



PROJECT AGREEMENT 23 COMMITTEE
Santa Ana River Conservation and Conjunctive Use Program (SARCCUP)
SPECIAL MEETING MINUTES
August 25, 2016

COMMITTEE MEMBERS PRESENT

Thomas P. Evans, Vice President, Western Municipal Water District
P. Joseph Grindstaff, General Manager, Inland Empire Utilities Agency [Vice Chair]
Douglas Headrick, General Manager, San Bernardino Valley Municipal Water District [Chair]
Paul D. Jones, General Manager, Eastern Municipal Water District [arrived 2:32 p.m.]
Michael Markus, General Manager, Orange County Water District [arrived 1:51 p.m.]

ALTERNATE COMMITTEE MEMBERS PRESENT [Non-Voting]

None.

COMMITTEE MEMBERS ABSENT

None

MEMBER AGENCY STAFF PRESENT

Eastern Municipal Water District
Kelley Gage
Brian Powell

Inland Empire Utilities Agency
Jason Pivovarovff

Orange County Water District
Adam Hutchinson

San Bernardino Valley Municipal Water District
Bob Tincher

Western Municipal Water District
Tim Barr
Ryan Shaw

Santa Ana Watershed Project Authority
Larry McKenney
Rich Haller
Mark Norton
Dean Unger
Kelly Berry

OTHERS PRESENT

Brian Dietrick, RMC Water & Environment

1. CALL TO ORDER (Doug Headrick)

The regular meeting of the PA 23 Committee was called to order at 1:34 p.m. by Chair Headrick at the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California.

2. PUBLIC COMMENTS

There were no public comments.

3. **APPROVAL OF MEETING MINUTES: JULY 28, 2016**

Chair Headrick noted one minor edit (change the word “been” to “be” on Agenda Item No. 4.E.), then called for a motion to approve the meeting minutes.

MOVED, approve July 28, 2016 meeting minutes.

Result:	Adopted (Unanimously; 3-0)
Motion/Second:	Grindstaff/Evans
Ayes	Evans, Grindstaff, Headrick
Nays:	None
Abstentions:	None
Absent:	Jones, Markus

4. **COMMITTEE DISCUSSION ITEMS**

A. **RMC PROGRAM MANAGEMENT SERVICES FOR SARCCUP**

Mark Norton introduced Brian Dietrick, Deputy Program Manager at RMC Water & Environment. The RMC contract was approved by the SAWPA Commission on August 2, 2016. Tom Evans inquired as to procedure and communication, requested a project schedule, and asked Mr. Dietrick to advise how he would address issues and problems as they arise. Dietrick advised the first line of communication is with the planning managers and Mark Norton, with regularly scheduled meetings. In terms of project schedule preparation, Dietrick will be working with Norton and the planning managers to ensure all aspects of the project are addressed, including critical paths. Evans suggested consideration be given to defining an early warning system – a mechanism by which escalating problems could be addressed.

Norton voiced staff’s commitment to keep the Committee fully aware of any issues. RMC is fully engaged with staff and attends regular planning meetings. Issues will first be addressed at the staff level; if they need to be raised to the policy level, then that will occur. Periodic briefings with formal project status presentations will be provided to the Committee, including budget tracking. Dietrick confirmed a project schedule will be provided at the next Committee meeting. Joe Grindstaff noted he anticipates institutional barriers will contribute to a delayed schedule.

This item was for informational purposes; no action was taken on Agenda Item No. 4.A.

Awaiting the arrival of Paul Jones before considering Agenda Item Nos. 4.B., 4.C., and 4.D., the Committee next considered Agenda Item Nos. 4.E., 4.F., 4.G., and 4.H.

B. **DISCUSSION REGARDING ROLES, RESPONSIBILITIES AND WORKFLOW CONCERNING PROJECT PROPONENTS, RMC CONSTRUCTION MANAGEMENT AND SAWPA GRANT ADMINISTRATION**

Rich Haller provided a PowerPoint presentation reviewing the tasks and goals for SAWPA staff in terms of grant administration. While Mark Norton works with planning staff and serves in an implementation capacity, Rich Haller will serve in a grant administration capacity ensuring projects implemented are meeting the requirements of the DWR/SAWPA

agreement. Grant administration will include facilitating timely payments from DWR, ensuring promised benefits are achieved over the life of the project, contract compliance, timely closeout and release of retention, as well as creating an auditable record to ensure a successful audit with no major findings.

Paul Jones arrived at 2:32 p.m., during the discussion of Agenda Item No. 4.B.

RMC essentially spearheads program/project implementation and will provide a consolidated report for the SARCCUP project under the 2015 round; SAWPA will review for accuracy and confirm via site visits the work is accurately reported as having been completed, then combine everything into a single submission to DWR.

A discussion ensued regarding the projected labor hours entered in the Prop 84 2015 Round Grant Administration table on page 13 of the agenda packet; specifically, could leftover funds be made available to SARCCUP agencies now to pay out-of-pocket expenses of those agencies rather than waiting until the end to reappropriate any leftover funds. A tracking and reconciliation schedule was suggested, perhaps beginning in the second year. Joe Grindstaff voiced his concern that SAWPA is made whole; if this path is taken, the agencies must commit to pay the difference to SAWPA in future years.

It was the consensus of the Committee to further consider the frequency of a tracking and reconciliation schedule at a future meeting. Chair Headrick noted he has continuing concern we are paying for the same hours twice and the structure created is more about process than it is about the project.

Joe Grindstaff left the meeting at 2:59 p.m., and did not return.

Chair Headrick suggested that after the next couple of meetings a packet updating the SAWPA Commission would be compiled and this discussion should be part of that packet.

This item was for informational purposes; no action was taken on Agenda Item No. 4.B.

C. GRANT AGREEMENT AND SUB-AGREEMENT STATUS

Mark Norton provided an oral status report which included ongoing discussions with DWR. It is anticipated that the work plan, budget and schedule for the DWR/SAWPA agreement will be completed within the week; the agreement should be executed in September. Ongoing discussions with planning staff continue relative to the sub-agreements; planning managers are reviewing draft agreements and providing input.

This item was for informational purposes; no action was taken on Agenda Item No. 4.C.

D. STATUS UPDATE ON THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (MWD) AGREEMENT

Paul Jones provided an oral status report. A proposal was submitted to MWD, which was reviewed and feedback provided. MWD is in the process of preparing their response to the submitted proposal. The next meeting with MWD staff will be August 30, 2016, at 8:00 a.m. Jones will prepare and provide an agenda for that meeting. Jones and Headrick have been representing the SARCCUP Committee in these meetings.

This item was for informational purposes; no action was taken on Agenda Item No. 4.D.. This discussion concluded the business for review and the meeting was adjourned. Please reference Agenda Item No. 8. below.

E. DRAFT FUNDING TERMS AND CONCEPTUAL PROJECT SCENARIOS STATUS

The consultant is continuing to work on the alternative scenarios; there was nothing further to report.

This item was for informational purposes; no action was taken on Agenda Item No. 4.E.

F. SARCCUP AGREEMENTS DEVELOPMENT TIMELINE STATUS

Adam Hutchinson, OCWD, noted development of the timeline will be handed off to RMC. Norton suggested SAWPA take the lead in timeline development, both for the project and including side agreements. The Committee concurred with Norton's recommendation.

This item was for informational purposes; no action was taken on Agenda Item No. 4.F.

G. SARCCUP CONJUNCTIVE USE DESIGN STANDARDS UPDATE

Brian Powell, EMWD, explained staff is working on a performance specification that will address compliance with design standards of all agencies. Joe Grindstaff noted this may pose a challenge for IEUA since rehabilitation of two old agriculture wells is part of their grant.

This item was for informational purposes; no action was taken on Agenda Item No. 4.G.

H. OVERVIEW OF THE CONJUNCTIVE USE DECISION-SUPPORT MODELING (PA23#2016.5)

Bob Tincher, SBVMWD, provided an oral overview. SAWPA agencies hired CH2M to develop a decision-support model that will assist staff in optimizing the SARCCUP facilities, with the goal of simulating operations to quantify the benefits, the costs and to help identify future SARCCUP phases. The consultant anticipates the model will be running by the end of August.

Staff has worked with the consultant in formulating a number of model scenarios to answer a series of questions; those questions are set forth on page 46 of the agenda packet. The consultant will complete the model and run scenarios which will be presented to the Committee at a future meeting, perhaps as early as October.

Mike Markus arrived at 1:15 p.m., during the discussion of Agenda Item No. 4.H.

Joe Grindstaff advised the Committee that Tom Dodson has been hired to work through the CEQA process for the SARCCUP project.

This item was for informational purposes; no action was taken on Agenda Item No. 4.H.

Awaiting the arrival of Paul Jones before considering Agenda Item Nos. 4.B., 4.C., and 4.D., the Committee next considered Agenda Item Nos. 5., 6., and 7.

5. REVISE REGULAR PA 23 COMMITTEE MEETING SCHEDULE

The Committee considered staff's recommendation to revise the PA 23 Committee meeting schedule so the meetings will follow regular meetings of the PA 22 Committee, which are held at 8:00 a.m. on the fourth Thursday of every month. The Committee concurred with staff's recommendation, and Chair Headrick called for a motion.

MOVED, regular meetings of the PA 23 Committee shall be held immediately following the regular meetings of the PA 22 Committee, but no earlier than 8:30 a.m., on the fourth Thursday of every month, at 11615 Sterling Avenue, Riverside, California.

Result:	Adopted (Unanimously; 4-0)
Motion/Second:	Grindstaff/Evans
Ayes	Evans, Grindstaff, Headrick, Markus
Nays:	None
Abstentions:	None
Absent:	Jones

6. CONSIDER RESCHEDULING SEPTEMBER 22, 2106 REGULAR MEETING

It was the consensus of the Committee that the September 22 regular meeting will proceed as scheduled.

7. COMMITTEE MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

There were no requests for future agenda items.

Awaiting the arrival of Paul Jones before considering Agenda Item Nos. 4.B., 4.C., and 4.D., Chair Headrick recessed the meeting for a short break at 2:01 p.m.

Chair Headrick resumed the meeting at 2:25 p.m. The Committee next considered Agenda Item No. 4.B.

8. ADJOURNMENT

There being no further business for review, Chair Headrick adjourned the meeting at 3:13 p.m.

Approved at a Regular Meeting of the Project Agreement 23 Committee on Thursday, September 22, 2016.



Douglas Headrick, Chair

Attest:



Kelly Berry, CMC
Clerk of the Board