NOV 24 2003

Anne Schneider, Esq.
Chris Sanders, Esq.
Ellison, Schneider & Harris
2015 H Street
Sacramento, CA 95814-3109

Dear Ms. Schneider and Mr. Sanders:

ORDER APPROVING A RELEASE AND MONITORING PLAN FOR LAKE MATHEWS
PURSUANT TO SETTLEMENT AGREEMENT—METROPOLITAN WATER DISTRICT

Enclosed is a copy of WRO 2003 - 0019 – EXEC by the Executive Director of the State Water Resources Control Board that was signed on November 19, 2003, and one of two originals of the settlement agreement signed by the Chief Deputy Director on November 18, 2003. Please note that the order requires payment of funds to the Arundo Removal Program within 60 days of the date of the settlement. As we discussed on the phone, that date shall be the date when the Deputy Director signed the agreement, which is November 18, 2003. Because the 60th day falls on a Saturday of a three day weekend, payment is due no later than Tuesday, January 20, 2004. In addition, the order requires the immediate implementation of the release and monitoring operation as described in the settlement agreement.

If you have any questions, please contact me at (916) 327-8235.

Sincerely,

[Signature]
Samantha Olson
Staff Counsel

Enclosures

cc: Mr. James F. Roberts
Office of General Counsel
Metropolitan Water District of Southern California
P.O. Box 54153
Los Angeles, CA 90054-0153

Interested Persons

be: John O'Hagan
Division of Water Rights

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STATE OF CALIFORNIA
STATE WATER RESOURCES CONTROL BOARD

ORDER WRO 2003-0019-EXEC

In the Matter of Lake Mathews
Operated by
METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

SOURCE: Cajalco Creek tributary to Temescal Wash thence Santa Ana River
COUNTY: Riverside

ORDER APPROVING A RELEASE AND MONITORING PLAN FOR
LAKE MATHEWS
PURSUANT TO
SETTLEMENT AGREEMENT

BY THE EXECUTIVE DIRECTOR:

1.0 INTRODUCTION
This matter comes before the Executive Director of the State Water Resources Control Board
(SWRCB) following issuance of Administrative Civil Liability Complaint No. 262.5-35 (ACL
Complaint), against the Metropolitan Water District of Southern California (District). The
SWRCB’s Division of Water Rights (Division) and the District have agreed to settle this matter
in lieu of proceeding to hearing in accordance with the attached settlement agreement. The
settlement agreement delineates a release and monitoring plan for Lake Mathews Dam and
Reservoir to prevent future diversion and use of water from Cajalco Creek at Lake Mathews. In
addition, the District will provide $50,000 to the Santa Ana Watershed Protection Authority for
its Arundo Removal Program in the Santa Ana River. The issuance of an order or decision
pursuant to a settlement agreement is authorized under Government Code section 11415.60.
2.0 **BACKGROUND**

The District owns and operates Lake Mathews Dam and Reservoir, constructed on Cajalco Creek over 65 years ago as a terminal reservoir of the Colorado River Aqueduct. Since the dam was completed in 1938, operation of the Mathews Dam has resulted in incidental interception of runoff of the Cajalco Creek watershed. Based on limited data available, the average annual inflow of Cajalco Creek is approximately 500 acre-feet per year, ranging from less than 100 acre-feet, to over 700 acre-feet per year. Measured seepage below the dam returns approximately 50 to 100 acre-feet per year to the creek bed.

On May 28, 2003, the Chief of the Division issued ACL Complaint No. 262.5-35 against the District, alleging that the District's operation of Mathews Dam violates Water Code section 1052, subdivision (a). The District requested a hearing on June 19, 2003.

3.0 **SETTLEMENT AGREEMENT**

Under the settlement agreement, the District agrees that water from Cajalco Creek, tributary to Temescal Wash hence Santa Ana River in Riverside County, will not be stored at Lake Mathews. In lieu of filing an application to appropriate the water from Cajalco Creek and obtaining a permit from the SWRCB, the District agrees to calibrate and maintain a device upstream of Lake Mathews and measure the inflow into the lake from the upper Cajalco Creek watershed (Cajalco Creek Inflow). The District agrees to maintain records of this measured flow. The District will release an amount of water equal to 1.3 times Cajalco Creek Inflow, less measured seepage below the main dam of Lake Mathews (Net Cajalco Creek Inflow), at the blow-off structure into the Santa Ana River from its Upper Feeder OC-2 Connection, about 12-miles upstream of the confluence with Temescal Wash. If Net Cajalco Creek Inflow exceeds the 30 cubic feet per second capacity of the blow-off structure, the District shall continue to release water at the maximum capacity reasonably possible until an amount equivalent to the Net Cajalco Creek Inflow has been released. Deviations from this schedule must receive prior approval by the Chief of the Division.
In addition, the District will provide $50,000 to the Santa Ana Watershed Protection Authority for its Arundo Removal Program in the Santa Ana River, Index Number 16-A, within sixty (60) days from the date the attached settlement agreement is executed.

ORDER

IT IS HEREBY ORDERED THAT:

1. The attached settlement agreement between the Division and the District is approved and hereby incorporated by reference into this Order.

2. The District shall immediately begin implementation of the monitoring and release operation as defined in the attached settlement agreement.

3. The District shall remit $50,000 in funds to the Santa Ana Watershed Protection Authority (SAWPA) for its Arundo Removal Program for the Santa Ana River, Index Number 16-A, within 60-days of the date of the settlement. Within six months, the District shall provide written confirmation from SAWPA that the funds were used for Arundo removal within the Santa Ana Watershed. The District will request that SAWPA also include the location of the work, an approximation of the amount of Arundo removed with the funds, and an approximation of the vegetation consumptive use reduced.

4. Administrative Civil Liability Complaint No. 262.5-35 against the District shall be dismissed within 10 days upon a showing of payment by the District to SAWPA for the Arundo Removal Program.

5. Approval of the settlement agreement between the Division and the District resolves all past and future alleged violations of Water Code section 1052 relating to Cajalco Creek water at Mathews Dam so long as the District is in compliance with the terms of the agreement. Nothing in the settlement agreement reduces or diminishes SWRCB authority under all other applicable law.

Dated: 11-19-07

[Signature]
Celeste Cant
Executive Director
SETTLEMENT AGREEMENT

The Division of Water Rights (Division) and Metropolitan Water District of Southern California (MWD) agree to enter into a settlement agreement to resolve water rights issues related to local watershed water which had been intercepted by Lake Mathews Dam and Reservoir. In lieu of filing an application to appropriate water for storage, and to dismiss the Division's administrative civil liability complaint (No. 262.5-35) regarding incidental impoundment of local inflow to Lake Mathews, MWD stipulates to the following facts and agrees to the following terms. This settlement agreement will be submitted to the Executive Director of the State Water Resources Control Board (SWRCB) for approval and adoption pursuant to Government Code section 11415.60 as a decision by settlement and will become effective upon approval.

BACKGROUND

MWD owns and operates Lake Mathews Dam and Reservoir. Mathews Dam was constructed on Cajalco Creek over 65 years ago as a terminal reservoir of the Colorado River Aqueduct for the purpose of regulating the diversions from the Colorado River to serve Southern California. Since the dam was completed in 1938, operation of Mathews Dam as a terminal reservoir for Colorado River water has resulted in incidental interception of runoff of the Cajalco Creek watershed. Based on limited data available, the average annual inflow of Cajalco Creek is approximately 500 acre-feet per year, ranging from less than 100 acre-feet, to more than 700 acre-feet per year. Measured seepage below the dam returns approximately 50 to 100 acre-feet to the creek bed per year.

MWD has completed facilities upstream of Lake Mathews and is now measuring a majority of the inflow to Lake Mathews from the Cajalco Creek watershed. MWD has modified an existing discharge facility at its Upper Feeder OC-2 Connection which will allow MWD to release water to the Santa Ana River in amounts as required by this settlement agreement. Monitoring equipment currently exists to measure seepage below the dam, to the extent feasible. Additional metering devices have been included with the modifications to the Santa Ana River outlet to measure the discharges.
AGREEMENT

The Division and MWD agree that Cajalco Creek water will not be stored at Lake Mathews. It is also agreed that this settlement agreement is preferable to seeking a new permit or proceeding to hearing on ACL complaint No. 262.5-35. Therefore, the Division and MWD agree to settle this matter upon the following terms:

1. To prevent future storage of local inflow in Lake Mathews from Cajalco Creek watershed, MWD has modified and will operate its existing Upper Feeder OC-2 Connection to release water directly into the Santa Ana River about 12-miles upstream of its confluence with Temescal Wash. This modification provides a discharge capacity of thirty (30) cfs and includes a measuring device capable of continuously recording the amount of water discharged into the Santa Ana River pursuant to this settlement agreement. MWD agrees to calibrate and maintain this measuring device.

2. MWD agrees to calibrate and maintain the Geomation transducer and data logger system installed at the existing flume/weir measuring device immediately upstream of Lake Mathews to measure the inflow into the lake from the upper Cajalco Creek watershed ("Cajalco Creek Inflow"). MWD agrees to maintain records of this measured flow. MWD will notify the Division of any changes to the measuring device.

3. MWD agrees to release an amount of water equal to 1.3 times measured Cajalco Creek Inflow less measured seepage from Lake Mathews main dam ("Net Cajalco Creek Inflow"), at the blow-off structure into the Santa Ana River from its Upper Feeder OC-2 Connection. Net Cajalco Creek Inflow will be released to the Santa Ana River immediately after it enters Lake Mathews at the maximum rate reasonably possible, up to the 30 cfs capacity of the blow off structure until an amount equivalent to the Net Cajalco Creek Inflow is released. Deviations to this schedule may be allowed with prior approval from the Chief of the Division.

4. MWD agrees to maintain monthly records of the daily Cajalco Creek Inflow into Lake Mathews, measured seepage below Lake Mathews main dam, and daily Net Cajalco Creek Inflow released to the Santa Ana River. MWD agrees not to sell or deliver under contract any of the water released under this settlement.

5. MWD agrees to allow Division staff access to the facilities described herein for inspection, and allow for the Divisions’ review of the monthly records required by this settlement agreement within 15 days of the Division’s notification of its intent to visit the site for request for records.

6. MWD agrees to provide $50,000 of funding to the Santa Ana Watershed Protection Authority for its Arundo Removal Program for the Santa Ana River, Index Number 16-A, within sixty (60) days of the date of this settlement agreement. Within six months, MWD shall provide written confirmation from SAWPA that the funds were used for Arundo removal within the Santa Ana Watershed. MWD will request that SAWPA also include the location of the work, an approximation of the amount of Arundo removed with the funds, and an approximation of the vegetation consumptive use reduced.
7. The Division agrees that an application to appropriate water for any Cajalco Creek water temporarily held in storage at Lake Mathews is not required provided MWD operates in compliance to the terms and conditions of this settlement agreement. The Division agrees this settlement agreement resolves all past and future alleged violations of Water Code section 1052 related to Cajalco Creek at Lake Mathews, so long as MWD operates in compliance with the terms of this settlement agreement.

8. The Division agrees to dismiss ACL Complaint No. 262.5-35 within 10 days upon a showing of payment by MWD to SAWPA for the Arundo Removal Program as provided in Paragraph 6.

9. The undersigned MWD representative signifies that he has the authority to, and does, bind MWD on whose behalf and for whom he is signing this settlement agreement, and this agreement is, accordingly, binding on MWD.

Date: 11-10-03 Metropolitan Water District of Southern California

By __________________________
Jeffrey Kehoe, General Counsel

Date: 11/18/03 State Water Resources Control Board

By __________________________
Harry M. Schueller, Chief Deputy Director