County Public Agency Member

✓ Ron Smith	661-256-3411	rsmith@rosamondcsd.com
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Mutual Water Company Members

✓ John Ukkestad	661-272-0015	johnnvu40@yahoo.com
✓ Bruce Nelson	661-942-2198	brucenelsontax@gmail.com

Small Pumper Members

✓ Richard Wood	661-946-1161	RALWoody@hotmail.com
✓ Ron Hawkins	661-435-2566	ronhawkins@earthlink.net

Ex-Officio Members

Federal:	Gerald Boetsch	661-277-4695	gerald.boetsch.1@us.af.mil
State:	Gabino Velazquez	661-944-8555	Gabino.Velazquez@water.ca.gov
✓ Technical:	Larry Rottman	661-816-4508	LKRottman@yahoo.com

A.V. WATERMASTER ADVISORY COMMITTEE

November 17, 2016

Name:	Phone:	Email Address:
Chad Reed	943-3170	
DWAYNE CHAMBERS	943-3201	dcham@am.avax.org
Glenn Olson	576-3478	4995 Elder Ave Res.
BRUCE NELSON	860-5723	
MATT KNUDSON	661-456-1018	mknudson@palmdalewater.org
Mary Van Der	661 889 6802	
Gary Godde	661 775 720-6551	g-godde@mrn.com
Nathan Francis	661-754-2778	nathan.francis@vriolink.com
Greg Reed	213-367-2117	greg.reed@ladwp.com
ROU SMITH	661 609 2500	

A.V. WATERMASTER ADVISORY COMMITTEE

November 17, 2016

Name:

Phone:

Email Address:

Derek Yurosek	661-330-2610	dyurosek@thepeople.com
Lawy Bitman	661-816-4568	LKBittman@yahoo.com
Richard Wood		RALWOODY@HOTMAIL.COM

A.V. WATERMASTER ADVISORY COMMITTEE
November 17, 2016

Name: _____ Phone: _____ Email Address: _____

ON CONFERENCE LINE

~~GERALD BOETSCH~~

GEORGE CARROLLO

ANTELOPE VALLEY WATERMASTER ADVISORY COMMITTEE AND EXECUTIVE COMMITTEE

OPERATING PRINCIPLES AND PROCEDURES

Operating Principles and Procedures for the Advisory Committee

The Advisory Committee provides for input from all Producers, as authorized in Articles 19.1 to 19.4 of the Judgment.

- The Advisory Committee consists of all Producers attending a meeting. This means that every Producer has an opportunity to provide input on their specific issues of concern. This includes Producers that serve as Watermaster Representatives (currently including AVEK, WW40, LCID, Tejon Ranch, and Calandri Farms)
- Meetings of the Advisory Committee will be open to the public (Judgment Article 19.4). Information about meetings will be posted on the Antelope Valley Watermaster website (or on the AVEK website until the Watermaster website is implemented).
- As a practical matter, Advisory Committee members will be encouraged to coordinate their input with others that have similar concerns, in order to help organize the input in a way that can be presented to the Watermaster for efficient consideration.
- For input that is relatively technical or complicated, Advisory Committee member(s) that are providing a specific recommendation would be encouraged to provide the recommendation in writing, to facilitate the Executive Committee being able to pass the recommendation on the Watermaster.

Operating Principles and Procedures for the Executive Committee

There are literally thousands of Producers covered by the Judgment. As a practical matter, in order for input to be provided to the Watermaster in an efficient manner that can help the Watermaster in making informed decisions in implementing the Judgment, certain responsibilities will be delegated to the Executive Committee (a permanent subcommittee of the Advisory Committee).

- The Producers attending the September 28, 2016 meeting decided to include 16 members on the Executive Committee, as shown below, to ensure that a broad range of interests are represented: [LIST MEMBERSHIP]
- In order to ensure that a diverse range of input is provided to the Watermaster, Producers that are serving as Watermaster Representatives will not be allowed to serve as members of the Executive Committee.
- The Executive Committee will run the Advisory Committee meetings in a manner to effectively solicit a range of input within the limited amount of time available for Advisory Committee meetings.
- The Executive Committee will identify a range of recommendations and/or input on Watermaster discretionary determinations, based on input at the Advisory Committee meetings.

- On some issues, it is expected that there may be competing recommendations suggested by the Advisory Committee. The Executive Committee will identify the “majority” opinion by a majority vote of its members, but will also identify minority opinions which it will also pass on to the Watermaster for its consideration. It is anticipated that the process of defining the recommendations to be passed on to the Watermaster may also provide an opportunity to refine the recommendations, and possible to propose possible compromises for consideration by the Watermaster.
- Agendas and minutes will be prepared by the Antelope Valley Watermaster administrator, subject to the approval of the Executive Committee, and will be stored by the Antelope Valley Watermaster Administrator.

ANTELOPE VALLEY WATERMASTER ADVISORY COMMITTEE

OPERATING PRINCIPLES AND PROCEDURES

Background

The Antelope Valley Groundwater adjudication Stipulation was signed on 23 December 2015. The Stipulation authorized and directed the “Producer(s)” (Article 3.5.30) to cause a committee of “Producer representatives” (undefined in the Stipulation) to be organized and act as an “Advisory Committee” (undefined in of Stipulation) (Article 19.1).

The Producers attending the September 28, 2016 meeting decided all producers were on the Advisory Committee and to elect an Executive Committee representing a broad range of interests. This Executive Committee would be the entity that actually interfaced with the Watermaster. The 16 members on the Executive Committee are shown below:

[LIST MEMBERSHIP].

However, on 17 November 2016, the Executive Committee determined:

1. The Producers should align their terminology exactly with the letter and intent of the Stipulation. Therefore; the “Executive Committee” is in fact the Advisory Committee. It was also reaffirmed any individual may attend Advisory Committee meetings and make inputs.
2. A set of operating principles and procedures should be adopted as shown below.

Operating Principles and Procedures for the Advisory Committee

1. The Advisory Committee provides for input from all Producers, as authorized in Articles 19.1 to 19.4 of the Judgment.
2. Every Producer, or customer of a Producer, shall be given an opportunity to provide input on their specific issues of concern. This includes Producers that serve as Watermaster Representatives (As of November 2016: AVEK, WW40, LCID, Tejon Ranch, and Calandri Farms.)
3. The Producers reserve the right to change the makeup and organization of the Advisory Committee as the Producers deem appropriate.
4. In order to ensure a diverse range of input, and avoid conflicts of interest, Producers (or their direct employees) who are serving as Watermaster Representatives will not be allowed to serve on the Advisory Committee.

5. The Advisory Committee may elect, by majority vote, administrative positions (e.g. chair person, vice-chair person, recording secretary, etc.) and change those positions as circumstances may dictate.
6. Meetings of the Advisory Committee will be open to the public (Judgment Article 19.4). Information about meetings will be posted on the Antelope Valley Watermaster website (or on the AVEK website until the Watermaster website is implemented).
7. Agendas and minutes will be prepared by the Antelope Valley Watermaster administrator, subject to the approval of the Advisory Committee, and will be stored by the Antelope Valley Watermaster Administrator.
8. As a practical matter, in order to organize the input in a way that can be efficiently presented to the Watermaster, Producers and Advisory Committee members are encouraged to coordinate their input with others that have similar concerns.
9. To facilitate providing complicated or technical input to the Watermaster; individuals providing a specific recommendation to the Advisory Committee are encouraged to provide the recommendation in **writing**.
10. There are literally thousands of Producers covered by the Judgment with a wide range of potential concerns. In order for input to be provided to the Watermaster in an efficient manner; certain responsibilities may be delegated to a sub-set of the Advisory Committee for further investigation/refinement before presentation to the full Advisory Committee.
12. The intent of the Advisory Committee is to allow all attendees to discuss their issues and recommendations in a relatively informal atmosphere. However; since the Advisory Committee is relatively large, and the number of producers attending a meeting is potentially large, the Chairman will run the meetings with enough formality and sufficient adherence to Robert's Rules of Order to complete the meetings in an orderly and time efficient manner.
13. Based on input from those attending the Advisory Committee meetings; the Advisory Committee will, when appropriate, identify a range of recommendations for the Watermaster's discretionary determinations.
14. On some issues it is expected there will be competing recommendations suggested by the Advisory Committee. The Advisory Committee will identify the "majority" opinion by a majority vote of its members, but will also identify "minority" opinions which it will also pass on to the Watermaster for its consideration. The Advisory Committee may also provide compromise recommendations between the majority and minority positions.

**ANTELOPE VALLEY WATERMASTER ADVISORY COMMITTEE ~~AND~~
~~EXECUTIVE COMMITTEE~~**

OPERATING PRINCIPLES AND PROCEDURES

Operating Principles and Procedures for the Advisory Committee

~~There are literally thousands of Producers covered by the Judgment. As a practical matter, in order for input to be provided to the Watermaster in an efficient manner that can help the Watermaster in making informed decisions in implementing the Judgment, certain responsibilities will be delegated to the Advisory Committee.~~

The Advisory Committee provides for input from all Producers, as authorized in Articles 19.1 to 19.4 of the Judgment.

- ~~• The Advisory Committee consists of all Producers attending a meeting. This means that Every Producer has an opportunity to provide input on their specific issues of concern through the Advisory Committee. This includes Producers that serve as Watermaster Representatives (currently including AVEK, WW40, LCID, Tejon Ranch, and Calandri Farms)~~
- Meetings of the Advisory Committee will be open to the public (Judgment Article 19.4). Information about meetings will be posted on the Antelope Valley Watermaster website (or on the AVEK website until the Watermaster website is implemented).
- ~~As a practical matter,~~ Advisory Committee members will be are encouraged to coordinate their input with others that have similar concerns, in order to ~~help organize the input in a way that can be presented to the Watermaster for efficient consideration~~ have thorough discussions of items that will have a recommendation to the Watermaster.
- ~~• For input that is relatively technical or complicated, Advisory Committee member(s) that are providing a specific recommendation would be encouraged to provide the recommendation in writing, to facilitate the Executive Committee being able to pass the recommendation on the Watermaster.~~

Operating Principles and Procedures for the Executive Advisory Committee

~~There are literally thousands of Producers covered by the Judgment. As a practical matter, in order for input to be provided to the Watermaster in an efficient manner that can help the Watermaster in making informed decisions in implementing the Judgment, certain responsibilities will be delegated to the Executive Advisory Committee (a permanent subcommittee of the Advisory Committee).~~

- The Producers attending the September 28, 2016 meeting decided to include 16 members on the Executive Committee, as shown below, to ensure that a broad range of interests are represented: [LIST MEMBERSHIP]
- In order to ensure that a diverse range of input is provided to the Watermaster, Producers that are serving as Watermaster Representatives will not be allowed to serve as members of the Executive-Advisory Committee.

ANTELOPE VALLEY WATERMASTER ADVISORY COMMITTEE

OPERATING PRINCIPLES AND PROCEDURES

There are literally thousands of Producers covered by the Judgment. As a practical matter, in order for input to be provided to the Watermaster in an efficient manner that can help the Watermaster in making informed decisions in implementing the Judgment, certain responsibilities will be delegated to the Advisory Committee.

The Advisory Committee provides for input from all Producers, as authorized in Articles 19.1 to 19.4 of the Judgment.

- Every Producer has an opportunity to provide input on their specific issues of concern through the Advisory Committee. This includes Producers that serve as Watermaster Representatives (currently including AVEK, WW40, LCID, Tejon Ranch, and Calandri Farms)
- Meetings of the Advisory Committee will be open to the public (Judgment Article 19.4). Information about meetings will be posted on the Antelope Valley Watermaster website (or on the AVEK website until the Watermaster website is implemented).
- Advisory Committee members are encouraged to coordinate their input with others that have similar concerns, in order to have thorough discussions of items that will have a recommendation to the Watermaster.
- The Producers attending the September 28, 2016 meeting decided to include 16 members on the Executive Committee, as shown below, to ensure that a broad range of interests are represented: [LIST MEMBERSHIP]
- In order to ensure that a diverse range of input is provided to the Watermaster, Producers that are serving as Watermaster Representatives will not be allowed to serve as members of the Advisory Committee.
- The Advisory Committee meetings will be run in a manner to effectively solicit a range of input within the limited amount of time available for Advisory Committee meetings.
- The Advisory Committee will determine recommendations and/or input on Watermaster discretionary determinations, based on input at the Advisory Committee meetings.
- On some issues, it is expected that there may be competing recommendations suggested by Advisory Committee members. The Advisory Committee will identify the “majority” opinion by a majority vote of its members, but will also identify minority opinions which it will also pass on to the Watermaster for its consideration. It is anticipated that the process of defining the recommendations to be passed on to the Watermaster may also provide an opportunity to refine the recommendations, and possible to propose possible compromises for consideration by the Watermaster.
- Agendas and minutes will be prepared by the Antelope Valley Watermaster administrator or as otherwise determined by the Advisory Committee, subject to the approval of the Advisory Committee, and will be stored by the Antelope Valley Watermaster Administrator.

ANTELOPE VALLEY WATERMASTER

PUBLIC HEARING NOTICE

2016 & 2017 ADMINISTRATIVE ASSESSMENTS AND ANNUAL ADMINISTRATIVE BUDGETS

DATED: December 2, 2016

TO ANTELOPE VALLEY GROUNDWATER PRODUCERS:

The ANTELOPE VALLEY WATERMASTER set 11:00 a.m. on Monday, December 19, 2016, at the Palmdale Water District, 2029 East Avenue Q, Palmdale, California, as the time and place for a Public Hearing on 2016 and 2017 Administrative Assessments AND Annual Administrative Budgets. Written comments will be received at the Palmdale Water District office, or by E-mail at mknudson@palmdalewater.org until 5 p.m. on Friday, December 16, 2016.

Written and oral comments can be provided at the Public Hearing.

Your input is important. If you have any questions, please contact us. Thank you.

Holly Hughes
Interim Secretary

**A N T E L O P E V A L L E Y
W A T E R M A S T E R B O A R D
M E M O R A N D U M**

DATE: December 2, 2016
TO: WATERMASTER BOARD
FROM: Mr. Matthew Knudson, PWD Asst. General Manager
VIA: Mr. Dwayne Chisam, AVEK General Manager
RE: *AGENDA ITEM NO. 6.A – DISCUSSION TO ADOPT CY 2016 ADMINISTRATIVE BUDGET,
AND SET THE CY 2017 BUDGET*

Annual Administrative Budget:

Section 18.4.5 of the Judgment provides that the Watermaster shall prepare a proposed administrative budget for each Year. The Watermaster shall hold a public hearing regarding the proposed administrative budget and adopt an administrative budget. The administrative budget shall set forth budgeted items and Administrative Assessments in sufficient detail to show the allocation of the expenses among the Producers.

Administrative Expenses:

The attached proposed CY 2016 and preliminary 2017 administrative budgets include the current commitments, reimbursements, and proposed expenses necessary for the Watermaster to administer the provisions of the Judgment. The expenses listed for 2016 are based on actual costs to date and commitments already approved or known by the Watermaster. The preliminary expenses listed for 2017 are based on an estimate of the basic administrative costs associated with administering the provisions of the Judgment. All of the projected expenses are listed with the exception of the costs associated with the Watermaster Engineer. This line item expense is not yet known, and it is recommended that we wait to see what proposals we receive before we estimate a fee, which could influence the fee the Watermaster receives.

Administrative Assessments (Revenues):

Section 9.1 of the Judgment provides that administrative assessments to fund the administrative budget are to be levied uniformly on an annual basis. In all but two cases, the assessments are to be levied according to the production right, not according to actual production. The two exceptions are the United States, which is subject to assessment only on its actual production, and the unused federal reserved water right, which is subject to assessment only if used by the non-overlying production rights holders. Accordingly, the assessments on these two categories can only be calculated and levied after the end of each year.

The draft administrative budget shows the production right assigned to each category and the proposed assessments for calendar years 2016 and 2017. The proposed assessment for 2016 is \$1 per acre-foot, which yields sufficient revenue to cover the administrative expenses for 2016. The assessments are listed under 2016 even though some of them will not be collected until 2017, for several reasons: it is easier to match up assessments vs expenses; it is not known how much will be paid until water use is certified by the

watermaster engineer in each year; and it is consistent with the Board's goal for transparency to assess on actual water use rather than from estimates for each calendar year.

The budget shows a deferred assessment for the small pumpers, federal, and imported water return flows for 2016. Staff recommends that the levy and collection of these assessments be deferred until the Watermaster Engineer is in place. According to the Judgment, there are 3,172 known small pumper parcels. It will take considerable effort to enter these parcels into a billing database, send out the assessments, account for changes of ownership and changes of address since the Judgment, communicate with the class members (some of whom may not know they are subject to assessment), etc.

The production amount listed for the federal government is an estimate based on their production the last few years. As stated above, the assessment will be levied after the end of the year, based on their actual 2016 production.

Section 5.1.4.1 of the Judgment provides that the unused amount of the federal reserved water right for any year will be allocated to certain non-overlying production rights holders in the following year. Since 2016 was the first year in which there was an adjudicated federal reserved water right, 2017 will be the first allocation of the unused amount. Therefore, there is no assessment for the unused federal reserved water right in 2016.

By contrast, the right to produce imported water return flows did exist in 2016, and the data is available to calculate the amount of that right, although the calculation has not been performed yet. Therefore, the assessment will be deferred until 2017.

The maximum not-to-exceed assessment for 2017 is \$5 per acre-foot. This is the maximum assessment allowed by the Judgment. Because the budget amount for the Watermaster Engineer is not yet known, staff will return to the Board with the final 2017 Budget and Assessment at that time.

Supporting Documents

- Proposed Antelope Valley Watermaster CY 2016 and 2017 Administrative Budget

**ANTELOPE VALLEY WATERMASTER
DRAFT ADMINISTRATIVE BUDGET CY 2016 AND 2017**

REVENUE (ADMINISTRATIVE ASSESSMENTS PER SECTION 9.1)	ACRE FT.	PROPOSED CY 2016 (\$1/AC. FT.)	PRELIMINARY CY 2017 (\$5/AC. FT.)
1000 Non-Overlying Production Rights (Exhibit 3)	12,345	\$ 12,345	\$ 61,725
1100 Overlying Production Rights (Exhibit 4)	58,322	58,322	291,611
1300 Small Pumpers	3,806	Deferred	19,030
1500 State of California	207	207	1,035
1600 City of Lancaster	500	500	2,500
1700 Federal (Estimated)	1,600	Deferred	8,000
1800 Unused Federal Reserved Water Right (Estimated)	6,000	Deferred	30,000
1900 Imported Water Return Flows (Estimated)	27,000	Deferred	135,000
Total Revenue		\$ 71,374	\$ 548,901

ADMINISTRATIVE EXPENSES

2000 Contracted Administrative Expenses			
AVEK Interim Administrative Staff		24,000	30,000
PWD Interim Administrative Staff		5,000	12,000
2100 Postage and Printing			
Postage		1,000	2,000
Outside Printing and Supplies		1,000	2,500
2200 Information and Document Management			
Glotrans Document Management		3,600	14,400
Website Development and Maintenance		-	5,000
Computer Software		100	500
2300 Insurance Expenses			
D&O Coverage		3,000	3,000
2400 Watermaster Legal Services			
Legal Services - Board and Administrative Functions		-	30,000
2500 Dues and Subscriptions			
Membership Dues		-	3,000
2600 Conferences and Seminars			
Conference - Registration Fees		-	2,000
2700 Advisory Committee Expenses			
Contracted Administrative Expenses		-	2,500
2800 Watermaster Engineer			
Watermaster Engineer Contract		-	TBD
2900 Watermaster Special Contract Services			
Watermaster Legal Recruitment		-	15,000
Watermaster Engineer Recruitment Contract		30,000	-
Water Level Monitoring			75,000
Total Administrative Expenses		\$ 67,700	\$ 196,900

Note: 2017 Total Expenses does not include the cost associated with the Watermaster Engineer.

**ANTELOPE VALLEY WATERMASTER
DRAFT ADMINISTRATIVE BUDGET CY 2016 AND 2017**

REVENUE (ADMINISTRATIVE ASSESSMENTS PER SECTION 9.1)	
1000	Non-Overlying Production Rights (Exhibit 3)
1100	Overlying Production Rights (Exhibit 4)
1300	Small Pumpers
1500	State of California
1600	City of Lancaster
1700	Federal (Estimated)
1800	Unused Federal Reserved Water Right (Estimated)
1900	Imported Water Return Flows (Estimated)
ADMINISTRATIVE EXPENSES	
2000	Contracted Administrative Expenses
	AVEK Interim Administrative Staff
	PWD Interim Administrative Staff
2100	Postage and Printing
	Postage
	Outside Printing and Supplies
2200	Information and Document Management
	Glotrans Document Management
	Website Development and Maintenance
	Computer Software
2300	Insurance Expenses
	D&O Coverage
2400	Watermaster Legal Services
	Legal Services - Board and Administrative Functions
2500	Dues and Subscriptions
	Membership Dues
2600	Conferences and Seminars
	Conference - Registration Fees
2700	Advisory Committee Expenses
	Contracted Administrative Expenses
2800	Watermaster Engineer
	Watermaster Engineer Contract
2900	Watermaster Special Contract Services
	Watermaster Legal Recruitment
	Watermaster Engineer Recruitment Contract
	Water Level Monitoring

Parties and Production Rights Listed in Exhibit 3 of the Judgment
Parties and Production Rights Listed in Exhibit 4 of the Judgment
Parties and Production Rights under Section 5.1.3 of the Judgment
Parties and Production Rights under Section 5.1.5 of the Judgment
Party and Production Right under Section 5.1.7 of the Judgment
Estimated Production under Section 5.1.4 of the Judgment
Estimated Production under Section 5.1.4 of the Judgment
Parties Right to Produce Imported Water Return Flows under Section 5.2 of the Judgment

Cost associated with reimbursement to AVEK for interim administrative services
Cost associated with reimbursement to PWD for interim administrative services

Cost of mailing meeting notices, agendas, and assessment invoices
Printing jobs done by outside printers. Also includes paper for agendas, invoices, etc.

Cost of contract with Glotrans to provide web-based repository of all case documents
Cost to develop and maintain dedicated public website to post Watermaster related information
Cost associated with billing and financial information

Insurance policy for Antelope Valley Watermaster Directors and Officers (D&O) coverage

Cost associated with legal representation at Board meetings and agenda review

Membership costs: Association of California Water Agencies, and Groundwater Agencies

Registration fees for training, educational conferences, seminars, etc.

Cost associated with assisting Advisory Committee meetings and material

Cost associated with Watermaster Engineer contract

Cost associated with recruitment of Watermaster legal representation
Cost associated with recruitment of Watermaster Engineer
Cost associated with third-party performing groundwater level monitoring

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.

27
28

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

22 **18.5** **Watermaster Engineer.** The Watermaster Engineer shall have the
23 following duties:

24 **18.5.1** **Monitoring of Safe Yield.** The Watermaster Engineer shall
25 monitor all the Safe Yield components and include them in the annual report for Court approval.
26 The annual report shall include all relevant data for the Basin.

1 **18.5.2 Reduction in Groundwater Production.** The Watermaster
2 Engineer shall ensure that reductions of Groundwater Production to the Native Safe Yield
3 (Rampdown) take place pursuant to the terms of this Judgment and any orders by the Court.

4 **18.5.3 Determination of Replacement Obligations.** The Watermaster
5 Engineer shall determine Replacement Obligations for each Producer, pursuant to the terms of
6 this Judgment.

7 **18.5.4 Balance Obligations.** The Watermaster Engineer shall determine
8 Balance Assessment obligations for each Producer pursuant to the terms of this Judgment. In
9 addition, the Watermaster Engineer shall determine the amount of water derived from the Balance
10 Assessment that shall be allocated to any Producer to enable that Producer to fully exercise its
11 Production Right.

12 **18.5.5 Measuring Devices, Etc.** The Watermaster Engineer shall
13 propose, and the Watermaster shall adopt and maintain, rules and regulations regarding
14 determination of Production amounts and installation of individual water meters. The rules and
15 regulations shall set forth approved devices or methods to measure or estimate Production.
16 Producers who meter Production on the date of entry of this Judgment shall continue to meter
17 Production. The Watermaster rules and regulations shall require Producers who do not meter
18 Production on the effective date of entry of this Judgment, except the Small Pumper Class, to
19 install water meters within two Years.

20 **18.5.6 Hydrologic Data Collection.** The Watermaster Engineer shall (1)
21 operate, and maintain such wells, measuring devices, and/or meters necessary to monitor stream
22 flow, precipitation, Groundwater levels, and Basin Subareas, and (2) to obtain such other data as
23 may be necessary to carry out this Judgment.

24 **18.5.7 Purchases of and Recharge with Replacement Water.** To the
25 extent Imported Water is available, the Watermaster Engineer shall use Replacement Water
26 Assessment proceeds to purchase Replacement Water, and deliver such water to the area deemed
27 most appropriate as soon as practicable. The Watermaster Engineer may pre-purchase
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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.

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18.5.11 Review of Calculation of Imported Water Return Flow

Percentages. Ten (10) Years following the end of the Rampdown, in the seventeenth (17th) Year, or any time thereafter, the Watermaster Engineer may recommend to the Court an increase or decrease of Imported Water Return Flow percentages. The Watermaster Engineer shall initiate no recommendation to change Imported Water Return Flow percentages prior to end of the seventeenth (17th) Year. In the event the Watermaster Engineer recommends in its report to the Court that Imported Water Return Flow percentages for the Basin may need to be revised based on the best available science, the Court shall conduct a hearing regarding the recommendations and may order a change in Imported Water Return Flow percentages. Watermaster shall give notice of the hearing pursuant to Paragraph 20.6. The Imported Water Return Flow percentages set forth in Paragraph 5.2 shall remain in effect unless revised by Court order according to this Paragraph. If the Court approves a reduction in the Imported Water Return Flow percentages, such reduction shall be implemented over a seven (7) Year period. Only the Court can change the Imported Water Return Flow percentages.

18.5.12 Production Reports.

The Watermaster Engineer shall require each Producer, other than unmetered Small Pumper Class Members, to file an annual Production report with the Watermaster. Producers shall prepare the Production reports in a form prescribed by the rules and regulations. The Production reports shall state the total Production for the reporting Party, including Production per well, rounded off to the nearest tenth of an acre foot for each reporting period. The Production reports shall include such additional information and supporting documentation as the rules and regulations may reasonably require.

18.5.13 New Production Application Procedure.

The Watermaster Engineer shall determine whether a Party or Person seeking to commence New Production has established the reasonableness of the New Production in the context of all other uses of Groundwater in the Basin at the time of the application, including whether all of the Native Safe Yield is then currently being used reasonably and beneficially. Considering common law water rights and priorities, the mandate of certainty in Article X, section 2, and all other relevant

1 factors, the Watermaster Engineer has authority to recommend that the application for New
2 Production be denied, or approved on condition of payment of a Replacement Water Assessment.
3 The Watermaster Engineer shall consider, investigate and recommend to the Watermaster
4 whether an application to commence New Production of Groundwater may be approved as
5 follows:

6 **18.5.13.1** All Parties or Person(s) seeking approval from the
7 Watermaster to commence New Production of Groundwater shall submit a written application to
8 the Watermaster Engineer which shall include the following:

9 **18.5.13.1.1** Payment of an application fee sufficient to recover
10 all costs of application review, field investigation, reporting, and hearing, and other associated
11 costs, incurred by the Watermaster and Watermaster Engineer in processing the application for
12 New Production;

13 **18.5.13.1.2** Written summary describing the proposed quantity,
14 sources of supply, season of use, Purpose of Use, place of use, manner of delivery, and other
15 pertinent information regarding the New Production;

16 **18.5.13.1.3** Maps identifying the location of the proposed New
17 Production, including Basin Subarea;

18 **18.5.13.1.4** Copy of any water well permits, specifications and
19 well-log reports, pump specifications and testing results, and water meter specifications
20 associated with the New Production;

21 **18.5.13.1.5** Written confirmation that the applicant has obtained
22 all applicable Federal, State, County, and local land use entitlements and other permits necessary
23 to commence the New Production;

24 **18.5.13.1.6** Written confirmation that the applicant has complied
25 with all applicable Federal, State, County, and local laws, rules and regulations, including but not
26 limited to, the California Environmental Quality Act (Public Resources Code §§ 21000, et. seq.);
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1 **18.5.13.1.7** Preparation of a water conservation plan, approved
2 and stamped by a California licensed and registered professional civil engineer, demonstrating
3 that the New Production will be designed, constructed and implemented consistent with
4 California best water management practices.

5 **18.5.13.1.8** Preparation of an analysis of the economic impact of
6 the New Production on the Basin and other Producers in the Subarea of the Basin;

7 **18.5.13.1.9** Preparation of an analysis of the physical impact of
8 the New Production on the Basin and other Producers in the Subarea of the Basin;

9 **18.5.13.1.10** A written statement, signed by a California licensed
10 and registered professional civil engineer, determining that the New Production will not cause
11 Material Injury;

12 **18.5.13.1.11** Written confirmation that the applicant agrees to pay
13 the applicable Replacement Water Assessment for any New Production.

14 **18.5.13.1.12** Other pertinent information which the Watermaster
15 Engineer may require.

16 **18.5.13.2** **Finding of No Material Injury.** The Watermaster Engineer
17 shall not make recommendation for approval of an application to commence New Production of
18 Groundwater unless the Watermaster Engineer finds, after considering all the facts and
19 circumstances including any requirement that the applicant pay a Replacement Water Assessment
20 required by this Judgment or determined by the Watermaster Engineer to be required under the
21 circumstances, that such New Production will not cause Material Injury. If the New Production is
22 limited to domestic use for one single-family household, the Watermaster Engineer has the
23 authority to determine the New Production to be *de minimis* and waive payment of a Replacement
24 Water Assessment; *provided*, the right to Produce such *de minimis* Groundwater is not
25 transferable, and shall not alter the Production Rights decreed in this Judgment.

1 **18.5.13.3 New Production.** No Party or Person shall commence New
2 Production of Groundwater from the Basin absent recommendation by the Watermaster Engineer
3 and approval by the Watermaster.

4 **18.5.13.4 Court Review.** Court review of a Watermaster decision on
5 a New Production application shall be pursuant to Paragraph 20.3.

6 **18.5.14 Storage Agreements.** The Watermaster shall adopt uniformly
7 applicable rules for Storage Agreements. The Watermaster Engineer shall calculate additions,
8 extractions and losses of water stored under Storage Agreements and maintain an Annual account
9 of all such water. Accounting done by the Watermaster Engineer under this Paragraph shall be
10 considered ministerial.

11 **18.5.15 Diversion of Storm Flow.** No Party may undertake or cause the
12 construction of any project within the Watershed of the Basin that will reduce the amount of
13 storm flows that would otherwise enter the Basin and contribute to the Native Safe Yield, without
14 prior notification to the Watermaster Engineer. The Watermaster Engineer may seek an
15 injunction or to otherwise impose restrictions or limitations on such project in order to prevent
16 reduction to Native Safe Yield. The Party sought to be enjoined or otherwise restricted or limited
17 is entitled to notice and an opportunity for the Party to respond prior to the imposition of any
18 restriction or limitation. Any Person may take emergency action as may be necessary to protect
19 the physical safety of its residents and personnel and its structures from flooding. Any such
20 action shall be done in a manner that will minimize any reduction in the quantity of Storm Flows.

21 **18.5.16 Data, Estimates and Procedures.** The Watermaster Engineer
22 shall rely on and use the best available science, records and data to support the implementation of
23 this Judgment. Where actual records of data are not available, the Watermaster Engineer shall
24 rely on and use sound scientific and engineering estimates. The Watermaster Engineer may use
25 preliminary records of measurements, and, if revisions are subsequently made, may reflect such
26 revisions in subsequent accounting.

1 **18.5.17 Filing of Annual Report.** The Watermaster Engineer shall prepare
2 an Annual Report for filing with the Court not later than April 1 of each Year, beginning April 1
3 following the first full Year after entry of this Judgment. Prior to filing the Annual Report with
4 the Court, Watermaster shall notify all Parties that a draft of the Annual Report is available for
5 review by the Parties. Watermaster shall provide notice to all Parties of a public hearing to
6 receive comments and recommendations for changes in the Annual Report. The public hearing
7 shall be conducted pursuant to rules and regulations promulgated by the Watermaster. The notice
8 of public hearing may include such summary of the draft Annual Report as Watermaster may
9 deem appropriate. Watermaster shall distribute the Annual Report to any Parties requesting
10 copies.

11 **18.5.18 Annual Report to Court.** The Annual Report shall include an
12 Annual fiscal report of the preceding Year’s operation; details regarding the operation of each of
13 the Subareas; an audit of all Assessments and expenditures; and a review of Watermaster
14 activities. The Annual Report shall include a compilation of at least the following:

- 15 **18.5.18.1 Replacement Obligations;**
- 16 **18.5.18.2 Hydrologic Data Collection;**
- 17 **18.5.18.3 Purchase and Recharge of Imported Water;**
- 18 **18.5.18.4 Notice List;**
- 19 **18.5.18.5 New Production Applications**
- 20 **18.5.18.6 Rules and Regulations;**
- 21 **18.5.18.7 Measuring Devices, etc;**
- 22 **18.5.18.8 Storage Agreements;**
- 23 **18.5.18.9 Annual Administrative Budget;**
- 24 **18.5.18.10 Transfers;**
- 25 **18.5.18.11 Production Reports;**
- 26 **18.5.18.12 Prior Year Report;**
- 27 **18.5.18.13 Amount of Stored Water owned by each Party;**

- 1 **18.5.18.14** Amount of Stored Imported Water owned by each Party;
2 **18.5.18.15** Amount of unused Imported Water Return Flows owned by
3 each Party;
4 **18.5.18.16** Amount of Carry Over Water owned by each Party;
5 **18.5.18.17** All changes in use.

6 **18.6** **Recommendations of the Watermaster Engineer.** Unless otherwise
7 determined pursuant to Paragraph 18.1.2.2, all recommendations of the Watermaster Engineer
8 must be approved by unanimous vote of all members of the Watermaster. If there is not
9 unanimous vote among Watermaster members, Watermaster Engineer recommendations must be
10 presented to the Court for action and implementation.

11 **18.7** **Interim Approvals by the Court.** Until the Court approves rules and
12 regulations proposed by the Watermaster, the Court, upon noticed motion, may take or approve
13 any actions that the Watermaster or the Watermaster Engineer otherwise would be authorized to
14 take or approve under this Judgment.

15 **19.** **ADVISORY COMMITTEE**

16 **19.1** **Authorization.** The Producers are authorized and directed to cause a
17 committee of Producer representatives to be organized and to act as an Advisory Committee.

18 **19.2** **Compensation.** The Advisory Committee members shall serve without
19 compensation.

20 **19.3** **Powers and Functions.** The Advisory Committee shall act in an advisory
21 capacity only and shall have the duty to study, review, and make recommendations on all
22 discretionary determinations by Watermaster. Parties shall only provide input to the Watermaster
23 through the Advisory Committee.

24 **19.4** **Advisory Committee Meetings.** The Advisory Committee shall 1) meet
25 on a regular basis; 2) review Watermaster’s activities pursuant to this Judgment on at least a
26 semi-annual basis; and 3) receive and make advisory recommendations to Watermaster.
27 Advisory Committee Meetings shall be open to all members of the public. Edwards Air Force
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1 Base and the State of California shall be ex officio members of the committee. The United States
2 may also appoint a DoD Liaison to the Watermaster pursuant to Joint Ethics Regulation 3-201.

3 **19.5** **Subarea Advisory Management Committees.** Subarea Advisory
4 Management Committees will meet on a regular basis and at least semi-annually with the
5 Watermaster Engineer to review Watermaster activities pursuant to this Judgment and to submit
6 advisory recommendations.

7 **19.5.1** **Authorization.** The Producers in each of the five Management
8 Subareas are hereby authorized and directed to cause committees of Producer representatives to
9 be organized and to act as Subarea Management Advisory Committees.

10 **19.5.2** **Composition and Election.** Each Management Subarea
11 Management Advisory Committee shall consist of five (5) Persons who shall be called
12 Management Advisors. In the election of Management Advisors, every Party shall be entitled to
13 one vote for every acre-foot of Production Right for that Party in that particular subarea. Parties
14 may cumulate their votes and give one candidate a number of votes equal to the number of
15 advisors to be elected, multiplied by the number of votes to which the Party is normally entitled,
16 or distribute the Party's votes on the same principle among as many candidates as the Party thinks
17 fit. In any election of advisors, the candidates receiving the highest number of affirmative votes
18 of the Parties are elected. Elections shall be held upon entry of this Judgment and thereafter
19 every third Year. In the event a vacancy arises, a temporary advisor shall be appointed by
20 unanimous decision of the other four advisors to continue in office until the next scheduled
21 election. Rules and regulations regarding organization, meetings and other activities shall be at
22 the discretion of the individual Subarea Advisory Committees, except that all meetings of the
23 committees shall be open to the public.

24 **19.5.3** **Compensation.** The Subarea Management Advisory
25 Committee shall serve without compensation.

26 **19.5.4** **Powers and Functions.** The Subarea Management Advisory
27 Committee for each subarea shall act in an advisory capacity only and shall have the duty to
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1 study, review and make recommendations on all discretionary determinations made or to be made
2 hereunder by Watermaster Engineer which may affect that subarea.

3 **20. MISCELLANEOUS PROVISIONS.**

4 **20.1 Water Quality.** Nothing in this Judgment shall be interpreted as relieving
5 any Party of its responsibilities to comply with State or Federal laws for the protection of water
6 quality or the provisions of any permits, standards, requirements, or orders promulgated
7 thereunder.

8 **20.2 Actions Not Subject to CEQA Regulation.** Nothing in this Judgment or
9 the Physical Solution, or in the implementation thereof, or the decisions of the Watermaster
10 acting under the authority of this Judgment shall be deemed a "project" subject to the California
11 Environmental Quality Act (CEQA). See e.g., *California American Water v. City of Seaside*
12 (2010) 183 Cal.App.4th 471, and *Hillside Memorial Park & Mortuary v. Golden State Water Co.*
13 (2011) 205 Cal.App.4th 534. Neither the Watermaster, the Watermaster Engineer, the Advisory
14 Committee, any Subarea Management Committee, nor any other Board or committee formed
15 pursuant to the Physical Solution and under the authority of this Judgment shall be deemed a
16 "public agency" subject to CEQA. (See Public Resources Code section 21063.)

17 **20.3 Court Review of Watermaster Actions.** Any action, decision, rule,
18 regulation, or procedure of Watermaster or the Watermaster Engineer pursuant to this Judgment
19 shall be subject to review by the Court on its own motion or on timely motion by any Party as
20 follows:

21 **20.3.1 Effective Date of Watermaster Action.** Any order, decision or
22 action of Watermaster or Watermaster Engineer pursuant to this Judgment on noticed specific
23 agenda items shall be deemed to have occurred on the date of the order, decision or action.

24 **20.3.2 Notice of Motion.** Any Party may move the Court for review of an
25 action or decision pursuant to this Judgment by way of a noticed motion. The motion shall be
26 served pursuant to Paragraph 20.7 of this Judgment. The moving Party shall ensure that the
27 Watermaster is served with the motion under that Paragraph 20.7 or, if electronic service of the
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Antelope Valley Advisory Committee – Executive Committee Roster

Agricultural Landowner Members

Derek Yurosek	661-330-2610 or 661-323-4005	DYurosek@BolthouseProperties.com
Gary Godde	775-720-6551	g_godde@msn.com
Gary Van Dam	661-889-6802	vandamgary@gmail.com
George Cappello	661-978-3310	gcappello@grimmway.com

Industrial Landowner Member

Nathan W. Francis	661-754-2778	Nathan.Francis@riotinto.com
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Public Landowner Member

Greg Reed	213-367-2117	greg.reed@ladwp.com
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Los Angeles County Water Purveyor Members

Chad Reed	661-943-3170 or 661-810-0381	creed@qhwd.org
Dennis LaMoreaux	661-456-1017	dlamoreaux@palmdalewater.org

Kern County Public Agency Member

Ron Smith	661-256-3411	rsmith@rosamondcsd.com
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Mutual Water Company Members

John Ukkestad	661-272-0015	johnnyu40@yahoo.com
Bruce Nelson	661-942-2198	brucenelsontax@gmail.com

Small Pumper Members

Richard Wood	661-946-1161	RALWoody@hotmail.com
Ron Hawkins	661-435-2566	ronhawkins@earthlink.net

Ex-Officio Members

Federal:	Gerald Boetsch	661-277-4695	gerald.boetsch.1@us.af.mil
State:	Gabino Velazquez	661-944-8555	Gabino.Velazquez@water.ca.gov
Technical:	Larry Rottman	661-816-4508	LKRottman@yahoo.com

ANTELOPE VALLEY WATERMASTER ADVISORY COMMITTEE APPROVED ADVISORY/EXECUTIVE COMMITTEE STRUCTURE

General Idea

Antelope Valley groundwater producers worked well together for years in the Antelope Valley Water Group (Group) before the set of lawsuits that resulted in the Judgement. The Group's Executive Committee consisted of public water purveyor, public landowner, and agricultural representatives for a total of nine (9). All attendees/producers participated in the discussions and give direction to the Executive Committee. The Advisory Committee can function as effectively with a similar makeup of the Executive Committee.

Executive Committee

The Advisory Committee Executive Committee can be similar to the Group's Executive Committee with a few changes to reflect the Judgement. The main difference is to add mutual water company and small pumper interests and avoid representatives sitting on the Antelope Valley Watermaster Board (AVEK, LACWW40, LCID, and Tejon Ranch). It will also be critical to have producers, rather than their lawyers, on the Committee.

The Executive Committee as approved by the producers on September 28, 2016 is as follows:

- 4 - Agricultural interests
- 1 – Industrial landowner
- 1 – Public landowner (LACSD or Los Angeles)
- 2 – Los Angeles County Public Water Purveyors (PWD, QHWD)
- 1 – Kern County Public Agency (RCSD)
- 2 – Mutual Water Companies (One each Los Angeles and Kern Counties)
- 2 – Small Pumpers
- 2 – Ex-Officio members per Judgement (Federal and State)
- 1 – Ex-Officio member of Rottman Drilling

Additional Points

- The Advisory Committee would consist of all producers attending a meeting;
- The Executive Committee would be a permanent subcommittee of the Advisory Committee whose authority is from the producers (Advisory Committee) as a whole;
- The Executive Committee has balanced representation;
- A similar group worked cooperatively and effectively for years;
- Interests sitting on the Antelope Valley Watermaster Board (AVEK, LACWW40, LCID, and Tejon Ranch) can still participate in the Advisory Committee with different representatives;
- The Executive Committee provides a consistent group to conduct meetings and interact with the Antelope Valley Watermaster Board and Watermaster Engineer;
- Agendas and minutes can be prepared by the same administrator as is used by the Antelope Valley Watermaster Board and future Subarea Advisory Management Committees.