



Daniel R. Feron
SAN JUAN BASIN AUTHORITY
and the Board of Directors thereof

AGENDA

**SAN JUAN BASIN AUTHORITY
BOARD OF DIRECTORS' MEETING
SANTA MARGARITA WATER DISTRICT
BOARD ROOM
June 11, 2013
1:30 p.m.**

Upon Request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Daniel Feron, Secretary, Board of Directors, at (949) 459-6590 at least 48 hours before the meeting if possible.

ITEMS DISTRIBUTED TO THE BOARD LESS THAN 72 HOURS PRIOR TO MEETING

Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection in the lobby of the Authority's business office located at 26111 Antonio Parkway, Rancho Santa Margarita, California 92688, during regular business hours. When practical, these public records will also be made available on the San Juan Basin Authority's Internet Web Site, accessible at <http://www.sjbauthority.com>. All documents available for public review are on file with the Authority's Secretary located at 26111 Antonio Parkway, Rancho Santa Margarita, California 92688.

I. **CALL MEETING TO ORDER**

II. **PLEDGE OF ALLEGIANCE**

III. **ADMINISTRATION OF OATH OF OFFICE**

IV. **ORAL COMMUNICATIONS**

- A. Persons wishing address the Board of Directors on matters not listed on the Agenda may do so at this time. "Request to be Heard" forms are available at the entrance to the Board Room. Comments are limited to three minutes, unless further time is granted by the Presiding Officer. Please submit the form to the Secretary prior to the beginning of the meeting.

Those wishing to address the Board of Directors on any items listed on the Agenda should submit a "request to be Heard" form to the Secretary before the Presiding Officer announces that agenda item. Your name will be called to speak at that time.

V. CONSENT CALENDAR

- A. Consideration and Action on Minutes of Regular Meeting of March 12, 2013 **Page 4**

Staff Recommendation: Approve subject minutes.

- B. Consideration and Action on Monthly Financial Statements for March, April and May 2013 **Page 8**

Staff Recommendation: Receive and file the Monthly Financial Statements.

Note: Items on the CONSENT CALENDAR will be considered for approval without discussion in one vote. A Director may request that an item be taken off the Consent Calendar for full discussion.

[END OF CONSENT CALENDAR]

VI. ACTION ITEMS

- A. Consideration and Action on Elections of Officers for Fiscal Year 2013-2014..... **Page 14**

Staff Recommendation: Elect the Chairman and Vice Chairman; Appoint the Secretary and Treasurer.

- B. Consideration and Action on Adoption of Fiscal Year 2013-2014 Operating Budget **Page 16**

Staff Recommendation: Adopt the Fiscal 2013-2014 annual budget as presented.

- C. Presentation on 2012 Annual Integrated Environmental Monitoring by Wildermuth Environmental..... **Page 19**

Staff Recommendation: Receive and File the Report.

- D. Consideration and Action on Selection of Fiscal Year 2012-2013 Independent Auditor..... **Page 26**

Staff Recommendation: Authorize Charles Z. Fedak and Company in the amount of \$4,000 to perform audit services for Fiscal 2013 with the option to continue services for two additional years.

- E. Consideration and Action on Release of Draft Groundwater Management Plan for Public Review..... **Page31**

Staff Recommendation: Authorize release of draft document upon completion of review by member agencies.

- F. Consideration and Action on Preparation of Metropolitan Water District of Southern California Foundational Action Plan Proposal for the Technical Efforts Related to the Optimization of the San Juan Groundwater Basin..... **Page 32**

Staff Recommendation: Authorize preparation and submittal of proposal.

VII. CHAIRMAN’S REPORT

VIII. ATTORNEY’S REPORT

IX. OTHER MATTERS

- A. Open Discussion or items received too late to be agendized.

X. INFORMATION ITEMS

- A. Update on Operation of City of San Juan Capistrano and South Coast Water District Desalter Plants.

XI. ADJOURNMENT

The next Regular Board of Directors’ meeting is scheduled for **July 9, 2013 at 1:30 p.m.** at the Santa Margarita Water District, 26111 Antonio Parkway, Rancho Santa Margarita, California.

SAN JUAN BASIN AUTHORITY
BOARD OF DIRECTORS' MEETING
SANTA MARGARITA WATER DISTRICT
BOARD ROOM
March 12, 2013

UNAPPROVED

A Meeting of the Board of Directors (Board) of the San Juan Basin Authority (SJBA) was held on Tuesday, March 12, 2013 at its principal place of business located at 26111 Antonio Parkway, Suite A, Rancho Santa Margarita, CA 92688. The following Directors and/or Alternate Directors were present:

Directors Present:

LARRY McKENNEY, Moulton Niguel Water District
LARRY KRAMER, City of San Juan Capistrano
DON BUNTS, Santa Margarita Water District
RICHARD R. ERKENEFF, South Coast Water District

Chairperson
Alternate Director
Alternate Director
Alternate Director

Directors Absent: None

Support Services Present:

DANIEL R. FERONS Administrator
WEST CURRY Administrator

Others Present:

Samantha Adams, Wildermuth Environmental, Inc.
Vanessa Locklin, Legal Counsel

I. **CALL MEETING TO ORDER**

Chair McKenney called the meeting to order at 1:34 p.m.

II. **PLEDGE OF ALLEGIANCE**

Chair McKenney led the Pledge of Allegiance.

III. **ADMINISTRATION OF OATH OF OFFICE**

Attorney Locklin swore in Richard R. Erkeneff as Alternate Director for the South Coast Water District.

IV. **ORAL COMMUNICATIONS**

Richard Gardner offered comments regarding the current and future development within the Basin. A recommendation was made to evaluate developments in the local area that may have an impact on the Basin.

Mr. Ferons announced the initiation of a website for the San Juan Basin Authority, www.sjbauthority.com. In the future, notices will be sent to interested parties directing them the website to obtain a copy of the board packet. He explained the various pages and information available. He noted that Kent Thomas, Consultant with Santa Margarita Water District is the author of the website. Mr. Ferons thanked Mr. Thomas for his efforts.

V. CONSENT CALENDAR

- A. Consideration and Action on Minutes of Regular Meeting of January 8, 2013.
- B. Consideration and Action on Monthly Financial Statements for January and February 2013.

MOTION NO. 2013-03

Thereafter, upon a motion duly made by Director Bunts, seconded by Director Erkeneff, to approve the Consent Calendar (Item A – Approve the Minutes of the January 8, 2013 Regular Meeting. Item B – Receive and file the Monthly Financial Statements for January and February 2013). Motion passed 4-0.

VI. ACTION ITEMS

- A. Presentation and Update on Preparation of Groundwater Management Plan.

Mr. Fersons reviewed the alternatives that have been identified:

- South Orange Coastal Ocean Desal Plant (SOCOD) not operational over the next 10 years.
 - Alternative 1 – Management only
 - Alternative 2 – Management with seawater barrier
 - Alternative 3 – Seawater barrier and enhanced production
 - Alternative 4 – Seawater barrier, enhanced production and recharge
 - Alternative 5 – Production seawater barrier and indirect reuse
- SOCOD operational over the next 10 years
 - Alternative 6 – Similar to Alternative 1 with SOCOD
 - Alternative 7 – Similar to Alternative 5 with SOCOD
 - Alternative 8 – Alternative 6 with SOCOD

Mr. Fersons responded to questions.

- B. Consideration and Action on Letter of Support for Permit 21138, Application 30337, South Coast Water District Amended Petition for Extension of Time and Change of Conditions South Coast Water District.

Mr. Fersons noted that the State Water Resources Control Board requires confirmation from the SJBA that it supports the Petition filed by the South Coast Water District. Two issues are being addressed: 1) A relaxation of the monitoring requirements to match the SJBA's permit; and 2) a timing extension on when SCWD has to improve their operation to get their maximum.

MOTION NO. 2013-04

Thereafter, upon a motion duly made by Director Bunts, seconded by Director Erkeneff, to authorize the release of the letter to the State Water Resources Control Board that supports the Petition filed by South Coast Water District (SCWD) to amend its monitoring requirements (Permit 21138, Conditions 16 and 17). Motion passed 4-0

C. Presentation and Update on Groundwater Monitoring Program.

Samantha Adams, Wildermuth Environmental, Inc, provided an update on the monitoring of the water quality program. She noted that monitoring is currently done on a quarterly basis.

VII. CHAIRMAN'S REPORT

There was no Chairman's Report.

VIII. ATTORNEY'S REPORT

Attorney Locklin reminded the Directors to file their Form 700s, which are due the first of April.

IX. OTHER MATTERS

A. Open Discussion or items received too late to be agendaized.

X. INFORMATION ITEMS

A. Presentation by West Curry on the City of San Juan Capistrano Groundwater Recovery Plant Current Status.

Mr. Curry reported a couple wells down, produced 2,500 acre feet to date for production in drinking water; and is 70% of what was extracted. He noted there is a 30% loss in the treatment process. The plant is running extremely well since the modification to the filters. The Prop 50 plant expansion is anticipated to be completed by the end of 2013. The expansion efforts will allow the plant to produce 6 MGD a day.

XI. ADJOURNMENT

There being no further business before the Board, the meeting was adjourned at 2:33 p.m.

UNAPPROVED

The next Regular Board of Directors' meeting is scheduled for **April 9, 2013 at 1:30 p.m.** at the Santa Margarita Water District, 26111 Antonio Parkway, Rancho Santa Margarita, California.

Respectfully submitted,

Sharon D. Brimer, Recording Secretary

I DO HEREBY CERTIFY that the foregoing Minutes are true and correct copy of the Minutes adopted by the Board of Directors of the SAN JUAN BASIN AUTHORITY.

West Curry, Administrator
SAN JUAN BASIN AUTHORITY

San Juan Basin Authority
Financial Statements
March 31, 2013

	G/L 21 General Fund	P.C. 1 G/L 26 Ortega Well	P.C. 4 G/L 22 Desalter	P.C. 4 G/L 31 Debt Svc	P.C. 9 G/L 29 Well Field	P.C. 10 G/L 25 Monitoring	P.C. 11 G/L 20 Future Proj	P.C. 13 G/L 32 USGS Co-Op GIS	Total
ASSETS									
Cash and Investments	\$ 213,658	\$ -	\$ 59,376	\$ -	\$ -	\$ 164,863	\$ 3,816	\$ 53,189	\$ 494,902
Cash and Investment-Restricted for Debt Service	-	-	-	2,413,549	-	-	-	-	2,413,549
Accounts Receivable - Lease prin	-	-	-	23,348,140	-	-	-	-	23,348,140
Utility Plant in Service	147,274	493,254	-	-	489,004	42,187	-	-	1,171,719
(Less) Accumulated Depreciation	(147,274)	(429,828)	-	-	(462,618)	(42,187)	-	-	(1,081,907)
TOTAL ASSETS	\$ 213,658	\$ 63,426	\$ 59,376	\$ 25,761,689	\$ 26,386	\$ 164,863	\$ 3,816	\$ 53,189	\$ 26,346,403
LIABILITIES AND FUND EQUITIES									
Current - Accounts Payable	\$ 354	\$ -	\$ -	\$ 431,882	\$ -	\$ -	\$ -	\$ -	\$ 432,236
Bonds Payable	-	-	-	25,735,000	-	-	-	-	25,735,000
TOTAL LIABILITIES	354	-	-	26,166,882	-	-	-	-	26,167,236
FUND EQUITIES									
SMWD	\$ 21,249	\$ 36,037	\$ 10,396	\$ -	\$ 14,820	\$ 32,582	\$ 954	\$ 6,671	\$ 122,709
MINWD	22,301	-	10,396	-	-	48,983	954	8,081	90,715
CITY OF SAN JUAN CAPISTRANO	22,285	36,038	10,396	(109,425)	14,820	54,076	954	8,081	37,225
SCWD	22,723	-	10,396	-	-	18,871	954	9,490	62,434
Current Year Fund Balance	124,746	(8,649)	17,792	(295,768)	(3,254)	10,351	-	20,866	(133,916)
TOTAL FUND EQUITIES	213,304	63,426	59,376	(405,193)	26,386	164,863	3,816	53,189	179,167
TOTAL LIABILITIES AND FUND EQUITIES	\$ 213,658	\$ 63,426	\$ 59,376	\$ 25,761,689	\$ 26,386	\$ 164,863	\$ 3,816	\$ 53,189	\$ 26,346,403
REVENUES									
Investment Income	\$ 6	\$ -	\$ -	\$ 28,144	\$ -	\$ -	\$ -	\$ -	\$ 28,150
Special assessments	132,125	-	25,000	-	-	75,000	-	29,000	261,125
TOTAL REVENUES	\$ 132,131	\$ -	\$ 25,000	\$ 28,144	\$ -	\$ 75,000	\$ -	\$ 29,000	\$ 289,275
EXPENDITURES-OPERATING									
Consulting Services	\$ 700	\$ -	\$ 7,208	\$ -	\$ -	\$ 64,649	\$ -	\$ 8,134	\$ 80,691
Accounting Expense	146	-	-	-	-	-	-	-	146
Legal Fees	5,854	-	-	-	-	-	-	-	5,854
Dues	685	-	-	-	-	-	-	-	685
TOTAL EXPENDITURES-OPERATING	7,385	-	7,208	-	-	64,649	-	8,134	87,376
EXPENDITURES NON-OPERATING									
Depreciation Expense	\$ -	\$ 8,649	\$ -	\$ -	\$ 3,254	\$ -	\$ -	\$ -	\$ 11,903
Debt Service and Interest Expense	-	-	-	323,912	-	-	-	-	323,912
TOTAL EXPENDITURES NON-OPERATING	-	8,649	-	323,912	3,254	-	-	-	335,815
TOTAL EXPENDITURES	\$ 7,385	\$ 8,649	\$ 7,208	\$ 323,912	\$ 3,254	\$ 64,649	\$ -	\$ 8,134	\$ 423,191
NET INCOME/(LOSS)	\$ 124,746	\$ (8,649)	\$ 17,792	\$ (295,768)	\$ (3,254)	\$ 10,351	\$ -	\$ 20,866	\$ (133,916)

San Juan Basin Authority
Financial Statements
April 30, 2013

	G/L 21 General Fund	P.C. 1 G/L 26 Ortega Well	P.C. 4 G/L 22 Desalter	P.C. 4 G/L 31 Debt Svc	P.C. 9 G/L 29 Well Field	P.C. 10 G/L 25 Monitoring	P.C. 11 G/L 20 Future Proj	P.C. 13 G/L 32 USGS Co-Op GIS	Total
ASSETS									
Cash and Investments	\$ 213,309	\$ -	\$ 56,752	\$ -	\$ -	\$ 150,484	\$ 3,816	\$ 53,189	\$ 477,551
Cash and Investment-Restricted for Debt Service	-	-	-	2,413,549	-	-	-	-	2,413,549
Accounts Receivable - Lease prin	-	-	-	23,348,140	-	-	-	-	23,348,140
Utility Plant in Service	147,274	493,254	-	-	489,004	42,187	-	-	1,171,719
(Less) Accumulated Depreciation	(147,274)	(430,789)	-	-	(462,980)	(42,187)	-	-	(1,083,230)
TOTAL ASSETS	\$ 213,309	\$ 62,465	\$ 56,752	\$ 25,761,689	\$ 26,024	\$ 150,484	\$ 3,816	\$ 53,189	\$ 26,327,729
LIABILITIES AND FUND EQUITIES									
Current - Accounts Payable	\$ -	\$ -	\$ -	431,883	\$ -	\$ -	\$ -	\$ -	431,883
Bonds Payable	-	-	-	25,735,000	-	-	-	-	25,735,000
TOTAL LIABILITIES	\$ -	\$ -	\$ -	\$ 26,166,883	\$ -	\$ -	\$ -	\$ -	\$ 26,166,883
FUND EQUITIES									
SMWD	\$ 21,249	\$ 36,037	\$ 10,396	\$ -	\$ 14,820	\$ 32,582	\$ 954	\$ 6,671	\$ 122,709
MINWD	22,301	-	10,396	-	-	48,983	954	8,081	90,715
CITY OF SAN JUAN CAPISTRANO	22,285	36,038	10,396	(109,425)	14,820	54,076	954	8,081	37,225
SCWD	22,723	-	10,396	-	-	18,871	954	9,490	62,434
Current Year Fund Balance	124,751	(9,610)	15,168	(295,769)	(3,615)	(4,028)	-	20,866	(152,237)
TOTAL FUND EQUITIES	213,309	62,465	56,752	(405,194)	26,025	150,484	3,816	53,189	160,846
TOTAL LIABILITIES AND FUND EQUITIES	\$ 213,309	\$ 62,465	\$ 56,752	\$ 25,761,689	\$ 26,025	\$ 150,484	\$ 3,816	\$ 53,189	\$ 26,327,729
REVENUES									
Investment Income	\$ 11	\$ -	\$ -	28,143	\$ -	\$ -	\$ -	\$ -	28,154
Special assessments	132,125	-	25,000	-	-	75,000	-	29,000	261,125
TOTAL REVENUES	\$ 132,136	\$ -	\$ 25,000	\$ 28,143	\$ -	\$ 75,000	\$ -	\$ 29,000	\$ 289,279
EXPENDITURES-OPERATING									
Consulting Services	\$ 700	\$ -	\$ 9,832	\$ -	\$ -	\$ 79,029	\$ -	\$ 8,134	\$ 97,695
Accounting Expense	146	-	-	-	-	-	-	-	146
Legal Fees	5,854	-	-	-	-	-	-	-	5,854
Dues	685	-	-	-	-	-	-	-	685
TOTAL EXPENDITURES-OPERATING	7,385	-	9,832	-	-	79,029	-	8,134	104,379
EXPENDITURES NON-OPERATING									
Depreciation Expense	\$ -	\$ 9,610	\$ -	\$ -	\$ 3,615	\$ -	\$ -	\$ -	\$ 13,225
Debt Service and Interest Expense	-	-	-	323,912	-	-	-	-	323,912
TOTAL EXPENDITURES NON-OPERATING	-	9,610	-	323,912	3,615	-	-	-	337,137
TOTAL EXPENDITURES	\$ 7,385	\$ 9,610	\$ 9,832	\$ 323,912	\$ 3,615	\$ 79,029	\$ -	\$ 8,134	\$ 441,516
NET INCOME/(LOSS)	\$ 124,751	\$ (9,610)	\$ 15,168	\$ (295,769)	\$ (3,615)	\$ (4,029)	\$ -	\$ 20,866	\$ (152,237)

San Juan Basin Authority
Financial Statements
May 31, 2013

	G/L 21 General Fund	P.C. 1 G/L 26 Ortega Well	P.C. 4 G/L 22 Desalter	P.C. 4 G/L 31 Debt Svc	P.C. 9 G/L 29 Well Field	P.C. 10 G/L 25 Monitoring	P.C. 11 G/L 20 Future Proj	P.C. 13 G/L 32 USGS Co-Op GIS	Total
ASSETS									
Cash and Investments	\$ 212,066	\$ -	\$ 56,752	\$ -	\$ -	\$ 141,522	\$ 3,816	\$ 53,189	\$ 467,345
Cash and Investment-Restricted for Debt Service	-	-	-	2,279,224	-	-	-	-	2,279,224
Accounts Receivable - Lease prin	-	-	-	23,348,140	-	-	-	-	23,348,140
Utility Plant in Service	147,274	493,254	-	-	489,004	42,187	-	-	1,171,719
(Less) Accumulated Depreciation	(147,274)	(431,750)	-	-	(463,342)	(42,187)	-	-	(1,084,553)
TOTAL ASSETS	\$ 212,066	\$ 61,504	\$ 56,752	\$ 25,627,364	\$ 25,662	\$ 141,522	\$ 3,816	\$ 53,189	\$ 26,181,875
LIABILITIES AND FUND EQUITIES									
Current - Accounts Payable	\$ -	\$ -	\$ -	\$ 431,883	\$ -	\$ -	\$ -	\$ -	\$ 431,883
Bonds Payable	-	-	-	24,780,000	-	-	-	-	24,780,000
TOTAL LIABILITIES	\$ -	\$ -	\$ -	\$ 25,211,883	\$ -	\$ -	\$ -	\$ -	\$ 25,211,883
FUND EQUITIES									
SMWD	\$ 21,249	\$ 36,037	\$ 10,396	\$ -	\$ 14,820	\$ 32,582	\$ 954	\$ 6,671	\$ 122,709
MNWD	22,301	-	10,396	-	-	48,983	954	8,081	90,715
CITY OF SAN JUAN CAPISTRANO	22,285	36,038	10,396	(109,425)	14,820	54,076	954	8,081	37,225
SCWD	22,723	-	10,396	-	-	18,871	954	9,490	62,434
Current Year Fund Balance	123,508	(10,571)	15,168	524,906	(3,978)	(12,990)	-	20,866	656,909
TOTAL FUND EQUITIES	212,066	61,504	56,752	415,481	25,662	141,522	3,816	53,189	969,992
TOTAL LIABILITIES AND FUND EQUITIES	\$ 212,066	\$ 61,504	\$ 56,752	\$ 25,627,364	\$ 25,662	\$ 141,522	\$ 3,816	\$ 53,189	\$ 26,181,875
REVENUES									
Investment Income	\$ 12	\$ -	\$ -	\$ 28,143	\$ -	\$ -	\$ -	\$ -	\$ 28,155
Interest pmt from City SJC	-	-	-	1,468,499	-	-	-	-	1,468,499
Special assessments	132,125	-	25,000	-	-	75,000	-	29,000	261,125
TOTAL REVENUES	\$ 132,137	\$ -	\$ 25,000	\$ 1,496,642	\$ -	\$ 75,000	\$ -	\$ 29,000	\$ 1,757,779
EXPENDITURES-OPERATING									
Consulting Services	\$ 881	\$ -	\$ 9,832	\$ -	\$ -	\$ 87,990	\$ -	\$ 8,134	\$ 106,837
Accounting Expense	146	-	-	-	-	-	-	-	146
Legal Fees	6,917	-	-	-	-	-	-	-	6,917
Dues	685	-	-	-	-	-	-	-	685
TOTAL EXPENDITURES-OPERATING	8,629	-	9,832	-	-	87,990	-	8,134	114,585
EXPENDITURES NON-OPERATING									
Depreciation Expense	\$ -	\$ 10,571	\$ -	\$ -	\$ 3,978	\$ -	\$ -	\$ -	\$ 14,549
Debt Service and Interest Expense	-	-	-	971,736	-	-	-	-	971,736
TOTAL EXPENDITURES NON-OPERATING	-	10,571	-	971,736	3,978	-	-	-	986,285
TOTAL EXPENDITURES	\$ 8,629	\$ 10,571	\$ 9,832	\$ 971,736	\$ 3,978	\$ 87,990	\$ -	\$ 8,134	\$ 1,100,870
NET INCOME/(LOSS)	\$ 123,508	\$ (10,571)	\$ 15,168	\$ 524,906	\$ (3,978)	\$ (12,990)	\$ -	\$ 20,866	\$ 656,909

San Juan Basin Authority
Wildermuth Analysis
Project# \$ 075-006 and 075-007
As of May 31, 2013

CONTRACT# 075-006									
Services Performed	Check #	Check Date	Invoice #	Integrated Groundwtr Monitoring Program	CASGEM Program	Basin Mgmt Monitoring Program	Vegetation Monitoring	Total Amount	Contract Amount Remaining
Contract Amount				\$ 53,594.00	\$ 1,860.00	\$ 28,677.00	\$ 12,250.00	\$ 96,381.00	\$ 96,381.00
Expenses fiscal year 2011.2012				\$ 11,110.11	\$ 416.00	\$ 6,466.25	\$ 4,273.90	\$ 22,266.26	
Expenses fiscal year 2012.2013				\$ 27,207.26	\$ 557.00	\$ 19,083.75	\$ 7,976.10	\$ 54,804.11	
Total Expenses				\$ 38,317.37	\$ 953.00	\$ 25,550.00	\$ 12,250.00	\$ 77,070.37	
Calendar Year 2013 Contract balance remaining				\$ 15,276.63	\$ 907.00	\$ 3,127.00	\$ -	\$ 19,310.63	\$ 19,310.63
**Note: contract for Integrated Water Monitoring was increased \$3,000 - Wildermuth is not showing on their statements									

CONTRACT# 075-007									
Services Performed	Check#	Check Date	Invoice #	Field Monitoring Program	Date Acquisition and Management	Rights Permit Reporting	Bi-annual Storage Change Reports to SIBA	Seawater Intrusion Monitoring Plan	Presentations/Data Requests
Contract Amount				\$ 41,892.00	\$ 21,560.00	\$ 14,670.00	\$ 18,715.00	\$ 19,260.00	\$ 9,472.00
Expenses fiscal year 2012.2013				\$ 10,861.60	\$ 1,665.00	\$ -	\$ -	\$ 4,848.50	\$ 475.00
Calendar Year 2013 Contract balance remaining				\$ 31,030.40	\$ 19,895.00	\$ 14,670.00	\$ 18,715.00	\$ 14,411.50	\$ 8,997.00
Total				\$ 10,861.60	\$ 1,665.00	\$ -	\$ -	\$ 4,848.50	\$ 475.00
Total Amount				\$ 10,861.60	\$ 1,665.00	\$ -	\$ -	\$ 4,848.50	\$ 475.00
Contract Amount Remaining									\$ 139,119.00
Calendar Year 2013 Contract balance remaining				\$ 31,030.40	\$ 19,895.00	\$ 14,670.00	\$ 18,715.00	\$ 14,411.50	\$ 8,997.00
Total				\$ 31,030.40	\$ 19,895.00	\$ 14,670.00	\$ 18,715.00	\$ 14,411.50	\$ 8,997.00
Total Amount				\$ 31,030.40	\$ 19,895.00	\$ 14,670.00	\$ 18,715.00	\$ 14,411.50	\$ 8,997.00
Contract Amount Remaining									\$ 139,119.00
Calendar Year 2013 Contract balance remaining				\$ 31,030.40	\$ 19,895.00	\$ 14,670.00	\$ 18,715.00	\$ 14,411.50	\$ 8,997.00
Total				\$ 31,030.40	\$ 19,895.00	\$ 14,670.00	\$ 18,715.00	\$ 14,411.50	\$ 8,997.00
Total Amount				\$ 31,030.40	\$ 19,895.00	\$ 14,670.00	\$ 18,715.00	\$ 14,411.50	\$ 8,997.00
Contract Amount Remaining									\$ 139,119.00
Calendar Year 2013 Contract balance remaining				\$ 31,030.40	\$ 19,895.00	\$ 14,670.00	\$ 18,715.00	\$ 14,411.50	\$ 8,997.00
Total				\$ 31,030.40	\$ 19,895.00	\$ 14,670.00	\$ 18,715.00	\$ 14,411.50	\$ 8,997.00
Total Amount				\$ 31,030.40	\$ 19,895.00	\$ 14,670.00	\$ 18,715.00	\$ 14,411.50	\$ 8,997.00
Contract Amount Remaining									\$ 139,119.00

**San Juan Basin Authority
Budget vs Actual
Fiscal Year 2012/2013**

	July 2012	Aug 2012	Sept 2012	Oct 2012	Nov 2012	Dec 2012	Jan 2013	Feb 2013	March 2013	April 2013	May 2013	Year to Date Expenditures Actual	Budget Remaining
Budget	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	
GENERAL FUND (021)													
Financial Services													
Legal Fees	-	\$ 94	\$ 593	-	855	-	-	\$ 2,452	-	1,653	-	\$ 6,225	8,083
Secretarial Administration	-	-	204	-	-	-	247	250	-	-	1,063	880	3,520
Audit Services	-	-	-	-	146	-	-	-	-	-	-	146	6,354
Miscellaneous	-	-	-	-	685	-	-	-	-	-	-	685	(685)
Project Management Services	-	-	-	-	-	-	-	-	-	-	-	-	100,000
\$ 132,125	\$ 94	\$ 593	\$ 204	\$ 855	\$ 1,037	\$ -	\$ 2,699	\$ 250	\$ 1,653	\$ -	\$ 1,242	\$ 8,628	\$ 123,498
Project Committee 4 (022)													
Vegetation Monitoring	-	\$ 2,288	\$ -	\$ -	\$ -	\$ 2,447	\$ 692	\$ -	\$ 1,782	\$ 2,623	\$ -	\$ 9,832	\$ 15,168
\$ 25,000	\$ -	\$ 2,288	\$ -	\$ -	\$ -	\$ 2,447	\$ 692	\$ -	\$ 1,782	\$ 2,623	\$ -	\$ 9,832	\$ 15,168
PROJECT COMMITTEE 10 (025)													
Water Rights Monitoring - Field	-	\$ 11,483	\$ 7,246	\$ 6,412	\$ -	\$ 319	\$ 8,582	\$ -	\$ 13,539	\$ 14,380	\$ 8,961	\$ 70,922	\$ 4,078
** Groundwater Management Plan	-	2,792	8,188	3,506	-	-	-	-	2,582	-	-	17,068	82,932
\$ 175,000	\$ -	\$ 14,275	\$ 15,434	\$ 9,918	\$ -	\$ 319	\$ 8,582	\$ -	\$ 16,121	\$ 14,380	\$ 8,961	\$ 87,990	\$ 87,010
PROJECT COMMITTEE 13 (032)													
USGS-Loop Agreement Steam Gauging	\$ 29,000	\$ 8,134	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,134	\$ 20,866
\$ 29,000	\$ 8,134	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,134	\$ 20,866
TOTAL BUDGETED EXPENDITURES	\$ 361,125	\$ 8,228	\$ 17,156	\$ 15,638	\$ 10,773	\$ 1,037	\$ 2,766	\$ 11,973	\$ 250	\$ 19,556	\$ 17,003	\$ 114,584	\$ 246,542

** Per 6.12.12 meeting member agencies agreed to retain the GWMP in the budget but defer invoicings until funds are needed

SAN JUAN BASIN AUTHORITY

OPERATING BUDGET DETAIL/CHECK REGISTER

AS OF MAY 31, 2013

BUDGET		CHECK AMOUNT	Prior Yr. Expenses	GENERAL FUND (21)					(021) TOTAL	PC 4 DESALTER (22) Veg Monitoring	(022) TOTAL
Ch.#	Date			Vendor	Financial	Legal Fees	Secretarial	Misc			
				\$	\$	\$	\$	\$	\$	\$	\$
		ACCRUALS BAL FY10 Prior Year	179,569.54								
2543	7/26/2012	Santa Margarita Water District	98.40								
2544	7/26/2012	Stradling Yocca Carlson & Raulh	979.76	59.00							
2545	7/26/2012	Sharon Birmer	220.00								
2546	7/26/2012	Pagosas-Misc review of Wtr Rights file	2,807.92								
2547	7/26/2012	Wildermuth Environmental	28,751.43								
2548	8/4/2012	U.S. Geology Survey	24,850.00								
2549	9/5/2012	Stradling Yocca Carlson & Raulh	34.10								
2550	10/11/2012	Wildermuth Environmental	31,995.23								
2551	10/11/2012	Santa Margarita Water District	8,150.40								
2552	10/11/2012	Sharon Birmer	264.00								
2553	11/12/2012	Craig R. Fichter	5,946.00								
2554		VOID									
2555	11/27/2012	State Water Resources Board	684.60								
2556	11/27/2012	Stradling Yocca Carlson & Raulh	1,656.00								
2557	11/27/2012	Wildermuth Environmental	9,917.88								
2558	1/10/2013	Wildermuth Environmental	2,765.78								
2559	1/10/2013	Sharon Birmer	246.80								
2560	1/10/2013	Wildermuth Environmental	9,273.70								
2561	2/25/2013	Sharon Birmer	250.00								
2562	2/25/2013	Stradling Yocca Carlson & Raulh	2,451.50								
2563		VOID									
2564	3/28/2013	Stradling Yocca Carlson & Raulh	1,299.40								
2565	3/28/2013	Wildermuth Environmental	17,902.52								
2566	4/23/2013	Stradling Yocca Carlson & Raulh	354.00								
2567	4/23/2013	Wildermuth Environmental	17,002.38								
2568	5/23/2013	Wildermuth Environmental	8,961.50								
2569	5/23/2013	Sharon Birmer	180.00								
2570	5/28/2013	Stradling Yocca Carlson & Raulh	1,063.00								
		Return of Yocca Registry ck	(60.00)								
		Prior year ending accrual balance	107,970.63								
		Adjustment from FY 2010 proped acct	8,133.00								
		Accrual from FY 12 13									
		TOTAL EXPENSES Y-T-D		6,977.00	880.80						
		BUDGET REMAINING 2/12/13		8,093.00	\$	3,519.20	\$	146.00	864.60	\$	9,831.88
				6,225.00	\$		\$	6,354.00	(684.60)	\$	15,168.12

Chk #	Date	BUDGET	PC 10 MONITORING	PC 13 USES CO-OP	(10)	(13)	Debt Svc Pmts	TOTAL BUDGET
			Grower Monitoring Grant Upland Plain	LP Agrove Sim. Cattle	TOTAL	TOTAL	(\$1)	Used/Remaining
			\$ 73,000.00	\$ 100,000.00	\$ 775,000.00	\$ 29,000.00		\$ 861,150.00
2543	7/26/2012	Santa Margarita Water District			-	-	-	-
2544	7/26/2012	Stradling Yocca Carlson & Raith			-	-	-	-
2545	7/26/2012	Sharon Birner			-	-	-	-
2546	7/26/2012	Pomas-Misc review of Wtr Rights file			-	-	-	-
2547	7/26/2012	Wildernuth Environmental			-	-	-	-
2548	8/4/2012	U.S. Geology Survey			-	-	-	-
2549	8/5/2012	Stradling Yocca Carlson & Raith			-	-	-	-
2550	10/1/2012	Santa Margarita Water District			-	-	-	-
2551	10/1/2012	Santa Margarita Water District			-	-	-	-
2552	10/1/2012	Sharon Birner	18,729.85	10,980.00	29,709.85	-	-	(31,989.23)
2553	11/12/2012	Craig R. Fechter			-	-	-	(146.00)
2554	1/07/1900	VOID			-	-	-	-
2555	11/27/2012	State Water Resources Board			-	-	-	(684.60)
2556	11/27/2012	Stradling Yocca Carlson & Raith			-	-	-	(1,656.00)
2557	11/27/2012	Wildernuth Environmental	4,925.20	3,500.00	8,431.20	-	-	(9,917.88)
2558	1/10/2013	Wildernuth Environmental	1,805.80		1,805.80	-	-	(2,705.78)
2559	1/10/2013	Sharon Birner			-	-	-	(245.50)
2560	1/10/2013	Wildernuth Environmental	8,582.00		8,582.00	-	-	(9,245.50)
2561	2/25/2013	Sharon Birner			-	-	-	(250.00)
2562	2/25/2013	Stradling Yocca Carlson & Raith			-	-	-	(2,451.50)
2563		VOID			-	-	-	-
2564	3/28/2013	Stradling Yocca Carlson & Raith			-	-	-	(1,299.40)
2565	3/28/2013	Wildernuth Environmental	13,539.00	2,682.00	16,121.00	-	-	(17,902.52)
2566	4/23/2013	Stradling Yocca Carlson & Raith			-	-	-	(354.00)
2567	4/23/2013	Wildernuth Environmental	14,378.76		14,378.76	-	-	(17,002.38)
2568	5/23/2013	Wildernuth Environmental	8,981.50		8,981.50	-	-	(8,981.50)
2569	5/23/2013	Sharon Birner			-	-	-	(180.00)
2570	5/23/2013	Refund of Donor Registror ckt			-	-	-	(1,660.00)
		Adjustment from FY 2010 prep acct			-	-	-	(60.00)
		Accruals from FY 2012,13			-	-	-	(8,133.00)
		TOTAL EXPENSES Y-T-D	70,922.11	-	87,990.11	8,133.00	**431,982.00	(8,133.00)
		BUDGET REMAINING 2012,13	\$ 2,077.89	\$ 82,932.00	\$ 87,009.89	\$ 20,867.00	\$ -	\$ 246,511.81

**** Debt Service is not included in the budget - it is paid by the City of San Juan Capistrano separately**



SAN JUAN BASIN AUTHORITY

26111 Antonio Parkway • Rancho Santa Margarita, CA 92688 (949) 459-6400 FAX (949) 459-6463

TO: Board of Directors

DATE: June 11, 2013

FROM: Daniel R. Feron
West Curry

SUBJECT: Elections of Officers for Fiscal Year 2013-2014

SUMMARY

Issue: Per the Bylaws, the Board elects a Chairman and Vice-Chairman annually in June and appoints the Authority Secretary and Treasurer. Historically, the Administrator has been appointed Secretary, which is currently Dan Feron and the Treasurer has been the SMWD Director of Finance, currently Kristin Griffith.

Recommendation: Elect the Chairman and Vice Chairman; Appoint the Secretary and Treasurer.

Fiscal Impact: No fiscal impact, individuals are not compensated for positions.

Previously Related Action: The Authority annually appoints officers.

DISCUSSION

Background

In June 2012, the Board elected Mike Dunbar, South Coast Water District, as the Chairman and Laura Freese, City of San Juan Capistrano as the Vice-Chairman. Upon Mr. Dunbar's retirement, the current Chairman, Larry McKenney, Moulton Niguel Water District was elected in November. The City of San Juan Capistrano appointed Larry Kramer to replace Laura Freese, however, the SJBA did not hold an election for Vice-Chairman and the position is currently open.

For a number of years, Santa Margarita Water District has provided contract financial services for the SJBA and the Director of Finance for the District has been appointed as the Treasurer. The responsibilities include financial reporting, review of invoices and payments, annual audit and investments.

In March 2010, West Curry of City of San Juan Capistrano and Dan Ferons of SMWD were named as Co-Administrators of the Authority responsible for day-to-day management and preparation of board reports and packages. The official records for the Authority are stored at SMWD and the Board appointed Mr. Ferons as the Secretary. Neither Mr. Curry nor Mr. Ferons receive any compensation from the Authority for the services.

Action Items:

1. Elect a Chairman based on motion and second by Board member nominating a candidate.
2. Elect a Vice-Chairman based on motion and second by Board member nominating a candidate.
3. Appoint a Secretary, based on motion and second by Board member nominating a candidate; may be a board member or Co-Administer.
4. Appoint a Treasurer based on motion and second by Board member nominating a candidate. Recommended to be SMWD Direct of Finance, Ms. Kristin Griffith.



SAN JUAN BASIN AUTHORITY

26111 Antonio Parkway • Rancho Santa Margarita, CA 92688 (949) 459-6400 FAX (949) 459-6463

TO: Board of Directors

DATE: June 11, 2013

FROM: Dan Ferons

SUBJECT: Adoption of Fiscal Year 2013-2014 Operating Budget

SUMMARY

Issue: Annually the Authority adopts a fiscal budget for its operation. The draft budget was reviewed and discussed with the member agencies.

Recommendation: Adopt the Fiscal Year 2012-2013 annual budget as presented.

Fiscal Impact: Establishes the annual operating budget.

Previously Related Action: The Authority annually adopts an operating budget.

DISCUSSION

The following proposed budget was reviewed with the member agencies:

Account Description	FY 11/12	Budget FY 12/13	Projected FY 12/13 ¹	Proposed FY 13/14
Administration	\$ 93,225	\$132,125	\$22,097	\$73,500
Project Committee 4 (022)	\$ 44,000	\$ 25,000	\$15,500	\$25,000
Project Committee 10 (025)	\$224,000	\$175,000	\$115,000	\$275,000
Project Committee 13 (032)	\$ 8,500	\$ 29,000	\$ 29,000	\$ 30,000
Total Budget	\$389,725	\$361,125	\$181,597	\$403,500

General Administration

- SMWD/CSJC provides general management and project management services. The budget provides for consultants acting as extended staff for the Authority.
- SMWD will provide Financial Services in the amount of \$6,225.
- The audit budget is \$5,000 for Charles Z. Fedak and Company.
- The legal services budget in the amount of \$8,000; this is an increase over actual expenses to provide for potential agreement revisions and update of policies.
- Secretarial budget for preparation of the minutes in the amount of \$4,000 is also included in the budget.

¹ The projected is based off current invoices and is subject to change based on billing received during the month of June.

Project Committee 4 (022)

Vegetation Monitoring

The budget remains at \$25,000 due to revised permit requirements. This item is required by the terms of the Water Rights permits to assess the effect of groundwater pumping on the native vegetation along San Juan creek. Special observation stations are located at key locations along San Juan Creek and routine observations are needed by a qualified biologist to determine the health of the vegetation during the different seasons of the year. General botanical observations including species composition, amount of yellowing and leaf drop and general wildlife observations are documented costs that are included in the contract with Wildermuth Environmental, Inc.

Project committee 10 (025)

Hydrogeology Monitoring

The budget remains at \$75,000 due to revised permit requirements. The collection of hydrogeological data including static water level measurements in pumping wells and also monitoring wells is a requirement of the Water Rights permits. This data is used to calculate the amount of groundwater in storage in various segments of the groundwater basin. If the pumping results in a drawdown of 50% of the storage capacity, the SWRCB has the authority to order a cessation of pumping to avoid over-drafting of the Basin. Water Quality data is also collected in order to evaluate any adverse conditions that may develop. The cost for the monitoring program is included in the Wildermuth contract awarded for that purpose. Data is provided to SCWD for preparation of a similar report.

Groundwater Management Plan

The preparation of the updated Groundwater Management Plan will be completed under the current authorization. A budget of \$200,000 is proposed for the optimization planning efforts as part of the MWD Foundation Action Program. The total scope of work is proposed to be \$400,000, with \$200,000 proposed from the program.

Project Committee 13 (032)

USGS – Loop Agreement Stream Gauging

This is a cooperative agreement with the USGS (Federal) and the County of Orange for the operation and maintenance of two gauging stations, one on San Juan Creek at La Novia, and one at Trabuco Creek near City Hall in San Juan Capistrano. The data collected from gauging stations are used to make various calculations on the amount of stream flow that is created each year and result in groundwater recharge and stream flow to the ocean. The cost last year was \$29,000, and an amount of \$30,000 is included in the proposed 2013-2014 budget.

Financial Impact

The following table summarizes the proposed contribution by agency for the fiscal year:

Agency	Percentage	Amount to be deposited
City of San Juan Capistrano	25%	\$100,875.00
Moulton Niguel Water District	25%	\$100,875.00
Santa Margarita Water District	25%	\$100,875.00
South Coast Water District	25%	\$100,875.00
Total	100%	\$403,500.00

Annual billing will be adjusted to reflect any unencumbered funds remaining on deposit for each agency at the end of the fiscal year.



SAN JUAN BASIN AUTHORITY

26111 Antonio Parkway • Rancho Santa Margarita, CA 92688 (949) 459-6400 FAX (949) 459-6463

TO: Board of Directors **DATE:** June 11, 2013

FROM: Dan Ferons

SUBJECT: Presentation on 2012 Annual Integrated Environmental Monitoring by Wildermuth Environmental

SUMMARY

Issue: The existing water rights permit requires annual compliance monitoring, however, this year the pumping did not trigger the need to prepare and file an annual report with the State Water Resources Control Board. Ms. Samantha Adams with Wildermuth Environmental will make a brief presentation on the 2012 monitoring efforts.

Recommendation: Receive and file the report.

Fiscal Impact: Annual cost for monitoring services.

Previously Related Action: The Authority annually reviews compliance monitoring.

DISCUSSION

Wildermuth Environmental will provide a verbal report on the 2012 Annual Monitoring contract. Each member agency has been provided copies of the data collected for the year for its use. The annual pumping in 2012 under the San Juan Basin Authority water rights permit was approximately 4,500 Acre Feet which is under the trigger of 4,800 AF for reporting to the State Water Resources Control Board. This is the first year under the new permit terms which reduced the monitoring requirements until additional pumping occurs.

The following tables and reports are attached and will be discussed by Ms. Adams:

- *Monthly Reported Production in the San Juan Basin - Calendar Year 2012*
- *Annual Reported Production in the San Juan Basin - Calendar Years 2004 through 2012*
- *Progress Report by Permittee*

[DRAFT VERSION]**PROGRESS REPORT BY PERMITTEE FOR 2012**

Primary Owner: SAN JUAN BASIN AUTHORITY

Primary Contact: SMWD

Application Number: A030123

Permit Number: 021074

Source(s) of Water	POD Parcel Number	County
ARROYO TRABUCO		Orange
ARROYO TRABUCO		Orange
ARROYO TRABUCO		Orange
ARROYO TRABUCO		Orange
ARROYO TRABUCO		Orange
ARROYO TRABUCO		Orange
SAN JUAN CREEK		Orange
SAN JUAN CREEK		Orange
SAN JUAN CREEK		Orange
SAN JUAN CREEK		Orange
SAN JUAN CREEK		Orange
SAN JUAN CREEK		Orange
SAN JUAN CREEK		Orange
SAN JUAN CREEK		Orange
SAN JUAN CREEK		Orange
SAN JUAN CREEK		Orange
SAN JUAN CREEK		Orange
SAN JUAN CREEK		Orange

MAX Direct Diversion Rate: 17.3 CFS

MAX Collection to Storage: 0.0 AC-FT

Face Value: 10702.0 AC-FT

Permitted Use(s)	Acres	Direct Diversion Season	Storage Season
Municipal	0.0	01/01 to 12/31	

1. Permit Review

I have reviewed my water right permit	Yes
---------------------------------------	-----

2. Compliance with Permit Terms and Conditions

I am complying with all terms and conditions	Yes
--	-----

Description of noncompliance with terms and conditions	
--	--

3. Changes to the Project

Intake location has been changed	
----------------------------------	--

Description of intake location changes	
--	--

Type of use has changed	
-------------------------	--

Description of type of use changes	
------------------------------------	--

Place of use has changed	
--------------------------	--

Description of place of use changes	
-------------------------------------	--

Other changes	
Description of other changes	

4-6. Permitted Project Status

Project Status	Not Complete
6a. Construction work has commenced	Yes
6b. Construction is completed	No
6c. Beneficial uses of water has commenced	Yes
6d. Project will be completed within the time period specified in the permit	Yes
6e. Explanation of work remaining to be done	The permit requires completion of construction by December 31, 2035. To maximize the water right by this date, the Groundwater Recovery Plant needs to be upgraded to increase the total treatment capacity. Additional production wells may also be constructed once the plant capacity is increased.
6f. Estimated date of completion	12/31/2035

7. Purpose of Use

Municipal	40000
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8. Amount of Water Diverted and Used

Month	Amount directly diverted or collected to storage (Acre-Feet)	Amount used (Acre-Feet)
January	478	478
February	437	437
March	297	297
April	248	248
May	431	431
June	443	443
July	522	522
August	433	433
September	414	414
October	450	450
November	401	401
December	28	28
Total	4582	4582
Comments		

9. Maximum Rate of Diversion for each Month

Month	Maximum Rate of Diversion ()
-------	----------------------------------

January	
February	
March	
April	
May	
June	
July	
August	
September	
October	
November	
December	

10. Storage

Reservoir name	Spilled this year	Feet below spillway at maximum storage	Completely emptied	Feet below spillway at minimum storage	Method used to measure water level

Conservation of Water

11. Are you now employing water conservation efforts?	Yes
Description of water conservation efforts	
12. Amount of water conserved	

Water Quality and Wastewater Reclamation

13. During the period covered by this Report, did you use reclaimed water from a wastewater treatment facility, water from a desalination facility, or water polluted by waste to a degree which unreasonably affects the water for other beneficial uses?	No
14. Amount of reclaimed, desalinated, or polluted water used	

Conjunctive Use of Groundwater and Surface Water

15. During the period covered by this Report, were you using groundwater in lieu of available surface water authorized under your permit?	No
16. Amounts of groundwater used	

Additional Remarks

Permit Condition 17 requires the SJBA to monitor and report on groundwater levels for diversions in excess of 4,800 acre-ft. During 2012, total diversions were 4,582 acre-ft, so monitoring and reporting are not required. However, SJBA did continue to report quarterly groundwater levels to DWR in compliance with CASGEM. Permit Condition 17 requires the SJBA to monitor and report on groundwater levels for diversions in excess of 4,800 acre-ft. During 2012, total diversions were 4,582 acre-ft, so monitoring and reporting are not required. Permit Condition 23 requires the SJBA to monitor and report on native vegetation in San Juan Creek for diversions in excess of 4,800 acre-ft. During 2012, total diversions were 4,582 acre-ft, so monitoring and reporting are not required.

Attachments

File Name	Description	Size
No Attachments		

Contact Information of the Person Submitting the Form

First Name	Dan
Last Name	Ferons
Relation to Water Right	Agent

Table 1
Annual Reported Production in the San Juan Basin - Calendar Years 2004 through 2012

Year	GWRP Production										SCWD GRF	Other Groundwater Production							Total Production	
	Dance Hall	SJBA No. 4	SJBA No. 2	CVWD No. 1	Kinoshita	Tirador	South Cooks	Well #5	Total	Stonehill Well		City of San Juan Capistrano				San Juan Hills Golf Course				Total Other
												Rosenbaum No. 1	North Open Space	Hollywood 2A	Mission St.	Small Well	Large Well			
2004	3	66	6	62	12	17	n/a	n/a	166	n/a	1,878	978	1,263	0	n/a	n/a	4,441	4,607		
2005	505	1,005	1,179	1,242	261	617	n/a	n/a	4,809	n/a	555	446	329	0	n/a	n/a	1,668	6,477		
2006	860	924	1,082	1,102	81	796	n/a	n/a	4,846	n/a	410	323	260	0	142	113	1,249	6,094		
2007	552	616	666	41	466	407	n/a	n/a	2,748	132	366	207	79	0	108	308	1,067	3,948		
2008	29	479	424	390	58	71	n/a	n/a	1,450	822	376	344	291	0	79	268	1,357	3,628		
2009	1	695	780	797	2	258	n/a	n/a	2,533	961	21	266	190	0	79	265	821	4,315		
2010	7	353	806	444	1	437	n/a	n/a	2,048	976	0	15	0	94	35	213	357	3,381		
2011	490	684	313	485	183	377	508	395	3,436	1,141	8	23	0	1,409	71	280	1,790	6,367		
2012	968	728	432	301	148	356	790	859	4,583	1,127	0	9	0	272	21	242	545	6,254		
Min	1	66	6	41	1	17	508	395	166	132	0	9	0	0	21	113	357	3,381		
Max	860	1,005	1,179	1,242	466	796	790	859	4,846	1,141	1,878	978	1,263	1,409	142	308	4,441	6,477		
Average	306	603	657	570	133	373	649	627	2,958	860	401	290	268	197	76	241	1,477	5,008		

Table 2
Monthly Reported Production in the San Juan Basin - Calendar Year 2012

Month	San Juan Basin Authority GWRP Production										SCWD GRF	Other Groundwater Production							Total Production
	Dance Hall	SJBA No. 4	SJBA No. 2	CVWD No. 1	Kinoshita	Tirador	South Cooks	Well #5	Total	Stonehill Well		City of San Juan Capistrano				San Juan Hills Golf Course		Total Other	
												Rosenbaum No. 1	North Open Space	Hollywood 2A	Mission St.	Small Well	Large Well		
Jan	109	89	0	0	42	50	92	97	478	95	0	2	0	14	0	13	30	603	
Feb	96	82	0	21	39	52	61	85	437	89	0	2	0	14	0	9	25	551	
Mar	42	81	6	34	47	49	0	37	297	89	0	2	0	13	0	18	32	418	
Apr	0	64	20	67	0	44	28	25	248	91	0	1	0	14	2	24	41	381	
May	117	71	0	0	20	36	98	90	431	99	0	1	0	27	0	24	52	582	
June	113	77	12	0	0	42	100	99	443	97	0	1	0	35	0	53	88	628	
July	115	73	102	0	0	38	88	106	522	101	0	0	0	36	0	35	72	695	
Aug	96	55	82	0	0	30	84	87	433	89	0	0	0	37	2	28	66	589	
Sept	102	57	78	10	0	16	76	76	414	91	0	0	0	33	8	13	55	560	
Oct	89	41	67	86	0	0	82	86	450	96	0	0	0	25	6	4	35	581	
Nov	80	39	60	73	0	0	78	72	401	94	0	0	0	19	2	13	34	530	
Dec	10	0	6	9	0	0	2	0	28	96	0	0	0	6	1	7	14	137	
Total	968	728	432	301	148	356	790	859	4,583	1,127	0	9	0	272	21	242	545	6,254	
Min	0	0	0	0	0	0	0	0	28	89	0	0	0	6	0	4	14	137	
Max	117	89	102	86	47	52	100	106	522	101	0	2	0	37	8	53	88	695	
Average	81	61	36	25	12	30	66	72	382	94	0	1	0	23	2	20	45	521	



SAN JUAN BASIN AUTHORITY

26111 Antonio Parkway • Rancho Santa Margarita, CA 92688 (949) 459-6400 FAX (949) 459-6463

TO: Board of Directors **DATE:** June 11, 2013
FROM: Dan Ferons
SUBJECT: Consideration and Action on Selection of Fiscal Year 2012-2013
Independent Auditor

SUMMARY

Issue: Annually the Authority contracts for preparation of an audit.

Recommendation: Authorize Charles Z. Fedak and Company in the amount of \$4,000 to perform audit services for Fiscal 2013 with the option to continue services for two additional years.

Fiscal Impact: Audit services are budget annually.

Previously Related Action: The Authority annually authorizes audit services.

DISCUSSION

The Santa Margarita Water District went out for Request For Proposals (RFP) in 2013 for auditing services and included the Authority's audit for comparison purposes to the previous year's audit.

The recommendation is to approve Charles Z. Fedak & Company in the amount of \$4,000 for audit services for FY2013 with the option to continue services for two additional years.

This is a not only a cost savings to the Authority but they are local firm as opposed to a Sacramento-based company as was the previous auditor. The amount of the fee is competitive considering the size of the Authority. The auditors anticipate conducting the audit at the end of August with final statements available for Board review in September.

As a matter of policy, the Board has previously recommended the changing of auditors from time-to-time. In previous years the Authority has used both Fechter & Company and Mayer Hoffman McCann P.C. for auditing services.

San Juan Basin Authority Audit Services		
Charles Z. Fedak & Company	FY2013	\$4,000.00
Fechter & Company	FY2012	\$5,800.00
Mayer Hoffman McCann P.C.	FY2011	\$6,775.00

Cost Proposal Independent Auditor Services For The



San Juan Basin Authority





Charles Z. Fedak, CPA, MBA
Paul J. Kaymark, CPA
Christopher J. Brown, CPA

Charles Z. Fedak & Company

Certified Public Accountants
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April 5, 2013

Board of Directors
San Juan Basin Authority
26111 Antonio Parkway
Rancho Santa Margarita CA 92688

Re: Request for Proposal for Independent Auditor Services

Dear Board Members:

Based on our understanding of the San Juan Basin Authority's (Authority) requirements, our fee for audit services for the fiscal year ending **June 30, 2013** is **\$4,000**. This fee is based on our understanding of the Authority's audit requirements.

Assuming there is no substantial change in the Authority's activities and operations, our fee for audit services for all future fiscal years would be **\$4,000**.

Our estimate for out-of-pocket expenses is part of our operating rate structure. Again, these fees are based on the estimated costs to complete the audit.

The components of this audit services fee proposal are itemized in the attached Exhibits.

Our not-to-exceed fee proposal is contingent upon our understanding of your requirements and the assistance we require to perform the audit testwork.

Additional services not included in this proposal will be based on our discounted billing rates based on the level of experience required. We would execute a separate contract for these services, if they are requested by the Authority.

I am authorized to make representations for Charles Z. Fedak & Company, CPAs an Accountancy Corporation and am duly authorized to sign a contract with the Authority.

Charles Z. Fedak, CPA

April 5, 2013

Date

Exhibit I – Proposed Hours and Our Fees

Proposed Hours and Our Fees

We anticipate that, for the years ending June 30, 2013 and beyond, the audit of the Authority will approximate 34 audit hours. These hours, by major area, are summarized as follows:

<u>Audit Steps</u>	<u>Partner</u>	<u>Manager</u>	<u>Staff</u>	<u>Total</u>
Planning	-	1	2	3
Control Testwork	-	1	2	3
Substantive Testwork	1	2	10	13
Reporting	<u>1</u>	<u>4</u>	<u>10</u>	<u>15</u>
Total Hours	<u>2</u>	<u>8</u>	<u>24</u>	<u>34</u>

As shown above, we expect approximately 30% of engagement hours to come from the Partners and Managers assigned to the engagement.

Working on the premise that we will be provided with a year-end trial balance, along with an audit package of reconciled balances and supporting schedules of all balance sheet accounts, we expect to perform the audit of the Authority at fees as stated in the attached Schedule of Professional Fees on Page 3 for the years ending June 30, 2013 and beyond.

Our fees are based on the product of the time spent on the engagement and the billing rates of the individuals assigned, plus out-of-pocket costs (such as, report reproductions, typing, postage, travel, copies, telephone, etc.). We will obtain the assistance of the Authority's personnel to the extent possible and otherwise endeavor to keep these charges to a minimum. We will submit progress billings monthly to your office as our work progresses, which will be due and payable thirty days from the date of the invoice.

Based upon the present size and scope of the activities of the Authority, we expect to perform the services enumerated above at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to the audits.

In accordance with your request for proposal and the Office of Management and Budget Circular A-128, we will maintain our work papers for at least five years and make them available to the Authority, state agencies, the General Accounting Office, and other parties upon the direction of the Authority.

We want the Board to understand that we will provide **any** assistance and answer **any** questions that the Authority's staff or members of the Board may have when they arise for the entire duration of our contract. We find it important to stay abreast of the Authority's activities and accounting issues during the entire engagement.

We would like to thank you and the Board for the opportunity to submit a proposal for the auditing services of the Authority. Because of our experience in special districts and our interest in the Authority, we will provide you with assistance in your operations as well as meet the audit needs of the organization. We will also continually make recommendations on these and other matters that come to our attention. We are proud of the professional services we provide and encourage you to make inquiries to any of our clients about their satisfaction with our services and the quality of our staff.

Exhibit II – Schedule of Professional Fees

FISCAL YEAR 2013			
Breakdown of Fees by Hours			
Fiscal Year 2013 Audit of:	Hours	Hourly Rates	Total
Authority's Basic Financial Statements			
Partner	2	\$ 200.00	\$ 400
Manager	8	150.00	1,200
Staff	24	100.00	2,400
Total Financial Statement Audit for 2013	34		\$ 4,000



SAN JUAN BASIN AUTHORITY

26111 Antonio Parkway • Rancho Santa Margarita, CA 92688 (949) 459-6400 FAX (949) 459-6463

TO: Board of Directors **DATE:** June 11, 2013

FROM: Dan Ferons

SUBJECT: Consideration and Action on Release of Draft Groundwater Management and Facilities Plan for Public Review

SUMMARY

Issue: Wildermuth Environmental has prepared the draft document and the Authority Technical Advisory Committee members have received screen check copies for final review. The member agencies' review is anticipated to be completed by the end of the week.

Recommendation: Authorize release of draft document upon completion of review by member agencies.

Fiscal Impact: Release of the document will not have a direct financial impact other than printing copies for public display at each agency.

Previously Related Action: The Authority authorized preparation of the plan.

DISCUSSION

Wildermuth Environmental has prepared a draft update of the Groundwater Management and Facilities Plan for the San Juan Basin. The document is currently under final review by the member agencies and it has proposed to release the draft document for public review the week of June 17th. Portions may be released for use in development of the proposed response to the Request for Proposals for the MWD Fundamental Action Funding Program.

The Authority will schedule a meeting for public input on the draft document in July and consider adoption in July or August depending on the level of input and time to prepare responses.



SAN JUAN BASIN AUTHORITY

26111 Antonio Parkway • Rancho Santa Margarita, CA 92688 (949) 459-6400 FAX (949) 459-6463

TO: Board of Directors

DATE: June 11, 2013

FROM: Daniel R. Ferons
West Curry

SUBJECT: Preparation of Metropolitan Water District of Southern California Foundational Action Plan Proposal for the Technical Efforts Related to the Optimization of the San Juan Groundwater Basin

SUMMARY

Issue: Metropolitan Water District has issued a Request-For-Proposals for its Foundational Actions Funding Program (FAF Program). The program will provide 50/50 grants to help fund actions that reduce barriers to future water production. SJBA is contemplating submitting a proposal in conjunction with MWDOC to optimize the groundwater development in the lower San Juan Basin. The project can be done by the Authority as a whole or as a project committee with an agreement for additional participants such as MWDOC.

Recommendation: Authorize preparation and submittal of proposal.

Fiscal Impact: Proposal requires a minimum of 50% match by agency.

Previously Related Action: The Authority has authorized update of its Groundwater Management Plan.

DISCUSSION

The FAF Program was developed by MWD to promote technical studies within its service area to further effective future resource planning and development of project enhancements including the following resource types:

MWD 2013 Request for Proposals for Foundational Actions Funding Program

Key Dates:

Proposal Due: July 3, 2013 @ 11:00 AM

Proposals Awarded: September 17, 2013 (Subject to Board Action)

Agreement Signed by Recipient Due: November 15, 2013

Work Initiation Deadline: January 31, 2014

Final Report Due: February 1, 2016

Process:

1. MWD may negotiate proposal scope and funding changes
2. Quarterly reports and invoices are required
3. Annual reports required for five years to document post grant activities
4. 25% retention on until Final Report is accepted by MWD.

- Direct and indirect recycled water use
- Seawater desalination
- Stormwater
- Groundwater enhancement

Project Background

The Authority is actively completing the update of the San Juan Basin Groundwater and Facilities Plan (GMP). In March 2013 a presentation was made at the Board Meeting which highlighted the various alternatives that have been included in the draft GMP. The alternatives include activities if the South Orange County Ocean Desalter (now known as the Doheny Desalter) is developed within the next 10 years and activities if it is not.

The GMP is based on the modeling prepared by Geosciences under contract with MWDOC for the desalter. The modeling shows the basin capacity is less than previously thought and current water in storage is approximately 24,000 acre feet. Another key point taken from the modeling is that under dry and average conditions, the projected groundwater extraction by existing users will cause seawater intrusion without the desalter project. With the development of the desalter, the beach wells will also impact the basin requiring additional mitigation or modified operations. The alternatives include:

- Active monitoring to reduce production when required to avoid seawater intrusion
- Development of storm water recharge in San Juan Creek
- Development of recycled water recharge with water from the 3A Plant or Latham Plants
- Development of a seawater barrier through a pumping trough or through injection
- Development of new wells in strategic locations

The various elements can be used individually or conjunctively. If used conjunctively, the potential is to optimize basin production through the recharge efforts and development of new wells. The groundwater basin would be managed as a seasonal storage reservoir to maximize groundwater production while meeting environmental obligations.

Nexus with Doheny Desalter

Management of the basin includes potential development of a seawater barrier along the Dana Point coast. Two alternatives are proposed:

- Development of a pumping trough with wells along the coast. The concept is to create a pumping trough or groundwater depression near the coast that would intercept brackish groundwater (and eventually seawater), stop the intrusion from moving inland and develop a new water supply.
- Development of a seawater intrusion barrier using injection wells. This concept is to create a mound of groundwater which keeps the seawater out of the basin.

The ocean desalter project proposes to use slant wells along the coast to collect seawater. The development of the slant wells may provide for development of the trough to protect the basin. Conversely, development of vertical wells by the Authority may provide source water for the desalter in lieu of slant wells.

The goals of both the desalter and the GMP are to develop local water supplies, maximizing the available resources and facilities in an environmentally friendly manner.

The Proposed Proposal Response

Municipal Water District of Orange County (MWDOC) has indicated that MWD has allocated \$500,000 to each member agency and that MWDOC will apply for \$100,000 for the WaterReuse initiative for research into direct/indirect reuse of recycled water. The preliminary indication is that the Doheny Desalter and the Authority are the only other potential projects. As noted above, there is a nexus between the projects and it is proposed that the response to MWD RFP will be closely coordinated. The key areas highlighted by MWD align well with the South Orange County projects as noted (the order is not significant):

- **Direct and indirect recycled water use:** The proposal includes review of the groundwater capability for recharge with recycled water, the unique approach proposed by the basin is to utilize tertiary treated water to recharge the basin and use membrane technology when the water is treated to be used for drinking water. The basin is an underground flowing stream and surface water treatment rules apply. The key study points are travel time, recycled water contribution at recovery wells, recharge capacity, well location and benefits of soil-aquifer treatment processes.
- **Seawater desalination:** Development of a trough through vertical or slant wells as a source of feed water to the Desalter. This provides an option for protection from seawater intrusion into the basin. This element can be either a desalter or authority line item and requires coordination to avoid duplication yet provide project coverage.
- **Stormwater:** Modeling indicates that the basin discharges a substantial amount of stormwater; the proposal is to review the capability for active stormwater recharge management. The techniques can also be used for low flow urban return flow recharge.
- **Groundwater enhancement:** The basin has been defined as an underground flowing stream, in typical groundwater management 10% to 20% of the storage capability is utilized for active production. The projected use from existing users is over 11,000 AF which approaches 50% of water stored in the basin. With active recharge, the production is projected to potentially meet or exceed the 20,000 acre-ft/yr. The proposal will review the active groundwater basin management and potential sites for recharge.

The proposal will further development of groundwater basins and the techniques, if successful, may be applicable in groundwater basins throughout Southern California. The work components will include:

- Hydrogeology investigation including modeling, additional monitoring and field investigation efforts.
- Identification of permitting requirements including, but not limited to, State Water Resources Control Board, Regional Board, and California Department of Public Health.
- Engineering and planning efforts to identify project components and cost elements

Detailed scopes of work will be developed, however the projected cost for the effort is currently estimated to be \$400,000 for the fiscal year for tasks applicable to the Authority. The FAF Program would be requested to provide \$200,000 and the Authority would provide the balance.

Based on discussion with MWDOC and the desalter participants, the proposal may be expanded or reduced to reflect the efforts to develop both projects. In addition, the Authority may develop agreements with MWDOC, member agencies or other agencies for participation in the project. The City of San Clemente and the Laguna Beach County Water District are participants in the desalter and not members of the Authority.

The request is to authorize preparation of a draft proposal for submittal to MWDOC by June 18 with the final proposal to be submitted in time for MWDOC to submit by July 3rd. The work will be developed through the SJBA Technical Advisory Committee which consists of engineers/operators from each of the member agencies as well as technical staff from any other participants. Copies of the draft proposal will be provided to the member agencies and the Board Members and a special board meeting may be called as required if significant questions or concerns are raised during the review.