



S A W P A

SANTA ANA WATERSHED PROJECT AUTHORITY
11615 Sterling Avenue, Riverside, California 92503 • (951) 354-4220

REGULAR COMMISSION MEETING TUESDAY, DECEMBER 20, 2016 – 9:30 A.M.

AGENDA

1. **CALL TO ORDER/PLEDGE OF ALLEGIANCE** (Thomas P. Evans, Chair)
2. **ROLL CALL**
3. **PUBLIC COMMENTS**
Members of the public may address the Commission on items within the jurisdiction of the Commission; however, no action may be taken on an item not appearing on the agenda unless the action is otherwise authorized by Government Code §54954.2(b).
4. **CONSENT CALENDAR**
All matters listed on the Consent Calendar are considered routine and non-controversial and will be acted upon by the Commission by one motion as listed below.
 - A. **APPROVAL OF MEETING MINUTES: DECEMBER 6, 2016**5
Recommendation: Approve as posted.
 - B. **TREASURER’S REPORT – NOVEMBER 2016**.....9
Recommendation: Approve as posted.
5. **INFORMATIONAL REPORTS**
Recommendation: Receive and file the following oral/written reports/updates.
 - A. **CASH TRANSACTIONS REPORT – OCTOBER 2016**15
Presenter: Karen Williams
 - B. **INTER-FUND BORROWING – OCTOBER 2016 (CM#2016.109)**21
Presenter: Karen Williams
 - C. **PERFORMANCE INDICATORS/FINANCIAL REPORTING – OCTOBER 2016 (CM#2016.110)**25
Presenter: Karen Williams
 - D. **BUDGET VS. ACTUAL VARIANCE REPORT – FYE 2017 FIRST QUARTER – SEPTEMBER 30, 2016 (CM#2016.111)**.....45
Presenter: Karen Williams
 - E. **FINANCIAL REPORT FOR THE FIRST QUARTER ENDING SEPTEMBER 30, 2016**55
 - Inland Empire Brine Line (IEBL)
 - SAWPA**Presenter:** Karen Williams
 - F. **GENERAL MANAGER’S REPORT**

G. [SAWPA GENERAL MANAGERS MEETING NOTES](#)75
• December 13, 2016

H. **CHAIR’S COMMENTS/REPORT**

I. **COMMISSIONERS’ COMMENTS**

J. **COMMISSIONERS’ REQUEST FOR FUTURE AGENDA ITEMS**

6. **SPECIAL COMMENDATION – OUTGOING COMMISSIONER TERRY CATLIN**

7. **CLOSED SESSION**

A. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(1)**

Name of Case: Spiniello Companies v. Charles King Company, Inc., Santa Ana Watershed Project Authority, The Ohio Casualty Insurance Company (Superior Court of Los Angeles BC616589)

8. **NEW BUSINESS**

A. [REACH V REHABILITATION AND IMPROVEMENT PROJECT – PHASE I \(CM#2016.107\)](#)77

Presenter: David Ruhl

Recommendation: Find that the unfinished condition of the Reach V Rehabilitation and Improvement Project (the Project) after the termination for cause of the Project contractor continues to be an emergency that requires immediate action per the Commission’s prior action on August 2, 2016.

9. **ADJOURNMENT**

PLEASE NOTE:

Americans with Disabilities Act: Meeting rooms are wheelchair accessible. If you require any special disability related accommodations to participate in this meeting, please contact (951) 354-4220 or kberry@sawpa.org. 48-hour notification prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility for this meeting. Requests should specify the nature of the disability and the type of accommodation requested.

Materials related to an item on this agenda submitted to the Commission after distribution of the agenda packet are available for public inspection during normal business hours at the SAWPA office, 11615 Sterling Avenue, Riverside, and available at www.sawpa.org, subject to staff’s ability to post documents prior to the meeting.

Declaration of Posting

I, Kelly Berry, Clerk of the Board of the Santa Ana Watershed Project Authority declare that on Wednesday, December 14, 2016, a copy of this agenda has been uploaded to the SAWPA website at www.sawpa.org and posted in SAWPA’s office at 11615 Sterling Avenue, Riverside, California.

/s/

Kelly Berry, CMC

2017 SAWPA Commission Meetings/Events

First and Third Tuesday of the Month

(NOTE: Unless otherwise noticed, all Commission Workshops/Meetings begin at **9:30 a.m.**
 and are held at SAWPA.)

January 1/3/17 Commission Workshop 1/17/17 Regular Commission Meeting	February 2/7/17 Commission Workshop 2/21/17 Regular Commission Meeting
March 3/7/17 Commission Workshop 3/21/17 Regular Commission Meeting	April 4/4/17 Commission Workshop 4/18/17 Regular Commission Meeting
May 5/2/17 Commission Workshop 5/9 – 5/12/17 ACWA Spring Conference, Monterey 5/16/17 Regular Commission Meeting 5/25/17 OWOW Conference [Ontario Convention Center]	June 6/6/17 Commission Workshop 6/20/17 Regular Commission Meeting
July 7/4/17 No Meeting (Independence Day) 7/18/17 Regular Commission Meeting	August 8/1/17 Commission Workshop 8/15/17 Regular Commission Meeting
September 9/5/17 Commission Workshop 9/19/17 Regular Commission Meeting	October 10/3/17 Commission Workshop 10/17/17 Regular Commission Meeting
November 11/7/17 Commission Workshop 11/21/17 Regular Commission Meeting 11/28 – 12/1/17 ACWA Fall Conference, Anaheim	December 12/5/17 Commission Workshop 12/19/17 Regular Commission Meeting

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**SAWPA COMMISSION
REGULAR MEETING MINUTES
DECEMBER 6, 2016**

COMMISSIONERS PRESENT

Thomas P. Evans, Chair, Western Municipal Water District
Ronald W. Sullivan, Secretary-Treasurer, Eastern Municipal Water District
Phil Anthony, Orange County Water District
Jasmin A. Hall, Alternate, Inland Empire Utilities Agency
Steve Copelan, Alternate, San Bernardino Valley Municipal Water District

COMMISSIONERS ABSENT

None.

**ALTERNATE COMMISSIONERS
PRESENT; NON-VOTING**

David Slawson, Alternate, Eastern Municipal Water District

STAFF PRESENT

Celeste Cantú, Rich Haller, Larry McKenney, Mark Norton, Karen Williams, Jerry Oldenburg, David Ruhl, Kelly Berry

The Regular Commission Meeting of the Santa Ana Watershed Project Authority was called to order at 9:01 a.m. by Chair Evans at the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California.

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

2. ROLL CALL

Roll call was duly noted and recorded by the Clerk of the Board.

3. PUBLIC COMMENTS

There were no public comments.

4. CONSENT CALENDAR

At the request of Chair Evans, Agenda Item No. 4.B. was pulled from the Consent Calendar for consideration after Closed Session.

A. APPROVAL OF MEETING MINUTES: NOVEMBER 15, 2016

Recommendation: Approve as posted.

MOVED, approve the November 15, 2016 meeting minutes.

Result:	Adopted (Unanimously; 5-0)
Motion/Second:	Anthony/Copelan
Ayes:	Anthony, Copelan, Evans, Hall, Sullivan
Nays:	None
Abstentions:	None
Absent:	None

5. WORKSHOP DISCUSSION AGENDA

A. PRESIDENT'S AWARD – NATIONAL WATER RESOURCES ASSOCIATION

Commissioner Ronald W. Sullivan was commended for recently receiving the National Water Resources Association President's Award for his leadership. Commissioner Sullivan expressed his appreciation and that he was humbled by the award.

This item was for informational purposes; no action was taken on Agenda Item No. 5.A.

B. SAWPA STRATEGIC ASSESSMENT – ROUNDTABLES BUSINESS LINE (CM#2016.104)

Mark Norton provided a PowerPoint presentation on the Roundtables Business Line, with a brief outline to date of the Roundtables which have been successfully concluded over the past twenty years. Norton then outlined the active Roundtables, which have been formed by the Commission since 2000. Stakeholders have expressed a continuing benefit as participants in the Roundtables Business Line. SAWPA staff hours for Roundtable efforts total 1.5 full time staff; this staff time is paid for entirely by the contributions of the Roundtable participants.

Norton referenced the July 19, 2016, Strategic Assessment presentation by Paul Brown to the Commission, which included the Roundtable Purpose and Objectives, Critical Success Factors, and Processes, Activities and Tasks. Norton then reviewed the table contained on Page 19 of the agenda packet reflective of staff allocation for all PATs relating to the Roundtables Administration, Communication & Outreach, Facilitation, and Implementation; as noted, some PATs will require more resources than currently available to be accomplished at an "A" level.

Commissioner Sullivan stated it was his impression these additional staff hours had already been addressed when SAWPA added staff this past year; noting the shortfall reflected on the table on Page 19, he asked if more staff would be requested. Norton stated that evaluation regarding staffing needs to accomplish the Roundtables Business Line would be part of the upcoming budget process. All three Business Lines would need to be evaluated in order to give the Commission an accurate recommendation as to whether additional staff would be necessary.

A discussion ensued regarding the process involved in taking the knowledge and data one Roundtable generates and then making that information available to other Roundtables, agencies, watersheds, etc. While this is currently an unfunded activity, SAWPA could seek grant funding for this activity in the future.

This item was for informational purposes; no action was taken on Agenda Item No. 5.B.

C. EMERGING CONSTITUENTS PROGRAM TASK FORCE – PUBLIC OUTREACH STATUS REPORT (CM#2016.105)

Michelle DeGrave of DeGrave Communications provided a PowerPoint presentation on social media support services for the Emerging Constituents Program Task Force, which included an update on various social media platforms, articles and content of blog posts on YourSoCalTapWater.org, and informational videos. There was a brief discussion regarding expansion of these and other platforms in order to reach more individuals within the watershed. DeGrave Communications will increase its efforts in working with the Member Agency staff; Norton believes our efforts to date have been on par with similar efforts within the industry.

This item was for informational purposes; no action was taken on Agenda Item No. 5.C.

D. SOUTHERN CALIFORNIA COSTAL WATER RESEARCH PROJECT – FACILITIES TOUR

Celeste Cantú provided the SCCWRP 2015 Annual Report, and noted there will be an upcoming tour of their facilities.

6. NEW BUSINESS

A. BIENNIAL ELECTION OF COMMISSION OFFICERS (CM#2016.106)

It was noted that the biennial election of SAWPA Commission Officers will take place on January 17, 2017. Commissioner Sullivan requested clarification at that time relative to the rotation of officers.

This item was for informational purposes; no action was taken on Agenda Item No. 6.A.

7. INFORMATIONAL REPORTS

Recommendation: Receive and file the following oral/written reports/updates.

A. GENERAL MANAGER’S REPORT

There was no General Manager’s report.

B. CHAIR’S COMMENTS/REPORT

There were no comments or Chair’s report.

C. COMMISSIONERS’ COMMENTS

There were no Commissioners’ comments.

D. COMMISSIONERS’ REQUEST FOR FUTURE AGENDA ITEMS

There were no Commissioner requests for future agenda items.

8. CLOSED SESSION

Larry McKenney noted the Commission would discuss Agenda Item No. 8.A., with no action anticipated. At 10:12 a.m., Chair Evans recessed the meeting to Closed Session. Designated personnel essential to the discussion of Agenda Item No. 8.A. were present during Closed Session.

A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(1)

Name of Case: Spiniello Companies v. Charles King Company, Inc., Santa Ana Watershed Project Authority, The Ohio Casualty Insurance Company (Superior Court of Los Angeles BC616589)

Chair Evans resumed Open Session at 11:44 a.m. There was no reportable action.

The Commission next considered Agenda Item No. 4.B.

B. REACH V REHABILITATION AND IMPROVEMENT PROJECT – PHASE I (CM#2016.94)

MOVED, Find that the unfinished condition of the Reach V Rehabilitation and Improvement Project (the Project) after the termination for cause of the Project contractor continues to be an emergency that requires immediate action per the Commission’s prior action on August 2, 2016.

Result:	Adopted (Unanimously; 5-0)
Motion/Second:	Anthony/Copelan
Ayes:	Anthony, Copelan, Evans, Hall, Sullivan
Nays:	None
Abstentions:	None
Absent:	None

9. **ADJOURNMENT**

There being no further business for review, Chair Evans adjourned the meeting at 11:45 a.m.

Approved at a Regular Meeting of the Santa Ana Watershed Project Authority Commission on Tuesday, December 20, 2016.

Thomas P. Evans, Chair

Attest:

Kelly Berry, CMC
Clerk of the Board

*Santa Ana Watershed
Project Authority*



Finance Department

Santa Ana Watershed Project Authority
TREASURER'S REPORT

November 2016

During the month of November 2016, the Agency's actively managed temporary idle cash earned a return of 1.44%, representing interest earnings of \$16,545. Additionally, the Agency's position in overnight funds L.A.I.F. and CalTRUST generated \$18,107 and \$1,900 in interest, resulting in \$36,552 of interest income from all sources. Please note that this data represents monthly earnings only, and does not indicate actual interest received. There were zero (0) investment positions purchased, zero (0) positions sold, zero (0) positions matured, and zero (0) positions were called.

This Treasurer's Report is in compliance with SAWPA's Statement of Investment Policy. Based upon the liquidity of the Agency's investments, this report demonstrates the ability to meet customary expenditures during the next six months.

December 8, 2016

Prepared and
Submitted by: 

Karen L. Williams, Chief Financial Officer

Santa Ana Watershed Project Authority
INVESTMENT PORTFOLIO - MARKED TO MARKET - UNREALIZED GAINS & LOSSES
November 30, 2016

SAWPA primarily maintains a "Buy and Hold" investment philosophy, with all investments held by the Citizens Business Bank via a third-party safekeeping contract.

Investment Type	Security Type	CUSIP	Dealer	Purchase Date	Maturity Date	Call Date (if appl)	Par Value	Yield To Maturity	Investment Cost	Market Value Current Month	Unrealized Gain / (Loss)	Coupon Rate	Interest Earned
Agency	FHLMC	3137EACA5	WMS	03-27-14	03-27-19	No Call	\$500,000	1.790%	546,650.00	528,704.00	(17,946.00)	3.750%	\$ 735.62
Agency	FHLMC	3137EADCO	WMS	06-10-14	03-08-17	No Call	\$1,000,000	0.745%	1,006,919.00	1,001,204.00	(5,715.00)	1.000%	\$ 612.08
Agency	FHLMC	3137EADT3	WMS	11-18-15	02-22-17	No Call	\$500,000	0.652%	501,400.00	500,389.50	(1,010.50)	0.875%	\$ 267.76
Agency	FHLMC	3137EAEC9	WMS	09-16-16	08-12-21	No Call	\$1,000,000	1.335%	990,060.00	966,468.00	(23,592.00)	1.125%	\$ 1,097.22
Agency	FHLB	313379EE5	WMS	05-26-15	06-14-19	No Call	\$500,000	1.420%	504,015.00	503,410.50	(604.50)	1.625%	\$ 583.65
Agency	FHLB	3130A62S5	WMS	11-18-15	08-28-17	No Call	\$500,000	0.860%	499,030.00	499,791.50	761.50	0.750%	\$ 353.46
Agency	FHLB	313383HU8	WMS	06-16-16	06-12-20	No Call	\$1,000,000	1.080%	1,026,088.00	1,006,477.00	(19,611.00)	1.750%	\$ 887.69
Agency	FNMA	3135GOZA4	WMS	03-27-14	02-19-19	No Call	\$500,000	1.800%	501,975.00	507,219.00	5,244.00	1.875%	\$ 739.73
Agency	FNMA	3136G1GP8	WMS	03-27-13	03-27-18	03-27-15	\$1,000,000	1.000%	1,000,000.00	998,018.00	(1,982.00)	1.000%	\$ 821.92
Agency	FNMA	3135G0H55	WMS	12-28-15	12-28-20	No Call	\$1,000,000	1.830%	1,002,140.00	1,006,131.00	3,991.00	1.875%	\$ 1,504.12
Agency	FNMA	3135G0F73	WMS	06-16-16	11-30-20	No Call	\$1,000,000	1.150%	1,015,157.00	994,386.00	(20,771.00)	1.500%	\$ 945.21
Agency	USTN	912828A34	WMS	11-17-15	11-30-18	No Call	\$1,000,000	1.166%	1,002,500.00	1,002,852.00	352.00	1.250%	\$ 958.27
Agency	USTN	912828WC	WMS	11-17-15	10-31-20	No Call	\$1,000,000	1.638%	1,005,312.50	1,004,727.00	(585.50)	1.750%	\$ 1,346.17
Agency	USTN	912828G61	WMS	11-17-15	11-30-19	No Call	\$1,000,000	1.469%	1,001,210.94	1,003,828.00	2,617.06	1.500%	\$ 1,207.35
Agency	USTN	912828L32	WMS	06-17-16	08-31-20	No Call	\$500,000	1.030%	507,070.31	495,859.50	(11,210.81)	1.375%	\$ 423.42
Agency	USTN	912828L65	WMS	06-16-16	09-30-20	No Call	\$500,000	1.041%	506,992.19	495,410.00	(11,582.19)	1.375%	\$ 427.69
Agency	USTN	912828L99	WMS	06-16-16	10-31-20	No Call	\$500,000	1.051%	506,914.06	495,410.00	(11,504.06)	1.375%	\$ 431.71
CORP	Toyota Motor Credit Corp	89236TCP8	WMS	09-15-16	07-13-18	Call Date	\$500,000	1.100%	504,057.50	500,129.00	(3,928.50)	1.550%	\$ 452.08
CD	Discover	254671KV1	WMS	03-06-13	03-06-17	No Call	\$250,000	0.950%	250,000.00	250,247.29	247.29	0.950%	\$ 195.21
CD	BMW Bank	05568P2V8	TVI	03-08-13	03-08-17	No Call	\$248,000	0.850%	248,000.00	248,173.92	173.92	0.850%	\$ 173.26
CD	GE Capital Bank	36163CKE9	WMS	01-31-14	01-31-17	No Call	\$248,000	1.000%	248,000.00	248,251.99	251.99	1.000%	\$ 203.84
CD	GE Cap Retail	36157PVU0	WMS	01-31-14	01-31-18	No Call	\$248,000	1.450%	248,000.00	248,000.00	-	1.450%	\$ 295.56
CD	National Bank of NY	634116CA3	WMS	06-18-14	06-18-18	No Call	\$248,000	1.300%	248,000.00	248,000.00	-	1.300%	\$ 264.99
CD	Capital Bank FI Miami	139800CC8	WMS	05-27-15	05-29-18	No Call	\$248,000	1.100%	248,000.00	248,000.00	-	1.100%	\$ 224.22
CD	Compass Bank	20451PLB0	WMS	05-29-15	08-29-17	No Call	\$248,000	1.000%	248,000.00	247,941.63	(58.37)	1.000%	\$ 203.84
CD	Capital One NA	14042RAG6	WMS	09-30-15	10-01-18	No Call	\$248,000	1.650%	248,000.00	248,000.00	-	1.650%	\$ 336.33
CD	Capital One Bank USA NA	140420VZ0	WMS	09-30-15	10-01-18	No Call	\$248,000	1.650%	248,000.00	248,000.00	-	1.650%	\$ 336.33
CD	Wells Fargo Bank NA	9497482W6	WMS	12-02-15	12-03-18	No Call	\$245,000	1.450%	245,000.00	245,000.00	-	1.450%	\$ 291.99
CD	CIT Bank	17284A6P8	TVI	03-13-13	03-13-18	No Call	\$248,000	1.100%	248,000.00	248,000.00	-	1.100%	\$ 224.22
Total Actively Invested Funds							\$16,227,000		\$ 16,354,491.50	\$ 16,238,028.83	\$ (116,462.67)	1.440%	\$ 16,544.90
Total Local Agency Investment Fund									\$32,492,832.01			0.678%	18,106.96
Total CalTRUST Investment Fund									\$2,160,282.30			1.070%	1,899.86
Total Invested Cash							\$16,227,000		\$ 51,007,605.81			0.938%	\$ 36,551.73

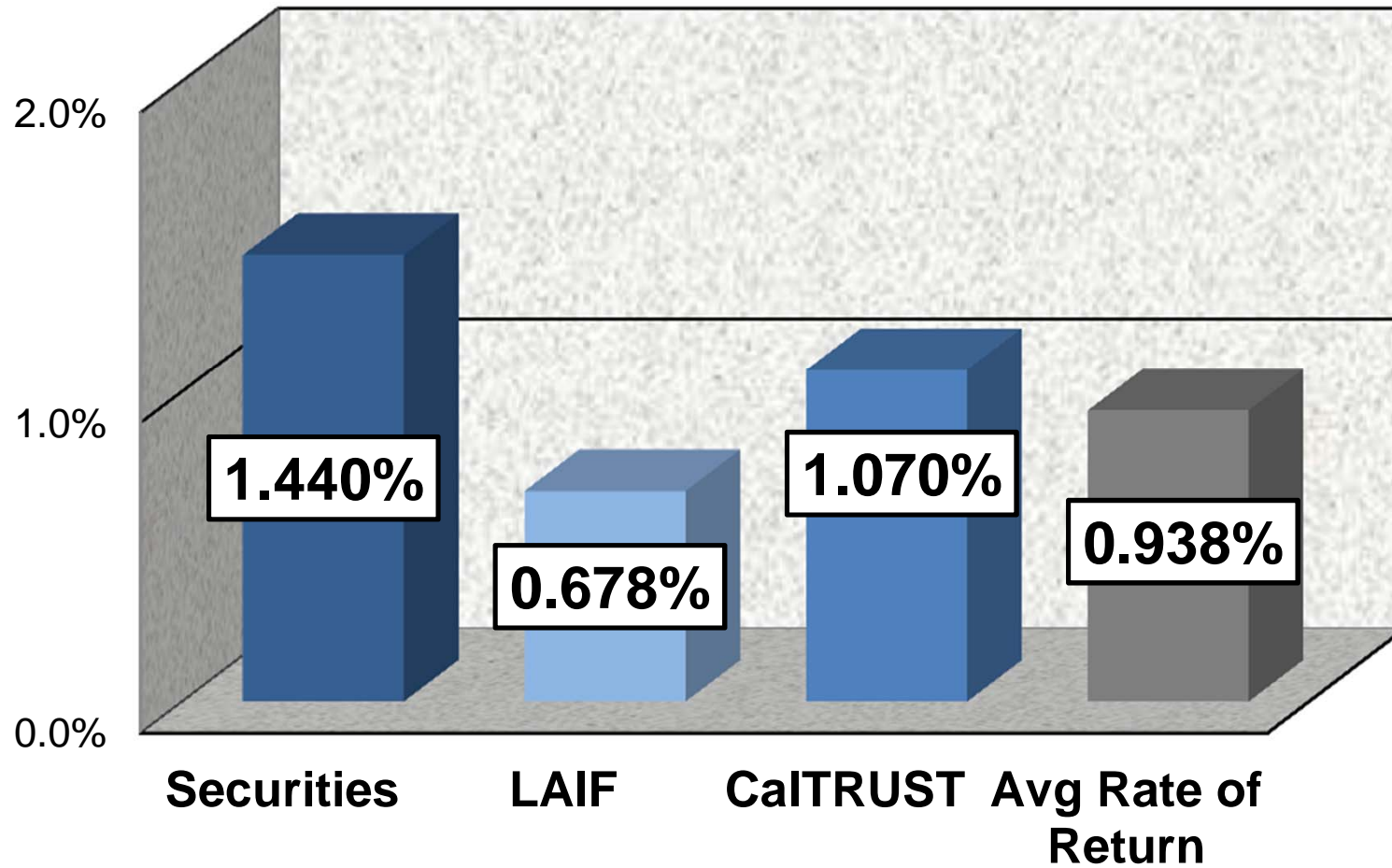
Key to Security Type:

FHLB	= Federal Home Loan Bank
FHLMC	= Federal Home Loan Mortgage Corporation
FNMA	= Federal National Mortgage Association
USTN	= US Treasury Note
CORP	= Corporate Note
CD	= Certificate of Deposit
GDB	= Goldman Sachs Bank

Key to Dealers:

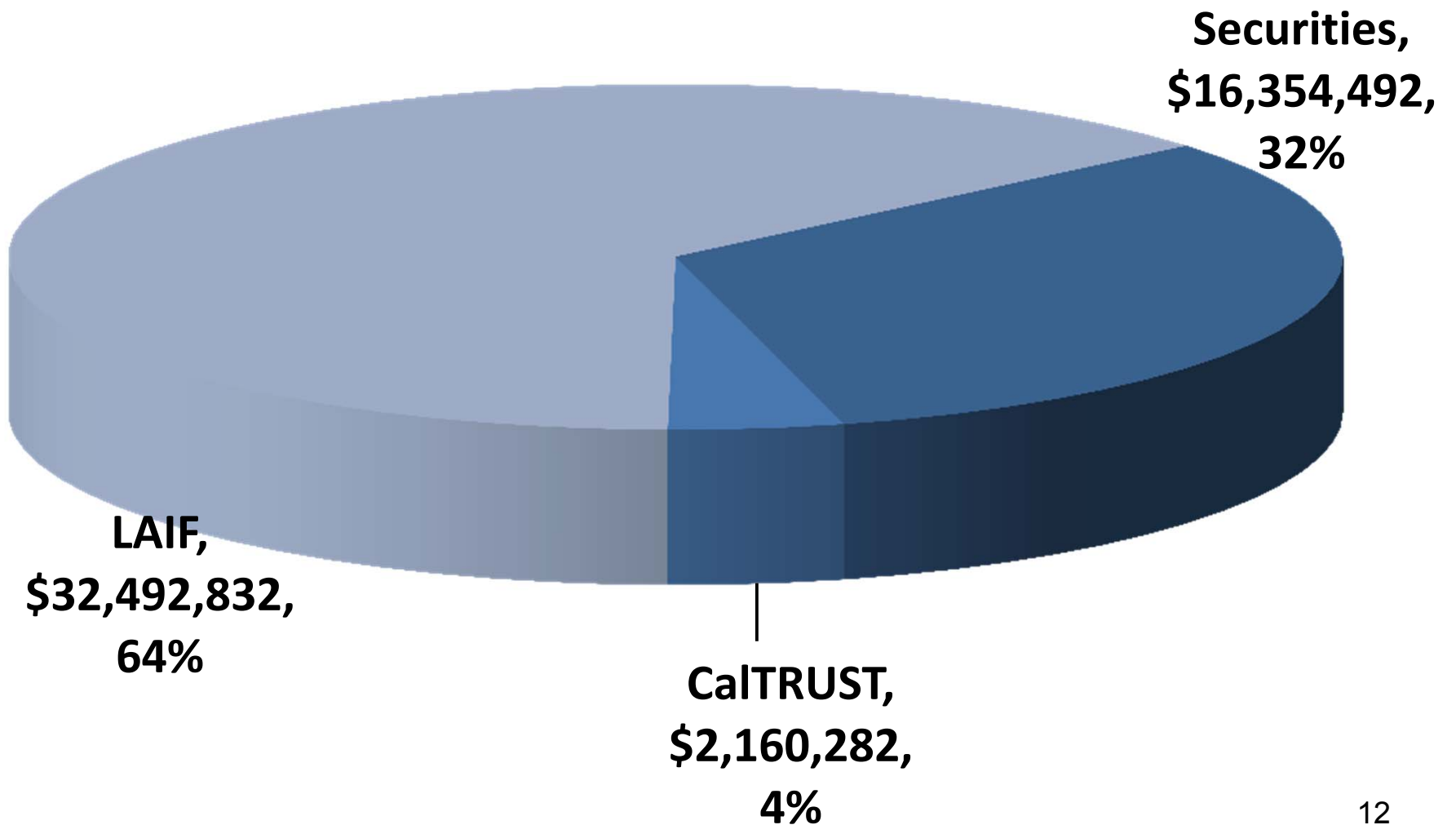
FCS	= FinaCorp Securities
MBS	= Multi-Bank Securities
MS	= Mutual Securities
RCB	= RBC Dain Rauscher
SA	= Securities America
TVI	= Time Value Investments
WMS	= Wedbush Morgan Securities

Interest Rate Analysis



Investments

\$51,007,606



Interest

\$36,552

LAIF, \$18,107,

50%

CalTRUST,
\$1,900, 5%

Securities,
\$16,545, 45%



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Santa Ana Watershed Project Authority
Cash Transaction Report
Month of October 2016

Below is a summary of cash transactions completed during the month in the Authority's checking account with US Bank. Attached are summaries by major revenue and expense classifications.

Cash Receipts and Deposits to Account	\$ 1,913,106.69
Net Investment Transfers	12,479.49
Cash Disbursements	<u>(800,211.09)</u>
Net Change for Month	\$ 1,125,375.09
Balance at Beginning of Month	<u>994,883.25</u>
Balance at End of Month per General Ledger	<u><u>\$ 2,120,258.34</u></u>
Collected Balance per Bank Statement	\$ 2,265,860.02

ACCOUNTS PAYABLE RECONCILIATION

Accounts Payable Balance @ 09/30/16	\$ 2,726,547.73
Invoices Received for October 2016	808,446.40
Invoices Paid by check/wire during October 2016 (see attached register)	<u>(560,129.66)</u>
Accounts Payable Balance @ 10/31/16	<u><u>\$ 2,974,864.47</u></u>

CASH RECEIPTS

Brine Line Operating Revenues	\$	888,951.87
OCFCD Loan Payment - Subvention Funds		134,052.58
Other Grant Funds		166,532.88
LESJWA Admin Reimbursement		12,204.61
Grant Proceeds - Prop 84		268,739.05
Grant Proceeds - Prop 84 Pass-throughs		9,089.13
SRF Loan Proceeds		433,347.00
Other		189.57
		<hr/>
Total Receipts and Deposits	\$	1,913,106.69

INVESTMENT TRANSFERS

Transfer of Funds:		
From (to) LAIF	\$	-
From (to) Grant Retention (USB)		-
From (to) CalTRUST (USB)		-
From (to) Legal Defense Fund		-
From (to) Investments		12,479.49
		<hr/>
Total Investment Transfers	\$	12,479.49

CASH DISBURSEMENTS

By Check:		
Payroll	\$	-
Operations		548,253.34
		<hr/>
Total Checks Drawn	\$	548,253.34
By Cash Transfer:		
Payroll	\$	159,579.64
Payroll Taxes		73,616.92
Wire Transfer - US Bank Credit Card		11,876.32
Take Care (AFLAC)		6,884.87
		<hr/>
Total Cash Transfers	\$	251,957.75
Total Cash Disbursements	\$	<u>800,211.09</u>

**Santa Ana Watershed Project Authority
Check Detail
October 2016**

Category	Check #	Check Date	Type	Vendor	Check Amount
Audit Fees	2142	10/28/2016	CHK	White Nelson Diehl Evans LLC	\$ 9,000.00
				Audit Fees Total	\$ 9,000.00
Benefits	2102	10/6/2016	CHK	ACWA/JPIA	\$ 40,758.75
Benefits	2107	10/6/2016	CHK	State Compensation Ins Fund	\$ 5,690.67
Benefits	2113	10/14/2016	CHK	AFLAC	\$ 429.64
Benefits	2117	10/14/2016	CHK	Public Employees' Retirement	\$ 19,795.53
Benefits	2118	10/14/2016	CHK	Cal PERS Long Term Care Prog	\$ 85.30
Benefits	2140	10/28/2016	CHK	Public Employees' Retirement	\$ 19,795.53
Benefits	2141	10/28/2016	CHK	Cal PERS Long Term Care Prog	\$ 85.30
Benefits	2145	10/28/2016	CHK	WageWorks	\$ 128.00
Benefits	2147	10/28/2016	CHK	Mutual Of Omaha	\$ 2,546.01
Benefits	EFT861	10/14/2016	CHK	Vantagepoint Transfer Agents	\$ 7,627.51
Benefits	EFT868	10/14/2016	CHK	Vantagepoint Transfer Agents	\$ 5,308.32
Benefits	EFT890	10/28/2016	CHK	Vantagepoint Transfer Agents	\$ 7,296.47
Benefits	EFT895	10/28/2016	CHK	Vantagepoint Transfer Agents	\$ 400.90
Benefits	WDL000003879	10/3/2016	WDL	Takecare	\$ 1,524.00
Benefits	WDL000003880	10/4/2016	WDL	Takecare	\$ 135.40
Benefits	WDL000003883	10/5/2016	WDL	Takecare	\$ 2,802.69
Benefits	WDL000003887	10/12/2016	WDL	Takecare	\$ 606.90
Benefits	WDL000003888	10/14/2016	WDL	Takecare	\$ 678.94
Benefits	WDL000003892	10/18/2016	WDL	Takecare	\$ 192.30
Benefits	WDL000003896	10/28/2016	WDL	Takecare	\$ 446.31
Benefits	WDL000003897	10/31/2016	WDL	Takecare	\$ 498.33
				Benefits Total	\$ 116,832.80
Car, Repair, Maintenance - Gas	2108	10/6/2016	CHK	County of Riverside	\$ 600.91
Car, Repair, Maintenance - Gas	2152	10/28/2016	CHK	County of Riverside/Transpor	\$ 189.85
				Car, Repair, Maintenance - Gas Total	\$ 790.76
Car, Repair, Maintenance - Mair	2125	10/14/2016	CHK	Riverside Transmission Cente	\$ 2,309.51
Car, Repair, Maintenance - Mair	2149	10/28/2016	CHK	Riverside Transmission Cente	\$ 239.74
				Car, Repair, Maintenance - Maint Total	\$ 2,549.25
Charge Card	P028957	10/11/2016	WDL	US Bank	\$ 11,876.32
				Charge Card Total	\$ 11,876.32
Computer Hardware	EFT888	10/20/2016	CHK	Criterion Industrial	\$ 8,305.50
				Computer Hardware Total	\$ 8,305.50
Construction	2128	10/14/2016	CHK	Mobile Mini	\$ 269.22
Construction	2153	10/28/2016	CHK	City of Rialto	\$ 3,883.13
Construction	EFT854	10/6/2016	CHK	WEKA Inc	\$ 155,912.22
Construction	EFT873	10/14/2016	CHK	OmniEarth Inc.	\$ 5,640.00
Construction	EFT886	10/20/2016	CHK	OmniEarth Inc.	\$ 551.62
Construction	EFT900	10/28/2016	CHK	City of Chino Hills	\$ 5,206.00
				Construction Total	\$ 171,462.19
Consulting	2111	10/6/2016	CHK	Dudek	\$ 17,949.26
Consulting	2122	10/14/2016	CHK	Carollo Engineers	\$ 388.15
Consulting	2148	10/28/2016	CHK	Vali Cooper & Associates, In	\$ 61,176.63
Consulting	EFT855	10/6/2016	CHK	Trussell Technologies, Inc.	\$ 1,650.28
Consulting	EFT857	10/6/2016	CHK	Hammons Strategies	\$ 4,500.00
Consulting	EFT867	10/14/2016	CHK	CDM Smith, Inc.	\$ 33,730.44
Consulting	EFT869	10/14/2016	CHK	Integrated Systems Solutions	\$ 16.50
Consulting	EFT881	10/20/2016	CHK	CDM Smith, Inc.	\$ 15,636.50
Consulting	EFT883	10/20/2016	CHK	Accent Computer Solutions In	\$ 3,579.00
Consulting	EFT887	10/20/2016	CHK	DeGrave Communications	\$ 3,015.45

Category	Check #	Check Date	Type	Vendor	Check Amount
Consulting	EFT892	10/28/2016	CHK	West Coast Advisors	\$ 8,000.00
Consulting	EFT899	10/28/2016	CHK	Hammons Strategies	\$ 4,500.00
				Consulting Total	\$ 154,142.21
Directors	EFT858	10/14/2016	CHK	Inland Empire Utilities Agency	\$ 395.64
Directors	EFT859	10/14/2016	CHK	Philip Anthony	\$ 99.36
Directors	EFT860	10/14/2016	CHK	Eastern Municipal Water Dist	\$ 211.86
Directors	EFT863	10/14/2016	CHK	Western Municipal Water Dist	\$ 673.38
Directors	EFT864	10/14/2016	CHK	Ed Killgore	\$ 43.20
Directors	EFT870	10/14/2016	CHK	Jasmin Hall	\$ 56.16
Directors	EFT872	10/14/2016	CHK	Steven Copelan	\$ 75.60
				Directors Total	\$ 1,555.20
Employee Reimbursement	EFT849	10/6/2016	CHK	Regina Patterson	\$ 15.66
Employee Reimbursement	EFT853	10/6/2016	CHK	David Ruhl	\$ 132.66
Employee Reimbursement	EFT856	10/6/2016	CHK	Kelly Berry	\$ 125.00
Employee Reimbursement	EFT862	10/14/2016	CHK	Mark Norton	\$ 200.00
Employee Reimbursement	EFT866	10/14/2016	CHK	Dean Unger	\$ 64.83
Employee Reimbursement	EFT871	10/14/2016	CHK	Michael Plasencia	\$ 20.99
Employee Reimbursement	EFT874	10/14/2016	CHK	Mike Antos	\$ 200.02
Employee Reimbursement	EFT876	10/14/2016	CHK	Alison L Lewis	\$ 31.32
Employee Reimbursement	EFT877	10/14/2016	CHK	Nicole Weideman	\$ 1,000.00
				Employee Reimbursement Total	\$ 1,790.48
Equipment Rented	2104	10/6/2016	CHK	Konica Minolta Business Solu	\$ 1,310.17
Equipment Rented	2150	10/28/2016	CHK	GreatAmerica Financial Servi	\$ 1,442.54
				Equipment Rented Total	\$ 2,752.71
Facility Repair / Maintenance	2110	10/6/2016	CHK	TNT Elevator Inc	\$ 222.00
Facility Repair / Maintenance	2119	10/14/2016	CHK	Burrtec Waste Industries Inc	\$ 75.52
Facility Repair / Maintenance	2120	10/14/2016	CHK	Xylem Dewatering Solutions I	\$ 55.08
Facility Repair / Maintenance	2124	10/14/2016	CHK	United Rentals	\$ 598.38
Facility Repair / Maintenance	2129	10/14/2016	CHK	Stemar Equipment & Supply Co	\$ 327.75
Facility Repair / Maintenance	2135	10/20/2016	CHK	Ferguson Waterworks #1078	\$ 114.84
Facility Repair / Maintenance	2139	10/28/2016	CHK	West Coast Cable, Inc	\$ 1,475.00
Facility Repair / Maintenance	2143	10/28/2016	CHK	Natures Image, Inc	\$ 8,651.64
Facility Repair / Maintenance	2146	10/28/2016	CHK	Trench Shoring, Inc.	\$ 1,627.52
Facility Repair / Maintenance	EFT850	10/6/2016	CHK	Yeier Janitorial Service	\$ 1,370.00
Facility Repair / Maintenance	EFT878	10/20/2016	CHK	Haz Mat Trans, Inc.	\$ 542.50
Facility Repair / Maintenance	EFT882	10/20/2016	CHK	A Cone Zone Inc	\$ 1,717.29
Facility Repair / Maintenance	EFT885	10/20/2016	CHK	Houston Harris PCS, Inc.	\$ 990.00
Facility Repair / Maintenance	EFT894	10/28/2016	CHK	Innerline Engineering	\$ 2,287.50
Facility Repair / Maintenance	EFT897	10/28/2016	CHK	Houston Harris PCS, Inc.	\$ 8,574.77
				Facility Repair / Maintenance Total	\$ 28,629.79
Lab Costs	EFT852	10/6/2016	CHK	E. S. Babcock & Sons, Inc.	\$ 2,178.00
Lab Costs	EFT865	10/14/2016	CHK	E. S. Babcock & Sons, Inc.	\$ 782.00
Lab Costs	EFT879	10/20/2016	CHK	E. S. Babcock & Sons, Inc.	\$ 708.00
Lab Costs	EFT893	10/28/2016	CHK	E. S. Babcock & Sons, Inc.	\$ 487.00
				Lab Costs Total	\$ 4,155.00
Landscaping	2127	10/14/2016	CHK	Sims Tree Health Specialists	\$ 115.00
Landscaping	EFT889	10/20/2016	CHK	Lawnscape Systems	\$ 1,390.00
				Landscaping Total	\$ 1,505.00
Legal Costs	EFT875	10/14/2016	CHK	Hunt Ortmann Palffy Nieves D	\$ 22,773.27
				Legal Costs Total	\$ 22,773.27
Materials & Supplies	2109	10/6/2016	CHK	Printing Connection, Inc.	\$ 1,684.80
Materials & Supplies	2112	10/6/2016	CHK	K&H Metals and Supplies	\$ 233.97
Materials & Supplies	2126	10/14/2016	CHK	K&H Metals and Supplies	\$ 206.50
Materials & Supplies	2131	10/20/2016	CHK	Harrington Ind. Plastics	\$ 469.74
Materials & Supplies	2151	10/28/2016	CHK	K&H Metals and Supplies	\$ 79.64
Materials & Supplies	EFT884	10/20/2016	CHK	Airgas USA LLC	\$ 50.72
				Materials & Supplies Total	\$ 2,725.37

Category	Check #	Check Date	Type	Vendor	Check Amount
Office Expense	2103	10/6/2016	CHK	Aramark Corporation Refreshm	\$ 216.56
Office Expense	2116	10/14/2016	CHK	Konica Minolta Business Solu	\$ 436.61
Office Expense	2123	10/14/2016	CHK	Printing Connection, Inc.	\$ 129.60
Office Expense	2132	10/20/2016	CHK	Staples Business Advantage	\$ 366.54
Office Expense	2134	10/20/2016	CHK	Printing Connection, Inc.	\$ 43.20
				Office Expense Total	\$ 1,192.51
Offsite Storage	EFT880	10/20/2016	CHK	Iron Mountain	\$ 167.24
				Offsite Storage Total	\$ 167.24
Other Agency Labor	EFT891	10/28/2016	CHK	Western Municipal Water Dist	\$ 12,390.06
				Other Agency Labor Total	\$ 12,390.06
Other Contract Services	EFT898	10/28/2016	CHK	Green Media Creations	\$ 1,933.88
				Other Contract Services Total	\$ 1,933.88
Other Expense	2133	10/20/2016	CHK	California Newspaper Service	\$ 375.00
				Other Expense Total	\$ 375.00
Payroll / Taxes	WDL000003884	10/14/2016	WDL	Direct Deposit 10/14/2016	\$ 79,355.24
Payroll / Taxes	WDL000003885	10/14/2016	WDL	PR Tax - Federal	\$ 30,067.65
Payroll / Taxes	WDL000003886	10/14/2016	WDL	PR Tax - State	\$ 6,648.01
Payroll / Taxes	WDL000003891	10/28/2016	WDL	Direct Deposit 10/28/2016	\$ 80,224.40
Payroll / Taxes	WDL000003893	10/28/2016	WDL	PR Tax - Federal	\$ 30,150.96
Payroll / Taxes	WDL000003894	10/28/2016	WDL	PR Tax - State	\$ 6,750.30
				Payroll / Taxes Total	\$ 233,196.56
Permit Fees	2105	10/6/2016	CHK	Riverside County Flood Control	\$ 2,000.00
Permit Fees	2121	10/14/2016	CHK	City of Chino	\$ 498.00
				Permit Fees Total	\$ 2,498.00
Safety	2144	10/28/2016	CHK	SafeT	\$ 350.55
Safety	EFT851	10/6/2016	CHK	Underground Service Alert	\$ 325.50
				Safety Total	\$ 676.05
Shipping/Postage	2130	10/20/2016	CHK	Federal Express	\$ 273.97
				Shipping/Postage Total	\$ 273.97
Software	2136	10/20/2016	CHK	Digital River	\$ 899.40
Software	EFT896	10/28/2016	CHK	Accent Computer Solutions In	\$ 1,938.00
				Software Total	\$ 2,837.40
Utilities	2106	10/6/2016	CHK	Southern California Edison	\$ 223.83
Utilities	2114	10/14/2016	CHK	Riverside, City of	\$ 2,662.76
Utilities	2115	10/14/2016	CHK	Verizon Wireless	\$ 14.16
Utilities	2137	10/28/2016	CHK	Verizon Wireless	\$ 468.29
Utilities	2138	10/28/2016	CHK	AT&T	\$ 455.53
				Utilities Total	\$ 3,824.57
					\$ 800,211.09

Accounts Payable

Checks	\$ 548,253.34
Wire Transfers	\$ 11,876.32
	<u>\$ 560,129.66</u>

Bank Fees

Take Care	\$ 6,884.87
Other	
Payroll	\$ 233,196.56
	<u>\$ 800,211.09</u>

Total Disbursements for October 2016

Santa Ana Watershed Project Authority
 Consulting
OCTOBER 2016

Check #	Check Date	Task #	Task Description	Vendor Name	Total Contract	Check Amount	Remaining Contract Amount	Notes/Comments
EFT883	10/20/2016	ACS100-08	IT Support	Accent Computers	\$ 36,750.00	\$ 3,579.00	\$ 10,038.00	
2122	10/14/2016	CARO240-03	Financial Planning Update 2016	Carollo Engineers	\$ 15,000.00	\$ 388.15	\$ 3,304.25	
EFT867	10/14/2016	CDM386-11	SAR Bacteria Monitoring Program	CDM Smith, Inc.	\$ 342,635.00	\$ 33,730.44	\$ 127,162.71	
EFT881	10/20/2016	CDM384-14	2016 Triennial Report for MSAR TMDL	CDM Smith, Inc.	\$ 48,950.00	\$ 15,636.50	\$ -	
EFT887	10/20/2016	DEGR392-02	Social Media Support - EC TF	Degrave Communications	\$ 30,000.00	\$ 3,015.45	\$ 18,440.96	
2111	10/6/2016	DUDK326-04	Reach V Rehabilitation and Improvement Project Phase 2 Engineering	Dudek	\$ 64,300.00	\$ 9,597.20	\$ 10,003.50	
2111	10/6/2016	DUDK326-02	Reach V Rehabilitation and Improvement Project	Dudek	\$ 279,070.00	\$ 8,352.06	\$ 20,997.24	
EFT857	10/6/2016	HAMM326-01	Strategic Communication Services	Hammons Strategies	\$ 36,500.00	\$ 4,500.00	\$ 14,000.00	
EFT899	10/28/2016	HAMM326-01	Strategic Communication Services	Hammons Strategies	\$ 36,500.00	\$ 4,500.00	\$ 14,000.00	
EFT869	10/14/2016	INSOL100-09	GP Software Annual Technical Support	Integrated System Solutions	\$ 3,000.00	\$ 16.50	\$ 1,888.50	
EFT855	10/6/2016	TRU240-18	2017 Brine Line Review	Trussell Technologies, Inc.	\$ 48,579.00	\$ 1,650.28	\$ 43,271.54	
2148	10/28/2016	VALI326-02	Reach V Rehabilitation & Improvements - Construction Mgt.	Vali Cooper & Associates, Inc.	\$ 1,445,209.00	\$ 46,777.50	\$ 303,418.61	
2148	10/28/2016	VALI326-03	Reach V Rehabilitation & Improvements - Phase 2	Vali Cooper & Associates, Inc.	\$ 196,380.00	\$ 14,399.13	\$ 72,009.51	
EFT892	10/28/2016	WCA100-03-02	State Legislative Consulting Services FY16-18	West Coast Advisors	\$ 345,000.00	\$ 8,000.00	\$ 236,000.00	
					<u>\$ 154,142.21</u>			

COMMISSION MEMORANDUM NO. 2016.109

DATE: December 20, 2016
TO: SAWPA Commission
SUBJECT: Inter-Fund Borrowing – October 2016
PREPARED BY: Karen Williams, Chief Financial Officer

RECOMMENDATION

It is recommended that the Commission receive and file the informational report on short-term, cash-flow inter-fund borrowing.

DISCUSSION

On December 13, 2005, the Commission approved Resolution No. 452, Inter-Fund and Inter-Project Loan Policy. Staff was directed to bring back an accounting of the loans each month for review when the total exceeded \$250,000 in aggregate.

The following projects, with negative cash flow, are listed below with the amounts borrowed from SAWPA General Fund Reserves in October 2016. The total amount borrowed is over the aggregate \$250,000 amount recommended in Resolution No. 452, Inter-Fund and Inter-Project Loan Policy. The Commission has requested that this item be brought back each month as an informational item when the loan amount is over the \$250,000 aggregate amount.

Fund	Fund Name	09/30/16 Balance	Loan Receipts	New Charges	10/31/16 Balance
130	Proposition 84 Admin	\$40,013.33	(\$0.00)	\$14,003.70	\$54,017.03
135	Proposition 84 Admin R2	47,159.44	(0.00)	12,831.91	59,991.35
140	Proposition 84 Admin R3	17,680.47	(16,968.38)	6,755.65	7,467.74
145	Proposition 84 Admin R4	216,903.57	(0.00)	13,775.77	230,679.34
398	Prop 1 – DACI Grant	0.00	(0.00)	17,414.72	17,414.72
477	LESJWA Administration	10,842.67	(12,204.61)	21,356.71	19,994.77
504	Prop 84 - Drought Projects	490,283.30	(260,859.80)	33,039.30	262,462.80
	Total Funds Borrowed	\$822,882.78	(\$290,032.79)	\$119,177.76	\$652,027.75
	General Fund Reserves Balance		\$3,177,689.34		
	Less Amount Borrowed		<u>652,027.75</u>		
	Balance of General Fund Reserves		<u>\$2,525,661.59</u>		

The following table lists each fund that has a negative cash flow, the source of funding for the fund, how often the fund is billed, and the projected rate of payment for the fund.

NEGATIVE CASH-FLOW FUNDS

Fund No.	Source of Funding	Billing Frequency	Projected Payment Time
130,135,140, 145 – Proposition 84 Admin	DWR – Prop 84 Grant	Monthly	Up to 6 months
398 – Prop 1 DACI Grant	DWR - Prop 1 Grant	Monthly	Up to 6 months
477 – LESJWA Admin	Reimbursement from LESJWA	Monthly	2 to 4 weeks
504 - Proposition 84 Drought Projects	DWR – Prop 84 Grant	Monthly	Up to 6 months

Fund 130

The outstanding balance of the funds due from DWR is the mandatory 10% retention from each invoice billed. Retention funds will not be released until the Proposition 84 Round I contract is completed in 2017.

Fund 135

This fund is for the administration of Proposition 84 Round II grant funds. These funds will be billed quarterly and 10% will be withheld for retention.

Fund 140

This fund is for the administration of Proposition 84 Drought Round grant funds. These funds will be billed quarterly and 10% will be withheld for retention.

Fund 145

This fund is for the administration of Proposition 84 Round 2015 grant funds. These funds will be billed quarterly and 10% will be withheld for retention.

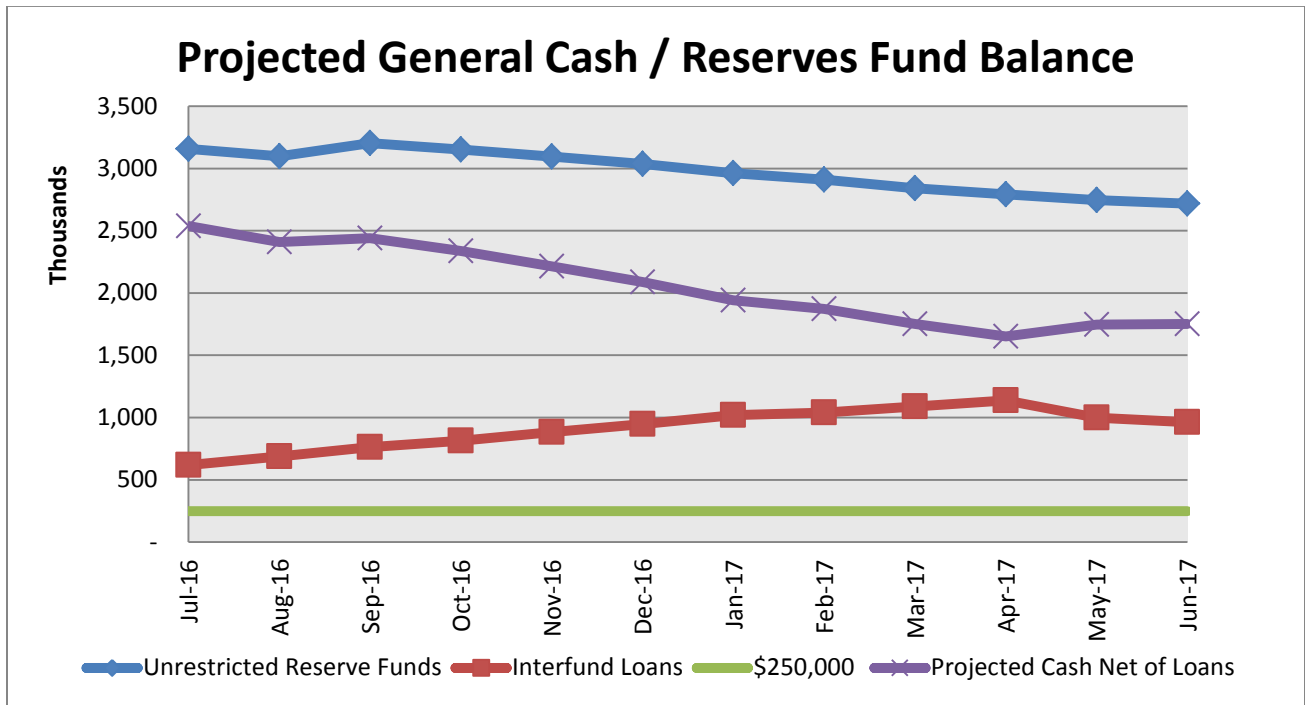
Fund 477

Each month LESJWA is billed the cost for administering the JPA. Once the bill is received, LESJWA submits payment within two weeks.

Fund 504

This fund is for the implementation of drought related projects which are administered through PA-22 and PA23.

The following graph shows projected inter-fund loan balances, total unrestricted General Fund Reserves available for loans, and projected cash net of loans through June 2017. The projected loan balance is expected to remain over the \$250,000 aggregate limit through June 2017 because of Proposition 84 Grants, but can be covered by General Fund Reserves without a major impact on cash flow.



RESOURCE IMPACTS

The funds borrowed from the General Fund Reserves will be paid back with interest when the funding is received. Interfund loans for grants are not charged interest unless the grant contracts specifically states interest is eligible for reimbursement. Budgeted expenditures from the General Fund and proposed borrowings are not expected to have an impact on the General Fund Reserves balance.

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COMMISSION MEMORANDUM NO. 2016.110

DATE: December 20, 2016
TO: SAWPA Commission
SUBJECT: Performance Indicators and Financial Reporting – October 2016
PREPARED BY: Karen Williams, Chief Financial Officer

RECOMMENDATION

It is recommended that the Commission receive and file staff's report.

DISCUSSION

The attached reports have been developed to keep the Commission informed as to SAWPA's business and budget performance. These reports are categorized into the following groups: financial reporting, cash and investments, and performance indicators. They are explained in detail below. As new reports are developed, they will be added for the Commission's review.

Financial Reporting

Balance Sheet by Fund Type	Lists total assets, liabilities, and equity by fund type for a given period.
Revenue & Expense by Fund Type	Lists total revenue and expenses by fund type for a given period.
Receivables Management	Shows total outstanding accounts receivable by age.
Open Task Order Schedule	Shows SAWPA's total outstanding obligation for open task orders.
Debt Service Funding Analysis	Shows total annual income by source used to make debt service payments through debt maturity at FYE 2033.
Debt Service Payment Schedule	Shows total debt service interest and principal payments through debt maturity at FYE 2033.

Cash and Investments

Total Cash and Investments (chart)	Shows the changes in cash and investments balance for the last twelve months.
Cash Balance & Source of Funds	Shows total cash and investments for all SAWPA funds and the types of investments held for each fund.
Cash & Investments (pie chart)	Shows total cash and investments for all SAWPA funds and the percentage of each investment type.
Reserve Account Analysis	Shows changes to each reserve account for the year and projected ending balance for each.
Twelve Month Security Schedule (chart)	Shows the maturity dates for securities held and percentage of securities in each category.
Treasurer's Report	Shows book and market value for both Treasury strips and securities held by the Agency.

Performance Indicators

Average Daily Flow by Month	Shows total flow in the SARI System by month compared to total treatment capacity owned. This is an indicator of the available capacity in the line. As we add yearly flows, it will show trends in flow throughout the year.
Summary of Labor Multipliers	Summarizes the information generated from the following two reports and compares the actual benefit and G&A Allocation rates to the total budgeted rates.
General Fund Costs	Lists total Fund No. 100 costs to date and the amount of those costs recovered through the G&A Allocation and member contributions.
Benefit Summary	Lists total employee benefit costs actual to budget and projects them through the end of the year. This report compares how the actual benefit rate compares to the budgeted rate.
Labor Hours Budget vs. Actual	Shows total budgeted hours for each project and compares them to the actual hours charged to each.

RESOURCE IMPACTS

Staff expects minimal impacts to SAWPA or its member agencies related to this effort.

Attachments:

- | | |
|---------------------------------------|---|
| 1. Balance Sheet by Fund Type | 9. Reserve Account Analysis |
| 2. Revenue & Expense by Fund Type | 10. Twelve-Month Maturity Schedule - Securities |
| 3. Accounts Receivable Aging Report | 11. Treasurer's Report |
| 4. Open Task Order Schedule | 12. Average Daily Flow by Month |
| 5. Debt Service Funding Analysis | 13. Summary of Labor Multipliers |
| 6. Debt Service Payment Schedule | 14. General Fund Costs |
| 7. Total Cash and Investments (chart) | 15. Benefits |
| 8. Cash Balance & Source of Funds | 16. Labor Hours Budgeted vs. Actual |

Santa Ana Watershed Project Authority
Balance Sheet by Fund Type
For the Three Months Ending Friday, September 30, 2016

	Capital Projects	Grants/ Contracts	Planning	Collaborative Projects	SAWPA General	Brine Line Enterprise	Fund Totals
Assets							
Current Assets							
Cash and Investments	(\$1,260,401.30)	(\$584,814.07)	\$675,677.52	\$2,588,351.95	\$3,960,294.26	\$49,412,720.80	\$54,791,829.16
Accounts Receivable	433,347.00	3,305,182.21	0.00	95,749.00	46,364.85	1,847,115.79	5,727,758.85
Installment Notes Receivable	0.00	0.00	0.00	0.00	0.00	4,413,637.91	4,413,637.91
Interest Receivable	0.00	0.00	0.00	0.00	0.00	73,993.39	73,993.39
Prepays and Deposits	0.00	0.00	0.00	0.00	513,459.89	169,606.03	683,065.92
Total Current Assets	<u>(827,054.30)</u>	<u>2,720,368.14</u>	<u>675,677.52</u>	<u>2,684,100.95</u>	<u>4,520,119.00</u>	<u>55,917,073.92</u>	<u>65,690,285.23</u>
Fixed Assets							
Property, Plant & Equipment less accum depreciation	0.00	0.00	0.00	0.00	1,180,156.28	65,769,793.42	66,949,949.70
Work In Process	11,306,988.63	0.00	0.00	0.00	0.00	0.00	11,306,988.63
Total fixed assets	<u>11,306,988.63</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,180,156.28</u>	<u>65,769,793.42</u>	<u>78,256,938.33</u>
Other Assets							
Wastewater treatment/disposal rights, net of amortization	0.00	0.00	0.00	0.00	0.00	29,985,521.84	29,985,521.84
Inventory - Mitigation Credits	0.00	0.00	0.00	1,910,560.00	0.00	0.00	1,910,560.00
Total Other Assets	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,910,560.00</u>	<u>0.00</u>	<u>29,985,521.84</u>	<u>31,896,081.84</u>
Total Assets	<u>\$10,479,934.33</u>	<u>\$2,720,368.14</u>	<u>\$675,677.52</u>	<u>\$4,594,660.95</u>	<u>\$5,700,275.28</u>	<u>\$151,672,389.18</u>	<u>\$175,843,305.40</u>
Liabilities and Fund Equity							
Current Liabilities							
Accounts Payable/Accrued Expenses	\$407,361.21	\$2,406,403.66	\$2,024.25	\$103,113.11	\$597,482.33	\$782,463.90	\$4,298,848.46
Accrued Interest Payable	0.00	0.00	0.00	0.00	0.00	313,728.28	313,728.28
Noncurrent Liabilities							
Long-term Debt	4,009,074.68	0.00	0.00	0.00	2,247,501.00	20,886,992.15	27,143,567.83
Deferred Revenue	0.00	0.00	0.00	0.00	0.00	75,229,441.50	75,229,441.50
Total Liabilities	<u>4,416,435.89</u>	<u>2,406,403.66</u>	<u>2,024.25</u>	<u>103,113.11</u>	<u>2,844,983.33</u>	<u>97,212,625.83</u>	<u>106,985,586.07</u>
Fund Equity							
Contributed Capital	0.00	0.00	0.00	0.00	0.00	20,920,507.03	20,920,507.03
Retained Earnings	6,063,498.44	343,590.42	196,942.89	3,936,709.81	2,112,501.49	33,593,996.49	46,247,239.54
Revenue Over/Under Expenditures	0.00	(29,625.94)	476,710.38	554,838.03	742,790.46	(54,740.17)	1,689,972.76
Total Fund Equity	<u>6,063,498.44</u>	<u>313,964.48</u>	<u>673,653.27</u>	<u>4,491,547.84</u>	<u>2,855,291.95</u>	<u>54,459,763.35</u>	<u>68,857,719.33</u>
Total Liabilities & Fund Equity	<u>\$10,479,934.33</u>	<u>\$2,720,368.14</u>	<u>\$675,677.52</u>	<u>\$4,594,660.95</u>	<u>\$5,700,275.28</u>	<u>\$151,672,389.18</u>	<u>\$175,843,305.40</u>

Santa Ana Watershed Project Authority
Revenue & Expenses by Fund Type
For the Three Months Ending Friday, September 30, 2016

	Capital Projects	Grants/ Contracts	Planning	Collaborative Projects	SAWPA General	Brine Line Enterprise	Fund Totals
Operating Revenue							
Discharge Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,750,803.79	\$2,750,803.79
Grant Proceeds	0.00	688,747.02	0.00	0.00	0.00	0.00	688,747.02
Financing Proceeds	0.00	53,168.71	0.00	0.00	0.00	0.00	53,168.71
Total Operating Revenue	0.00	741,915.73	0.00	0.00	0.00	2,750,803.79	3,492,719.52
Operating Expenses							
Labor	0.00	86,299.94	59,747.90	16,763.36	377,541.72	224,953.34	765,306.26
Benefits	0.00	37,454.19	25,930.57	7,275.31	125,611.54	97,629.76	293,901.37
Indirect Costs	0.00	136,267.63	94,341.93	26,469.34	0.00	355,201.35	612,280.25
Education & Training	0.00	0.00	0.00	0.00	2,296.91	0.00	2,296.91
Consulting & Professional Services	0.00	48,599.80	0.00	140,435.96	75,744.25	33,565.61	298,345.62
Operating Costs	0.00	1,684.80	0.00	0.00	1,930.28	754,454.84	758,069.92
Repair & Maintenance	0.00	0.00	0.00	0.00	14,693.66	44,661.69	59,355.35
Phone & Utilities	0.00	0.00	0.00	0.00	17,291.07	1,730.24	19,021.31
Equipment & Computers	0.00	0.00	0.00	0.00	67,234.59	2,766.32	70,000.91
Meeting & Travel	0.00	88.99	2,326.48	0.00	2,925.38	51.30	5,392.15
Other Administrative Costs	0.00	10,050.00	10,942.74	0.00	14,573.63	7,744.90	43,311.27
Benefits Applied	0.00	0.00	0.00	0.00	78,866.97	0.00	78,866.97
Indirect Costs Applied	0.00	0.00	0.00	0.00	(695,749.17)	0.00	(695,749.17)
Other Expenses	0.00	0.00	0.00	0.00	8,542.05	37,077.25	45,619.30
Construction	0.00	591,096.32	0.00	0.00	0.00	0.00	591,096.32
Total Operating Expenses	0.00	911,541.67	193,289.62	190,943.97	91,502.88	1,559,836.60	2,947,114.74
Operating Income (Loss)	0.00	(169,625.94)	(193,289.62)	(190,943.97)	(91,502.88)	1,190,967.19	545,604.78
Nonoperating Income (Expense)							
Member Contributions	0.00	10,000.00	670,000.00	146,104.00	699,305.00	0.00	1,525,409.00
Other Agency Contributions	0.00	130,000.00	0.00	599,678.00	0.00	0.00	729,678.00
Interest Income	0.00	0.00	0.00	0.00	0.00	41,532.17	41,532.17
Interest Expense - Debt Service	0.00	0.00	0.00	0.00	0.00	(160,275.82)	(160,275.82)
Other Income	0.00	0.00	0.00	0.00	415.86	0.00	415.86
Use of Reserves	0.00	0.00	0.00	0.00	(15,805.44)	0.00	(15,805.44)
Total Nonoperating Income (Expense)	0.00	140,000.00	670,000.00	745,782.00	683,915.42	(118,743.65)	2,120,953.77
Excess Rev over (under) Exp	\$0.00	(\$29,625.94)	\$476,710.38	\$554,838.03	\$592,412.54	\$1,072,223.54	\$2,666,558.55

Aging Report
Santa Ana Watershed Project Authority
Receivables as of October 31, 2016

Customer Name	Project	Total	Current	0-30 Days	31-60 Days	61 and Over
City of Beaumont	Basin Monitoring	20,180.00				20,180.00
Chino Basin Desalter Authority	Brine Line	334,333.12			171,255.24	163,077.88
Department of Water Resources	Prop 84, WECAN	4,004,496.43			514,719.69	3,489,776.74
Eastern Municipal Water District	Brine Line	150,851.59			150,851.59	
Inland Empire Utilities Agency	Brine Line	304,094.38			153,413.07	150,681.31
Orange County Water District	Member Agency Contributions	46,000.00				46,000.00
Riverside County Flood Control District	MSAR TMDL	75,569.00				75,569.00
San Bernardino Valley Municipal Water District	Brine Line, Basin Monitoring	83,122.69			83,122.69	
Western Municipal Water District	Brine Line	401,419.60			401,419.60	
Total Accounts Receivable		5,420,066.81	-	-	1,474,781.88	3,945,284.93

Santa Ana Watershed Project Authority
Open Task Orders Schedule
As of October 2016

Task Order No. Project Contracts	Vendor No.	Vendor Name	Task Description	Begin Date	End Date	Original Contract	Change Orders	Total Contract	Billed To Date	Contract Balance	SAWPA Manager
PO3326	1699	A Cone Zone	Traffic Control Instrument Rentals	07/01/2016	06/30/2017	\$ 1,000.00	\$ 1,700.00	\$ 2,700.00	\$ 1,969.94	\$ 730.06	Carlos Quintero
PO3330	1983	Airgas USA LLC	Compressed Gas	07/01/2016	06/30/2017	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 86.04	\$ 913.96	Carlos Quintero
KEN504-301	2062	Ken Baerenklau	Conservation Based Water Rates Support	04/21/2015	06/30/2016	\$ 25,000.00	\$ -	\$ 25,000.00	\$ 9,012.50	\$ 15,987.50	Mark Norton
WO2017-23	1503	Camet Research	SO-1 Special Water Quality Analysis	08/29/2016	06/30/2017	\$ 4,500.00		\$ 4,500.00	\$ 2,250.00	\$ 2,250.00	Carlos Quintero
CARO240-03	1508	Carollo Engineering	Financial Planning Update 2016	08/05/2014	12/31/2016	\$ 15,000.00	\$ -	\$ 15,000.00	\$ 11,695.75	\$ 3,304.25	Rich Haller
CDM386-11	1575	CDM Smith	SAR Bacteria Monitoring Program	12/07/2015	06/30/2017	\$ 337,635.00	\$ 5,000.00	\$ 342,635.00	\$ 215,472.29	\$ 127,162.71	Rick Whetsel
CDM374-01	1575	CDM Smith	Triennial Ambient Water Quality Update Precomputation	08/15/2016	06/30/2017	\$ 349,960.00	\$ -	\$ 349,960.00	\$ 34,290.50	\$ 315,669.50	Mark Norton
CDM374-02	1575	CDM Smith	CEQA Supplemental document & analysis for BPA	09/27/2016	12/31/2016	\$ 29,527.00		\$ 29,527.00		\$ 29,527.00	Mark Norton
Construction	2053	Charles King Company Inc	IEBL Reach V Rehabilitation & Improvement - Phase 1	10/31/2014	03/11/2016	\$ 12,561,316.00	\$ (4,375.12)	\$ 12,556,940.88	\$ 5,584,956.32	\$ 6,971,984.56	David Ruhl
WO2017-19	2070	City of Colton Police Department	Enforcement Santa Ana River Main Stem	08/10/2016	06/30/2017	\$ 6,200.00	\$ -	\$ 6,200.00	\$ 778.68	\$ 5,421.32	Ian Achimore
PO3285	2110	Community Action Partnership of San Bernardino	Green House Gas Contract - WECAN	06/20/2016	09/30/2017	\$ 868,153.00		\$ 868,153.00		\$ 868,153.00	Mike Antos
PO3289	2112	Community Action Partnership of Orange County	Green House Gas Contract - WECAN	06/27/2016	09/30/2017	\$ 16,628.00		\$ 16,628.00		\$ 16,628.00	Mike Antos
PO3377	2128	Community Action Partnership of Riverside	Green House Gas Contract - WECAN	10/31/2016	09/30/2017	\$ 85,000.00		\$ 85,000.00		\$ 85,000.00	Mike Antos
WO2016-37	1486	David Jenkins & Associates Inc	Third Party Review Trussell Technology's Brine Line Evaluation	02/27/2016	06/30/2016	\$ 10,000.00	\$ 10,000.00	\$ 20,000.00	\$ 16,804.72	\$ 3,195.28	Rich Haller
DEGR392-02	2086	DeGrave Communications	Social Media Support - EC TF	08/15/2016	06/30/2017	\$ 30,000.00		\$ 30,000.00	\$ 11,559.04	\$ 18,440.96	Mark Norton
DOUG240-01	2032	Douglas Environmental Group	Meter Calibration	06/29/2015	06/30/2017	\$ 34,330.00	\$ -	\$ 34,330.00	\$ 15,900.00	\$ 18,430.00	Carlos Quintero
WO2016-20	2032	Douglas Environmental Group	Meter Servicing	08/26/2015	06/30/2016	\$ 900.00	\$ -	\$ 900.00	\$ 180.00	\$ 720.00	Carlos Quintero
DUDK326-02	1969	Dudek	Reach V Rehabilitation and Improvement Project	10/28/2014	12/31/2016	\$ 214,650.00	\$ 64,420.00	\$ 279,070.00	\$ 258,072.76	\$ 20,997.24	David Ruhl
DUDK326-04	1969	Dudek	Reach V Rehabilitation and Improvement Project Phase 2 Engineering	03/02/2016	12/31/2016	\$ 64,300.00	\$ -	\$ 64,300.00	\$ 54,296.50	\$ 10,003.50	David Ruhl
ECOT397-01	2097	Ecotech	WECAN Landscaping Project	05/26/2016	09/30/2017	\$ 1,300,000.00		\$ 1,300,000.00	\$ 32,290.00	\$ 1,267,710.00	Mike Antos
WO2017-02	1404	E S Babcock	Brine Line Sample Collection & Analysis	07/12/2016	06/30/2017	\$ 87,000.00		\$ 87,000.00	\$ 20,011.00	\$ 66,989.00	Carols Quintero
GMC397-01	2098	Green Media Creations	WECAN Outreach and Management	05/26/2016	09/30/2017	\$ 170,000.00	\$ -	\$ 170,000.00	\$ 42,213.05	\$ 127,786.95	Mike Antos
HAMM326-01	2105	Hammons Strategies	Strategic Communication Services	05/24/2016	09/15/2016	\$ 18,500.00		\$ 18,500.00	\$ 18,000.00	\$ 500.00	Rich Haller
HAZ240-06	1349	Haz Mat Trans Inc	On Call Debris Hauling and Disposal	06/29/2015	06/30/2017	\$ 35,040.00	\$ -	\$ 35,040.00	\$ 23,150.72	\$ 11,889.28	Carlos Quintero
HAZ240-07	1349	Haz Mat Trans Inc	On Call Draining and Emergency Clean Up	06/29/2015	06/30/2017	\$ 98,215.00	\$ -	\$ 98,215.00	\$ 4,077.50	\$ 94,137.50	Carlos Quintero
HOU240-01	2075	Houston Harris PCS Inc	On Call Pipeline Inspection Services	06/18/2015	06/30/2017	\$ 48,083.00	\$ -	\$ 48,083.00	\$ 20,141.25	\$ 27,941.75	Carlos Quintero
HOU240-02	2075	Houston Harris PCS Inc	Brine Line On Call Pipeline Cleaning Services	06/16/2015	06/30/2017	\$ 318,120.00	\$ 225,000.00	\$ 543,120.00	\$ 213,517.50	\$ 329,602.50	Carlos Quintero
WO2017-09	1032	Inland Empire Utilities Agency	Reach IV-A Upper Support	07/01/2016	06/30/2017	\$ 10,000.00	\$ -	\$ 10,000.00	\$ -	\$ 10,000.00	Carlos Quintero
INN240-02	1450	Innerline Engineering Inc	Brine Line On-Call Line Cleaning	06/29/2015	06/30/2017	\$ 46,900.00	\$ -	\$ 46,900.00	\$ 44,520.59	\$ 2,379.41	Carlos Quintero
PO3331	2058	K&H Metals and Supplies	Materials & Supplies	07/01/2016	06/30/2017	\$ 1,000.00		\$ 1,000.00	\$ 733.37	\$ 266.63	Carlos Quintero
NATU240-02	1873	Natures Image Inc	ROW Maintenance	07/01/2015	06/30/2017	\$ 17,496.00	\$ -	\$ 17,496.00	\$ 11,096.14	\$ 6,399.86	Carlos Quintero
N&M326-01	2071	Ninyo & Moore Geotechnical & Environmental	Materials Testing - Reach V	06/04/2015	06/30/2016	\$ 50,000.00	\$ -	\$ 50,000.00	\$ 41,735.00	\$ 8,265.00	David Ruhl
OMNI504-301-01	2085	OmniEarth Inc	Web Based Water Consumption Reporting	09/21/2015	12/31/2016	\$ 1,500,000.00	\$ -	\$ 1,500,000.00	\$ 656,349.75	\$ 843,650.25	Mark Norton
PO3280	1519	Orange County Coastkeeper	Green House Gas Contract - WECAN	06/07/2016	12/31/2017	\$ 92,520.00		\$ 92,520.00	\$ 60,078.34	\$ 32,441.66	Mike Antos
WO2017-15	1142	Orange County Water District	Bacteroides Analysis	07/01/2016	06/30/2017	\$ 25,000.00	\$ -	\$ 25,000.00		\$ 25,000.00	Rick Whetsel

Santa Ana Watershed Project Authority
Open Task Orders Schedule
As of October 2016

Task Order No. Project Contracts	Vendor No.	Vendor Name	Task Description	Begin Date	End Date	Original Contract	Change Orders	Total Contract	Billed To Date	Contract Balance	SAWPA Manager
WO2016-15	2018	Pechanga Band of Luiseno Indians	IE Brine Line Reach V Capital - Tribal Monitoring	07/27/2015	06/30/2016	\$ 6,210.00	\$ -	\$ 6,210.00	\$ -	\$ 6,210.00	David Ruhl
WO2016-45	2018	Pechanga Band of Luiseno Indians	IE Brine Line Reach V Rehab - Phase 2 Nichols Road	05/03/2016	06/30/2016	\$ 11,615.00	\$ -	\$ 11,615.00	\$ 10,500.66	\$ 1,114.34	Carlos Quintero
PR1240-01	2077	PRIMETECH Construction	On Call Potholing	06/29/2015	06/30/2017	\$ 34,400.00	\$ -	\$ 34,400.00	\$ -	\$ 34,400.00	Carlos Quintero
WO2016-16	2078	Ramtech Laboratories	Sampling	07/30/2015	06/30/2016	\$ 35,000.00	\$ 15,000.00	\$ 50,000.00	\$ 38,999.00	\$ 11,001.00	David Ruhl
PO3327	1975	Republic Services	Disposal Fee	07/01/2016	06/30/2017	\$ 10,000.00		\$ 10,000.00	\$ 1,656.49	\$ 8,343.51	Carlos Quintero
RESO504-301-01	1297	Resource Strategies Inc	OWOW 2014 Emergency Drought Implementation	03/10/2015	10/01/2016	\$ 38,050.00	\$ 130,745.00	\$ 168,795.00	\$ 130,765.00	\$ 38,030.00	Dean Unger
RISK374-06	1174	Risk Sciences	Basin Monitoring TF	07/27/2016	06/30/2017	\$ 73,000.00	\$ -	\$ 73,000.00	\$ 17,410.02	\$ 55,589.98	Mark Norton
RISK384-08	1174	Risk Sciences	MSAR TMDL Task Force	07/12/2015	06/30/2017	\$ 87,300.00	\$ -	\$ 87,300.00	\$ 16,145.44	\$ 71,154.56	Rick Whetsel
RMC504-401-01	1980	RMC Water and Environment	SARCCUP Program Mgmt Services	09/12/2016	06/30/2017	\$ 310,429.00		\$ 310,429.00	\$ 80,676.06	\$ 229,752.94	Mark Norton
SAWA323-01	1420	Santa Ana Watershed Association	Habitat Mitigation in Prado Basin	01/29/2010	12/31/2016	\$ 245,000.00	\$ -	\$ 245,000.00	\$ 219,953.71	\$ 25,046.29	Carlos Quintero
SRI504-301-02	2009	Statistical Research Inc	Image Analysis & Outdoor area measurement	03/17/2016	12/31/2016	\$ 162,204.00	\$ 7,640.00	\$ 169,844.00	162,203.99	\$ 7,640.01	Dean Unger
TKE240-02	1995	TKE Engineering & Planning	Brine Line On-Call Land Surveying Services	06/26/2015	06/30/2017	\$ 30,300.00	\$ -	\$ 30,300.00	\$ 6,550.00	\$ 23,750.00	Carlos Quintero
PO3324	1961	Trench Shoring Inc	Facility Repair & Maintenance	07/01/2016	06/30/2017	\$ 1,000.00	\$ 1,000.00	\$ 2,000.00	\$ 1,627.52	\$ 372.48	Carlos Quintero
PO3328	1974	Tripac Marketing	Misc Maintenance Items	07/01/2016	06/30/2017	\$ 5,000.00		\$ 5,000.00		\$ 5,000.00	Carlos Quintero
TRU240-14	1915	Trussell Technologies Inc	S-01 Monitoring Point - Stinger-Probe Evaluation	06/12/2015	06/30/2016	\$ 25,016.00	\$ -	\$ 25,016.00	\$ 1,254.00	\$ 23,762.00	Rich Haller
TRU240-18	1915	Trussell Technologies Inc	2017 Brine Line Annual Review	09/22/2016	06/30/2017	\$ 48,579.00	\$ -	\$ 48,579.00	\$ 5,307.46	\$ 43,271.54	Rich Haller
PO3329	1771	United Storm Water Inc	Dewatering Bins, Ramps, Hauling Services	07/01/2016	06/30/2017	\$ 10,000.00		\$ 10,000.00		\$ 10,000.00	Carlos Quinto
VALI326-02	2034	Vali Cooper & Associates Inc	Reach V Rehabilitation & Improvements - Construction Management	10/28/2014	12/31/2016	\$ 818,610.00	\$ 626,599.00	\$ 1,445,209.00	\$ 1,141,790.39	\$ 303,418.61	David Ruhl
VALI326-03	2034	Vali Cooper & Associates Inc	Reach V Rehabilitation & Improvements Phase 2	02/25/2016	12/31/2016	\$ 196,380.00	\$ -	\$ 196,380.00	\$ 124,370.49	\$ 72,009.51	David Ruhl
PO3284 Construction	1853	WEKA	IEBL Reach V Rehab & Improvements Phase 2	02/22/2016	09/24/2016	\$ 1,941,967.00	\$ (61,705.27)	\$ 1,880,261.73	\$ 1,880,261.73	\$ -	David Ruhl
PO3379 Construction	1853	WEKA	IEBL Reach V Rehab & Improvement Phase 1, Tasks 1-2	09/13/2016	01/18/2017	\$ 2,044,602.00		\$ 2,087,355.00	\$ 268,456.22	\$ 1,818,898.78	David Ruhl
WO2017-01	1217	Western Municipal Water District	Brine Line Operations & Maintenance	07/01/2016	06/30/2017	\$ 117,000.00		\$ 117,000.00	12,390.06	\$ 104,609.94	David Ruhl
Annual Support Contracts											
ACS100-08	1842	Accent Computer Solutions	IT Support	03/23/2016	06/30/2017	\$ 36,750.00	\$ -	\$ 36,750.00	\$ 26,712.00	\$ 10,038.00	Dean Unger
INSOL100-09	1648	Integrated Systems Solutions	GP Software Annual Technical Support	08/15/2016	06/30/2017	\$ 3,000.00	\$ -	\$ 3,000.00	\$ 1,111.50	\$ 1,888.50	Dean Unger
INSOL100-08	1648	Integrated Systems Solutions	GP Upgrade and Encryption	08/15/2015	11/01/2016	\$ 5,940.00	\$ -	\$ 5,940.00	\$ 429.00	\$ 5,511.00	Dean Unger
PO3322	1544	County of Riverside	Gas for Vehicles	07/01/2016	06/30/2017	\$ 8,000.00	\$ -	\$ 8,000.00	\$ 1,825.58	\$ 6,174.42	Carlos Quintero
PO3323	2067	County of Riverside/Transportation	Diesel Fuel	07/01/2016	06/30/2017	\$ 4,000.00		\$ 4,000.00	\$ 800.92	\$ 3,199.08	Carlos Quintero
PO3325	2038	Riverside Transmission Center	Agency Vehicle Maintenance	07/01/2016	06/30/2017	\$ 3,500.00	\$ -	\$ 3,500.00	\$ 3,014.71	\$ 485.29	Carlos Quintero
STET100-01	2052	Stetson Engineers Inc	Resilience-based Project Scoring Rubric	02/12/2015	02/28/2016	\$ 29,900.00	\$ -	\$ 29,900.00	\$ 22,239.82	\$ 7,660.18	Larry McKenney
TTD100-02	2096	The Technology Depot	Phone System Support	09/06/2016	06/30/2017	\$ 4,000.00	\$ -	\$ 4,000.00	\$ 1,412.50	\$ 2,587.50	Dean Unger
TECH100-01	2095	Technology Systems	Website Tasks Support	01/19/2016	06/30/2016	\$ 3,400.00	\$ -	\$ 3,400.00	\$ 1,700.00	\$ 1,700.00	Dean Unger
WCA100-03-02	1326	West Coast Advisors	State Legislative Consulting Services FY16-18	11/24/2015	12/31/2018	\$ 345,000.00	\$ -	\$ 345,000.00	\$ 109,000.00	\$ 236,000.00	Celeste Cantú
WNDE100-04	1449	White Nelson Diehl Evans LLC	SAWPA Auditing Services	03/08/2016	06/30/2017	\$ 25,725.00	\$ -	\$ 25,725.00	\$ 21,800.00	\$ 3,925.00	Karen Williams
										\$ 14,542,023.09	

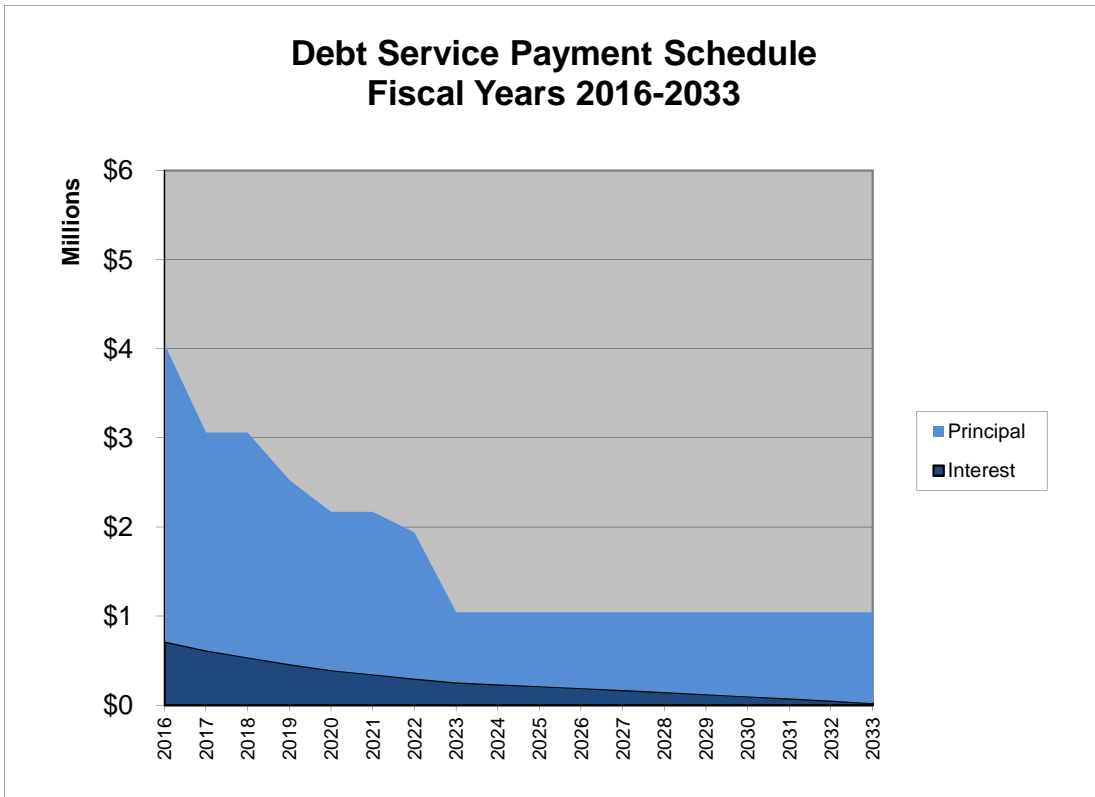
Santa Ana Watershed Project Authority
 Brine Line Debt Service Funding Analysis
 October 31, 2016

FYE	T-Strip Maturity	Capacity Loan Receipts	Rates	Loan Pymts	Interest Earned *	Excess Cash	Ending Cash Balance
	Beginning Balance						3,223,985
2016	1,824,000	795,772	1,044,000	(4,054,945)	96,720	(294,454)	2,929,531
2017	949,000	795,772	1,044,000	(3,060,725)	58,591	(213,362)	2,716,169
2018	949,000	795,772	1,044,000	(3,060,725)	54,323	(217,629)	2,498,540
2019	395,000	528,582	1,044,000	(2,526,801)	49,971	(509,248)	1,989,292
2020	395,000	-	1,044,000	(2,170,551)	39,786	(691,765)	1,297,527
2021	395,000	-	1,044,000	(2,170,551)	25,951	(705,600)	591,927
2022	395,000	-	1,044,000	(1,943,236)	11,839	(492,398)	99,529
2023	-	-	1,044,000	(1,044,273)	1,991	1,717	101,247
2024	-	-	1,044,000	(1,044,273)	2,025	1,752	102,998
2025	-	-	1,044,000	(1,044,273)	2,060	1,787	104,785
2026	-	-	1,044,000	(1,044,273)	2,096	1,822	106,607
2027	-	-	1,044,000	(1,044,273)	2,132	1,859	108,466
2028	-	-	1,044,000	(1,044,273)	2,169	1,896	110,362
2029	-	-	1,044,000	(1,044,273)	2,207	1,934	112,296
2030	-	-	1,044,000	(1,044,273)	2,246	1,973	114,269
2031	-	-	1,044,000	(1,044,273)	2,285	2,012	116,281
2032	-	-	1,044,000	(1,044,273)	2,326	2,052	118,334
2033	-	-	1,044,000	(1,044,273)	2,367	2,094	120,427
	5,302,000	2,915,898	18,792,000	(30,474,539)	361,083	(3,103,558)	120,427

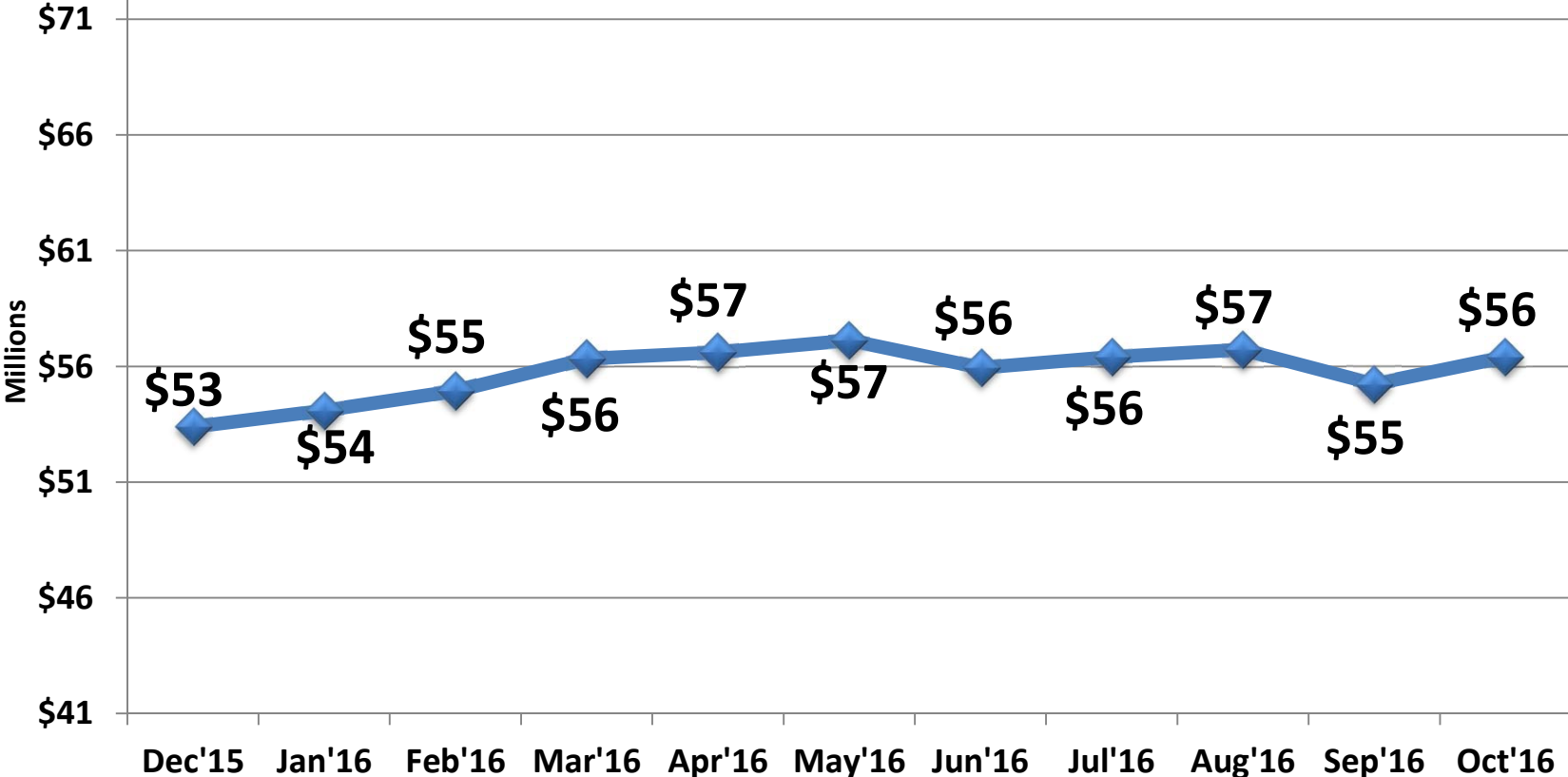
*Interest earned is based on a conservative 2.00% average return over the period

Santa Ana Watershed Project Authority
 Brine Line Debt Service Payment Schedule
 October 31, 2016

FYE	Interest	Principal	Total Payment	Remaining Principal
2016	716,441	3,338,504	4,054,945	22,152,302
2017	615,366	2,445,358	3,060,725	19,706,943
2018	539,727	2,520,997	3,060,725	17,185,946
2019	461,459	2,065,342	2,526,801	15,120,604
2020	395,403	1,775,147	2,170,551	13,345,457
2021	348,294	1,822,257	2,170,551	11,523,199
2022	299,932	1,643,304	1,943,236	9,879,895
2023	256,877	787,396	1,044,273	9,092,499
2024	236,405	807,868	1,044,273	8,284,631
2025	215,400	828,873	1,044,273	7,455,758
2026	193,850	850,424	1,044,273	6,605,335
2027	171,739	872,535	1,044,273	5,732,800
2028	149,053	895,220	1,044,273	4,837,580
2029	125,777	918,496	1,044,273	3,919,084
2030	101,896	942,377	1,044,273	2,976,707
2031	77,394	966,879	1,044,273	2,009,828
2032	52,256	992,018	1,044,273	1,017,810
2033	26,463	1,017,810	1,044,273	0



Total Cash & Investments





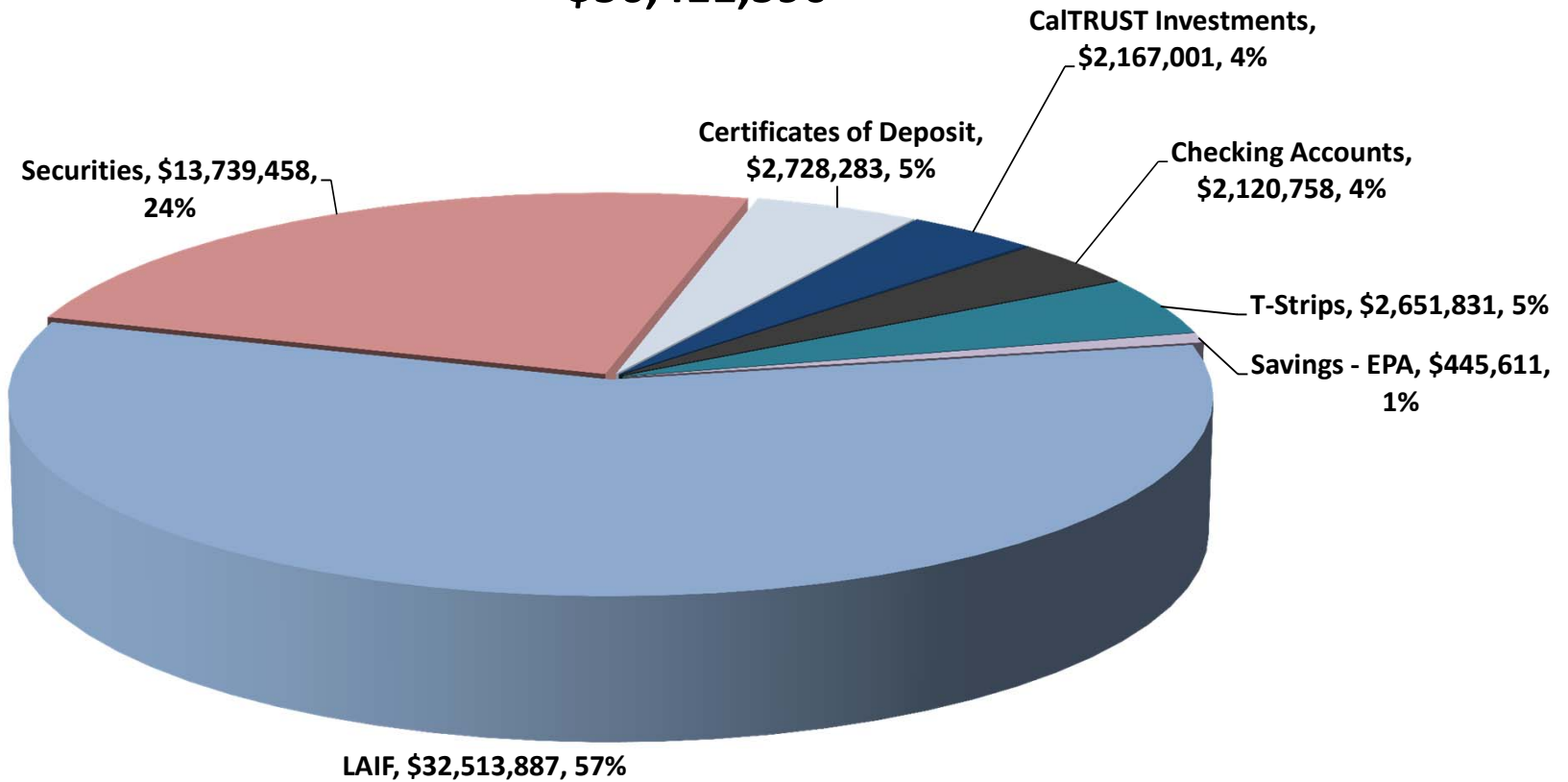
CASH BALANCE & SOURCE OF FUNDS

October 31, 2016

Reserve Accounts		Cash and Investments									
	Total	Checking (Cash)	CalTRUST Investments	LAIF Account	Savings EPA	Investment Securities	Certificates of Deposit	Treasury Strips	Grant Retention	Total	
100	General Fund	\$ 2,525,662	2,120,758	-	404,904	-	-	-	-	\$ 2,525,662	
100	Building Reserve	\$ 829,498	-	-	829,498	-	-	-	-	\$ 829,498	
370	Basin Planning General	\$ 302,761	-	-	302,761	-	-	-	-	\$ 302,761	
370	USBR Partnership Studies	\$ 24,444	-	-	24,444	-	-	-	-	\$ 24,444	
387	Mitigation Bank Credits	\$ 961,075	-	-	961,075	-	-	-	-	\$ 961,075	
240	Self Insurance Reserve	\$ 3,763,309	-	-	3,763,309	-	-	-	-	\$ 3,763,309	
240	Brine Line Debt Retirement	\$ 5,574,013	-	-	2,922,182	-	-	2,651,831	-	\$ 5,574,013	
240	Brine Line - Pipeline Replacement	\$ 19,136,400	-	2,167,001	501,658	-	13,739,458	2,728,283	-	\$ 19,136,400	
240	Brine Line - OCSD Rehabilitation	\$ 7,142,072	-	-	7,142,072	-	-	-	-	\$ 7,142,072	
240	Brine Line - Capacity Management	\$ 7,345,704	-	-	7,345,704	-	-	-	-	\$ 7,345,704	
240	Brine Line - OCSD Future Capacity	\$ 1,717,932	-	-	1,717,932	-	-	-	-	\$ 1,717,932	
240	Brine Line - Flow Imbalance Reserve	\$ 83,395	-	-	83,395	-	-	-	-	\$ 83,395	
240	Brine Line - Operating Reserve	\$ 4,299,726	-	-	4,299,726	-	-	-	-	\$ 4,299,726	
401	Legal Defense Fund	\$ 445,611	-	-	-	445,611	-	-	-	\$ 445,611	
373	Watershed Management Plan	\$ 280,669	-	-	280,669	-	-	-	-	\$ 280,669	
372	Imported Water Recharge	\$ 18,180	-	-	18,180	-	-	-	-	\$ 18,180	
374	Basin Monitoring Program TF	\$ 809,475	-	-	809,475	-	-	-	-	\$ 809,475	
384	Middle SAR TMDL TF	\$ 189,893	-	-	189,893	-	-	-	-	\$ 189,893	
386	RWQ Monitoring TF	\$ 260,290	-	-	260,290	-	-	-	-	\$ 260,290	
381	SAR Fish Conservation	\$ 183,919	-	-	183,919	-	-	-	-	\$ 183,919	
392	Emerging Constituents TF	\$ 119,221	-	-	119,221	-	-	-	-	\$ 119,221	
397	Energy - Water DAC Grant	\$ 353,583	-	-	353,583	-	-	-	-	\$ 353,583	
500	Prop 13 - Grant Retention	\$ 44,760	-	-	-	-	-	-	44,760	\$ 44,760	
		\$ 56,411,590	\$ 2,120,758	\$ 2,167,001	\$ 32,513,887	\$ 445,611	\$ 13,739,458	\$ 2,728,283	\$ 2,651,831	\$ 44,760	\$ 56,411,590

Cash & Investments - October 2016

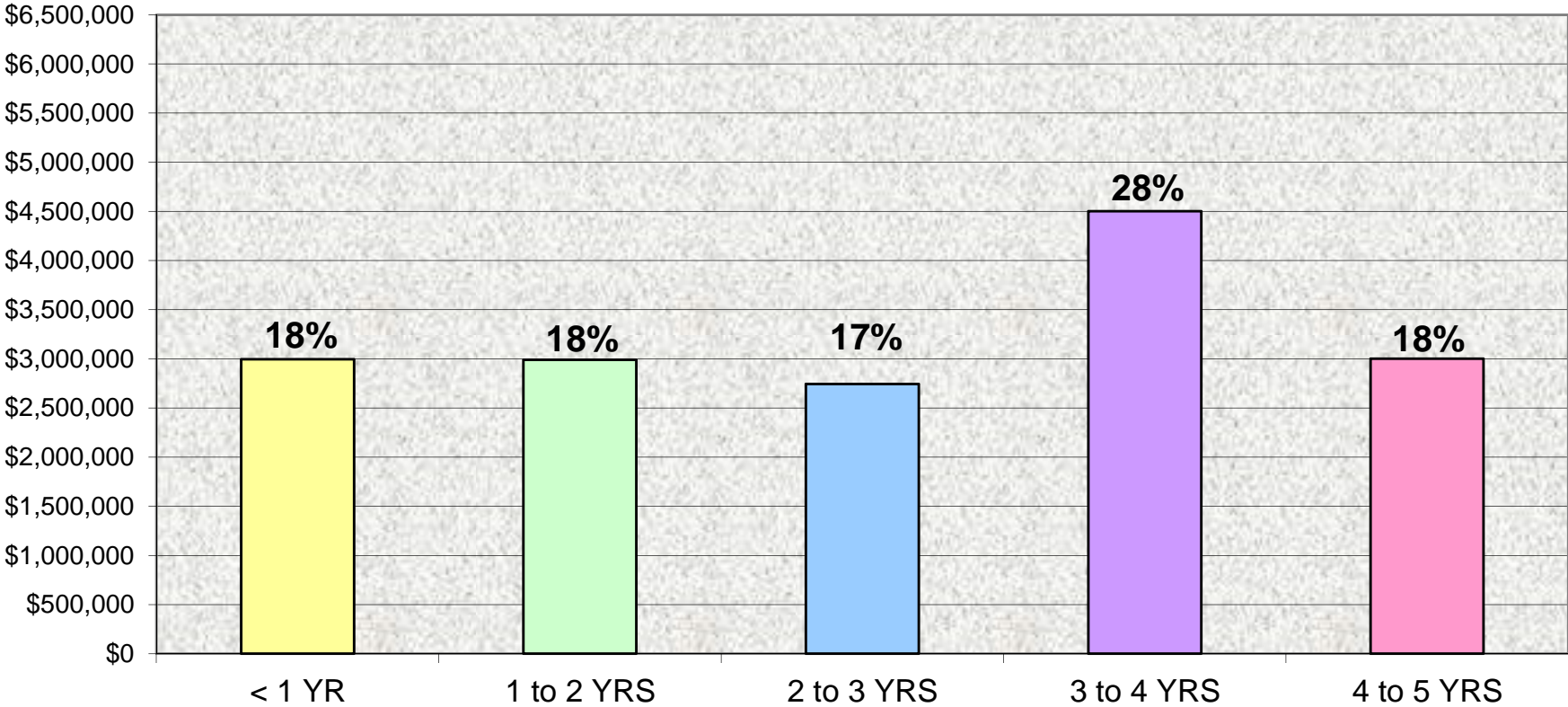
\$56,411,590



Santa Ana Watershed Project Authority
Reserve Account Analysis
October 31, 2016

Reserve Account	Balance @ 6/30/2016	Interest Earned	Fund Contributions	Loan/T-Strip Receipts	Debt Service Payments	Inter-Fund Loans	Fund Expenses	Balance @ 10/31/2016	Estimated Fund Changes	Balance @ 6/30/2017
Brine Line Operating Reserve	3,790,275	13,977	3,360,642				(2,865,169)	4,299,726	-	4,299,726
Flow Imbalance Reserve	83,084	311						83,395	-	83,395
OCSD Future Capacity	1,711,499	6,434						1,717,932	-	1,717,932
Capacity Management	7,197,751	13,901	134,053					7,345,704	-	7,345,704
Pipeline Replacement	19,919,329	34,352	333,333				(1,150,614)	19,136,400	(229,471)	18,906,929
OCSD Rehabilitation	6,949,290	26,111	166,671					7,142,072	333,329	7,475,401
Debt Retirement	3,954,338	13,768	169,416	267,188	(1,482,528)			2,922,182	(2,663,370)	258,812
Self Insurance	3,717,788	12,187	33,333					3,763,308	66,667	3,829,975
General Fund	2,267,163	9,014	701,030			(652,028)	200,482	2,525,662	-	2,525,662
Building Reserve	726,622	2,876	100,000					829,498	-	829,498
	46,325,606	132,930	4,998,479	267,188	(1,482,528)	(652,028)	(3,815,301)	49,765,877	(2,492,844)	47,273,033

Twelve Month Maturity Schedule Securities



SAWPA
TREASURER'S REPORT
As of October 31, 2016

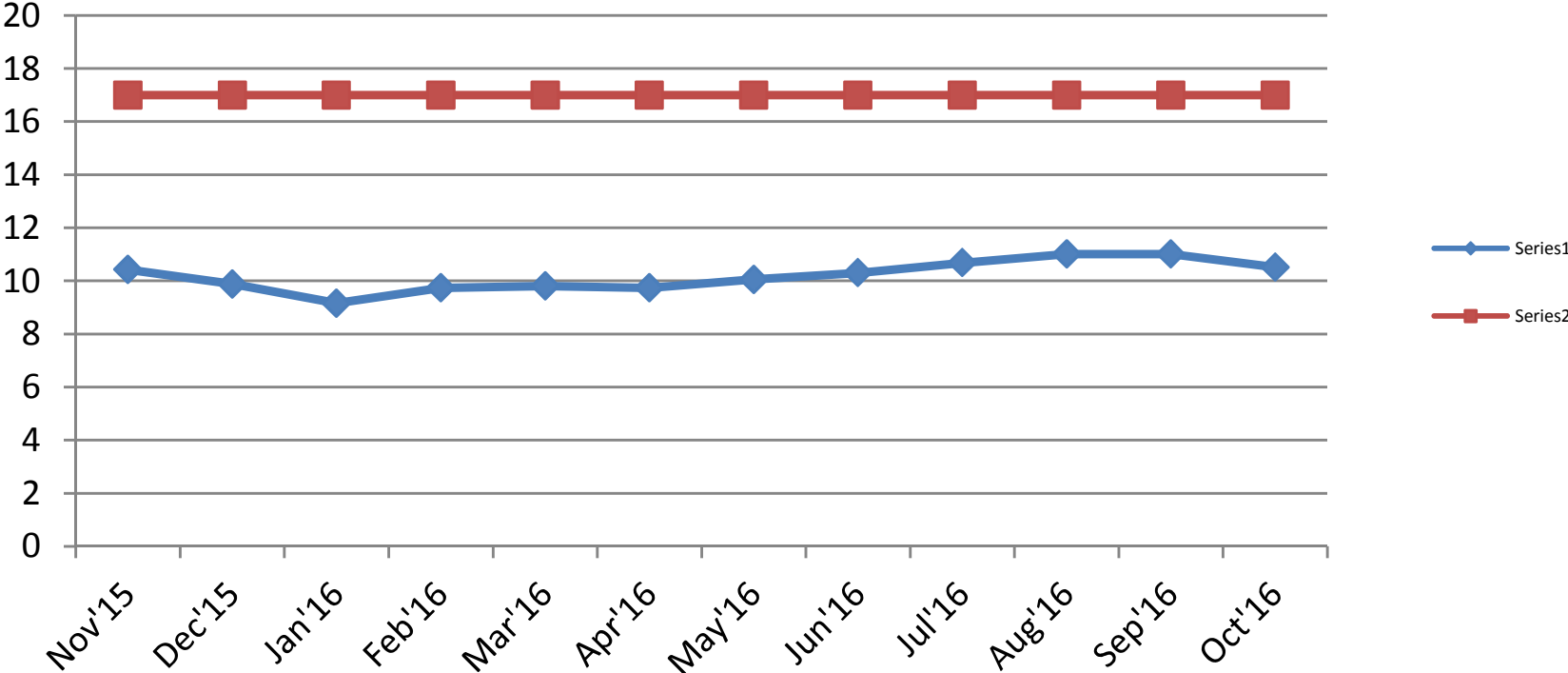
Investment T-Strips
Safekeeping US Bank

T-STRIPS	Debt	Purchase Date	Maturity Date	PAR	Cost	Initial Discount	Current Discount	Book Value	Market Value	Interest Rate
USB	WEST RIV	07/09/1999	11/15/2017	668,000.00	219,833.00	448,167.88	122,517.83	545,482.17	665,286.25	6.33%
USB	WEST RIV	07/12/1999	05/15/2018	440,000.00	139,634.00	300,366.00	88,047.98	351,952.02	436,482.86	6.36%
USB	TVRI	02/11/2000	05/15/2020	1,580,000.00	485,356.25	1,094,643.75	371,081.77	1,208,918.23	1,550,724.98	6.41%
				\$ 2,688,000.00	\$ 844,823.25	\$ 1,843,177.63	\$ 581,647.58	2,106,352.42	\$ 2,652,494.09	6.37%

Investment Commercial
Safekeeping US Bank

Type	Security	Purchase Date	Maturity Date	Unit Cost	Cost	Principal	Current Value	Market Value	Interest Rate
Agency	FHLMC	3/27/2014	3/27/2019	109.33	\$ 546,650.00	\$ 500,000.00	\$ 500,000.00	532,486.00	3.75%
Agency	FHLMC	6/10/2014	3/8/2017	100.69	\$ 1,006,919.00	\$ 1,000,000.00	\$ 1,000,000.00	1,002,020.00	1.00%
Agency	FHLMC	11/18/2015	2/22/2017	100.28	\$ 501,400.00	\$ 500,000.00	\$ 500,000.00	500,715.00	0.88%
Agency	FHLMC	9/16/2016	8/12/2021	100.00	\$ 990,060.00	\$ 1,000,000.00	\$ 1,000,000.00	984,411.00	1.125%
Agency	FHLB	5/26/2015	6/14/2019	100.80	\$ 504,015.00	\$ 500,000.00	\$ 500,000.00	507,386.00	1.63%
Agency	FHLB	11/18/2015	8/28/2017	99.78	\$ 499,030.00	\$ 500,000.00	\$ 500,000.00	500,167.50	0.75%
Agency	FHLB	6/16/2016	6/12/2020	102.61	\$ 1,026,088.00	\$ 1,000,000.00	\$ 1,000,000.00	1,017,190.00	1.75%
Agency	FNMA	3/27/2014	2/19/2019	100.40	\$ 501,975.00	\$ 500,000.00	\$ 500,000.00	509,903.50	1.88%
Agency	FNMA	3/27/2013	3/27/2018	100.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	1,001,192.00	1.00%
Agency	FNMA	12/28/2015	12/28/2020	100.21	\$ 1,002,140.00	\$ 1,000,000.00	\$ 1,000,000.00	1,023,152.00	1.88%
Agency	FNMA	6/16/2016	11/30/2020	101.52	\$ 1,015,157.00	\$ 1,000,000.00	\$ 1,000,000.00	1,007,566.00	1.50%
Agency	USTN	11/17/2015	11/30/2018	100.00	\$ 1,002,500.00	\$ 1,000,000.00	\$ 1,000,000.00	1,006,992.00	1.25%
Agency	USTN	11/17/2015	10/31/2020	100.00	\$ 1,005,312.50	\$ 1,000,000.00	\$ 1,000,000.00	1,020,586.00	1.75%
Agency	USTN	11/17/2015	11/30/2019	100.00	\$ 1,001,210.94	\$ 1,000,000.00	\$ 1,000,000.00	1,013,945.00	1.50%
Agency	USTN	6/17/2016	8/31/2020	101.13	\$ 507,070.31	\$ 500,000.00	\$ 500,000.00	503,379.00	1.38%
Agency	USTN	6/16/2016	9/30/2020	101.12	\$ 506,992.19	\$ 500,000.00	\$ 500,000.00	503,164.00	1.38%
Agency	USTN	6/16/2016	10/31/2020	101.12	\$ 506,914.06	\$ 500,000.00	\$ 500,000.00	502,929.50	1.38%
CORP	Toyota Motor Credit	9/15/2016	7/13/2018	100.00	\$ 504,057.50	\$ 500,000.00	\$ 500,000.00	502,198.50	1.55%
CD	Discover	3/6/2013	3/6/2017	100.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	250,217.60	0.95%
CD	CIT Bank	3/13/2013	3/13/2018	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,000.00	1.10%
CD	BMW Bank	3/8/2013	3/8/2017	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,123.53	0.85%
CD	GE Capital Bank	1/31/2014	1/31/2017	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,262.54	1.00%
CD	GE Capital Retail	1/31/2014	1/31/2018	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,000.00	1.45%
CD	Capital Bank FL	5/27/2015	5/29/2018	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,000.00	1.10%
CD	Compass Bank	5/29/2015	8/29/2017	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,105.34	1.00%
CD	Capital One Bank USA NA	9/30/2015	10/1/2018	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,000.00	1.65%
CD	Capital One NA	9/30/2015	10/1/2018	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,000.00	1.65%
CD	Wells Fargo Bank NA	12/2/2015	12/3/2018	100.00	\$ 245,000.00	\$ 245,000.00	\$ 245,000.00	245,000.00	1.45%
CD	National Bank of NY	6/18/2014	6/18/2018	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,000.00	1.30%
					\$ 16,354,491.50	\$ 16,227,000.00	\$ 16,227,000.00	16,367,092.01	1.41%

Average Daily Flow by Month





SUMMARY OF LABOR MULTIPLIERS

		Benefit Rate
Total Employee Benefits	419,001	0.382
Total Payroll	1,098,228	
Gross G&A Costs	950,780	
Less: Member Contributions & Other Revenue	(150,000)	
G&A Costs for Distribution	800,780	
		G&A Rate
Direct Labor	611,549	1.309
G&A Costs	800,780	

FY 2016-17 Labor multiplier - thru 10/31/16	1.691
FY 2015-16 Labor multiplier	<u>2.073</u>
FY 2014-15 Labor multiplier	<u>1.850</u>
FY 2013-14 Labor multiplier	<u>2.105</u>
FY 2012-13 Labor multiplier	<u>1.938</u>
FY 2011-12 Labor multiplier	<u>2.045</u>



BENEFITS SUMMARY

(Distributed based on Actual Labor)

<u>G/L Acct</u>	<u>Description</u>	<u>Budget</u>	<u>Actual @ 10/31/16</u>	<u>Projected FYE 2017</u>
70101	FICA Expense	164,717 \$	44,677 \$	134,031
70102	Medicare Expense	45,897 \$	14,150 \$	42,450
70103	State Unemployment Insurance	6,300 \$	631 \$	6,300
70104	Worker's Compensation Insurance	55,513 \$	22,058 \$	66,174
70105	State Disability Insurance	21,764 \$	5,633 \$	16,899
70106	PERS Pension Plan	557,936 \$	180,339 \$	541,018
70111	Medical Expense	363,995 \$	115,847 \$	347,541
70112	Dental Expense	28,554 \$	7,950 \$	23,850
70113	Vision Insurance	7,299 \$	2,177 \$	6,531
70114	Life Insurance Expense	12,092 \$	4,000 \$	12,000
70115	Long Term Disability	15,017 \$	4,806 \$	14,418
70116	Wellness Program Expense	3,250 \$	626 \$	1,878
70117	401a Profit Sharing - Employers Contribution	4,907 \$	4,907 \$	4,907
70120	Car Allowance	30,000 \$	11,200 \$	33,600
	Total Benefits	1,317,241	419,001	1,251,597
	Total Payroll	3,135,315 \$	1,098,228 \$	3,294,685
	Benefits Rate	42.0%	38.2%	38.0%

Santa Ana Watershed Project Authority
 Labor Hours Budget vs Actual
 Month Ending October 31, 2016

	Fund	Budget	Actual	%
100	General & Administrative	25,603	7,478	29.21%
130	Prop 84 Round 1 Administration	570	203	35.66%
135	Prop 84 Round 2 Administration	830	219	26.36%
140	Prop 84 2014 Drought Administration	1,080	132	12.22%
145	Prop 84 Final Round Administration	3,390	418	12.34%
240	Brine Line Enterprise	17,055	5,833	34.20%
320	Brine Line Protection	415	-	0.00%
326	Reach V Capital Repairs	440	984	223.69%
327	Reach IV-D Corrosion Repairs	1,338	-	0.00%
370-01	General Basin Planning	2,286	772	33.78%
370-02	USBR Partnership Studies	110	2	1.36%
372	Imported Water Recharge	60	14	22.92%
373	Watershed Management Plan	1,640	973	59.35%
374	Basin Monitoring Program	325	282	86.77%
381	SAR Fish Conservation	113	74	65.66%
384-01	Chino TMDL Facilitation	170	77	45.44%
386MONIT	Storm Water Quality Standards TF		19	100.00%
386STORM	Storm Water Quality Standards TF	210	44	20.71%
387	Arundo Removal & Habitat Restoration	170	16	9.56%
392	Emerging Constituents	175	34	19.57%
396	Forest First	40	-	0.00%
397	Water-Energy Grant Administration	345	134	38.84%
398ADMIN	DACI Grant	-	106	100.00%
477TMDL	LESJWA - TMDL Task Force	590	249	42.25%
477-02	LESJWA - Administration	305	190	62.30%
504-301A	Prop 84 2014 Drought Implementation	660	159	24.09%
504-301C	Prop 84 2014 Drought Implementation	-	255	100.00%
504-401I	Prop 84 Final Round Implementation		33	100.00%
504-401PA23	Prop 84 Final Round Implementation	-	117	100.00%
		57,920	18,816	32.49%

Note: Should be at 33.33% of budget for 4 months

COMMISSION MEMORANDUM NO. 2016.111

DATE: December 20, 2016

TO: SAWPA Commission

SUBJECT: Budget vs. Actual Variance Report - FYE 2017 1st Quarter – September 30, 2016

PREPARED BY: Karen Williams, Chief Financial Officer

RECOMMENDATION

It is recommended that the Commission receive and file the informational report on FYE 2017 First Quarter Budget vs. Actual Variance Report.

DISCUSSION

Staff has developed a Budget vs. Actual Variance Report and presents this report on a quarterly basis. Attached is the FYE 2017 Budget vs. Actual Variance Report through September 30, 2016. The Agency's net revenue was \$1,320,715, which was \$1,008,003 more favorable than budgeted. Several significant items comprise the majority of this favorable variance:

Operating Revenue was \$146,520 more than budgeted. This favorable variance is due to higher than projected BOD and TSS concentrations and raising the average imbalance of TSS to 196,000 in the imbalance billing formula.

Operating Expense was \$1,584,222 less than budgeted. This favorable variance is due to the delay of the Reach IV-D Corrosion Repair project, planned work for the Basin Monitoring Program Task Force starting later this year, and a delay in the WECAN project until the Watershed Manager position was filled in February of 2016.

Non-Operating Revenue/Expense was \$952,272 less than budgeted. This unfavorable variance is due to the delay of the Reach IV-D Corrosion Repair project and the WECAN project delay.

Favorable Revenue Variances

There were no favorable variances of \$150,000 or more individual revenue categories this quarter.

Unfavorable Revenue Variances

Listed below are explanations of unfavorable variances of \$150,000 or more for individual revenue categories:

Grant Proceeds – The 31% variance of \$336,696 is due to a delay in starting the WECAN project. The Watershed Manager was not hired until February 2016 which delayed the contract administration for the project.

Use of Reserves – The 53% variance of \$738,212 is due to the delay of the Reach IV-D Corrosion Repair project. This project has been delayed because staff has focused efforts on completing the Reach V Repair project. Once the Reach V Repair project nears completion staff will be able to focus efforts on Reach IV-D. Since the project has been delayed reserves have not been needed to fund costs.

Favorable Expense Variances

Listed below are explanations of favorable variances of \$150,000 or more for individual expense categories:

Consulting & Professional Services – The 51% variance of \$671,183 is due to the Basin Monitoring Program Task Force and the WECAN project. The Triennial Ambient Water Quality update work for the Basin Monitoring Program began recently and the SAR Wasteload Allocation Model update will begin later this year. The WECAN project was delayed until the Watershed Manager position was filled in February 2016.

Repair & Maintenance – The 76% variance of \$187,271 is due to the majority of the planned line cleaning projects being scheduled for later in the year.

Construction – The 48% variance of \$565,172 is due to the delay of the Reach IV-D Corrosion Repair project. This project has been delayed because staff has focused efforts on completing the Reach V Repair project. Once the Reach V Repair project nears completion staff will be able to focus efforts on Reach IV-D.

Unfavorable Expense Variances

There were no unfavorable variances of \$150,000 or more for expense categories this quarter.

RESOURCE IMPACTS

None.

Attachment:

1. Variance Report

CM 2016.111 Variance Rpt_1st Qtr FYE 2017

Santa Ana Watershed Project Authority
 FYE 2017 Budget vs. Actual
 for the Period Ending September 30, 2016

Consolidated

	FYE 2017 Budget	3-Month Budget	YTD Actual	Favorable (Unfavorable) Variance	
Operating Revenue					
Discharge Fees	\$10,417,137	\$2,604,284	\$2,750,804	\$146,520	5.63%
Total Operating Revenue	10,417,137	2,604,284	2,750,804	146,520	5.63%
Operating Expenses					
Labor	3,323,390	830,848	818,168	12,679	1.53%
Benefits	1,441,729	360,432	355,085	5,347	1.48%
Education & Training	65,100	16,275	2,297	13,978	85.89%
Consulting & Professional Services	5,315,507	1,328,877	657,694	671,183	50.51%
Operating Costs	3,157,001	789,250	758,070	31,180	3.95%
Repair & Maintenance	986,085	246,521	59,250	187,271	75.97%
Phone & Utilities	80,500	20,125	19,021	1,104	5.48%
Equipment & Computers	303,760	75,940	70,001	5,939	7.82%
Meeting & Travel	115,150	28,788	5,362	23,425	81.37%
Other Administrative Costs	267,770	66,943	40,349	26,594	39.73%
Other Expense	363,013	90,753	50,405	40,349	44.46%
Construction	4,750,000	1,187,500	622,328	565,172	47.59%
Indirect Costs	0	0	0	0	100.00%
Total Operating Expenses	20,169,005	5,042,251	3,458,030	1,584,222	31.42%
Net Operating Revenue / (Deficit)	-9,751,868	-2,437,967	-707,226	-1,437,702	58.97%
Non-Operating Revenue (Expense)					
Member Agency Contributions	1,553,879	1,422,950	1,525,409	102,459	7.20%
Other Agency Contributions	832,306	668,079	729,678	61,599	9.22%
Grant Proceeds	4,296,937	1,074,234	737,538	-336,696	-31.34%
Financing Proceeds	171,782	42,946	53,169	10,223	23.81%
Mitigation Credit Sales	44,490	11,123	0	-11,123	-100.00%
Debt Service	-3,028,588	-1,482,528	-1,482,528	0	0.00%
T-Strip Maturities	949,000	0	0	0	0.00%
Interest & Investments	929,952	388,129	461,957	73,828	19.02%
Other Income	0	0	416	416	100.00%
Contributions to Reserves	-2,338,809	-757,637	-642,870	-114,767	-15.15%
Use of Reserves	5,805,214	1,383,384	645,172	-738,212	-53.36%
Net Non-Operating Revenue / (Deficit)	9,216,163	2,750,679	2,027,941	-952,272	-34.62%
Net Revenue / (Deficit)	-\$535,705	\$312,712	\$1,320,715	\$1,008,003	

Santa Ana Watershed Project Authority
 FYE 2017 Budget vs. Actual
 for the Period Ending September 30, 2016
General Fund

	FYE 2017 Budget	3-Month Budget	YTD Actual	Favorable (Unfavorable) Variance	
Operating Revenue					
Total Operating Revenue	\$0	\$0	\$0	\$0	0.00%
Operating Expenses					
Labor	1,543,505	385,876	377,542	8,335	2.16%
Benefits	669,592	167,398	163,853	3,545	2.12%
Education & Training	56,300	14,075	2,297	11,778	83.68%
Consulting & Professional Services	210,000	52,500	75,744	-23,244	-44.27%
Operating Costs	7,500	1,875	1,930	-55	-2.95%
Repair & Maintenance	131,085	32,771	14,589	18,183	55.48%
Phone & Utilities	71,000	17,750	17,291	459	2.59%
Equipment & Computers	212,710	53,178	67,235	-14,057	-26.43%
Meeting & Travel	83,650	20,913	2,925	17,987	86.01%
Other Administrative Costs	187,470	46,868	14,326	32,542	69.43%
Other Expense	105,800	26,450	8,790	17,660	66.77%
Indirect Costs	-2,809,885	-702,471	-695,749	-6,722	0.96%
Total Operating Expenses	468,727	117,182	50,772	66,411	56.67%
Net Operating Revenue / (Deficit)	-468,727	-117,182	-50,772	-66,411	56.67%
Non-Operating Revenue (Expense)					
Member Agency Contributions	699,307	699,307	699,305	-2	0.00%
Interest & Investments	0	0	5,810	5,810	100.00%
Other Income	0	0	416	416	100.00%
Building Reserve	-100,000	-100,000	-100,000	0	0.00%
Retiree Medical Reserve	-130,580	-130,580	-15,805	-114,775	-87.90%
Net Non-Operating Revenue / (Deficit)	468,727	468,727	589,726	-108,551	-23.16%
Net Revenue / (Deficit)	\$0	\$351,545	\$538,953	\$187,408	

Santa Ana Watershed Project Authority
 FYE 2017 Budget vs. Actual
 for the Period Ending September 30, 2016
Brine Line Enterprise Fund

	FYE 2017 Budget	3-Month Budget	YTD Actual	Favorable (Unfavorable) Variance	
Operating Revenue					
Discharge Fees	\$10,417,137	\$2,604,284	\$2,750,804	\$146,520	5.63%
Total Operating Revenue	10,417,137	2,604,284	2,750,804	146,520	5.63%
Operating Expenses					
Labor	902,635	225,659	224,953	705	0.31%
Benefits	391,574	97,894	97,630	264	0.27%
Education & Training	8,800	2,200	0	2,200	100.00%
Consulting & Professional Services	335,000	83,750	33,566	50,184	59.92%
Operating Costs	3,144,501	786,125	754,455	31,670	4.03%
Repair & Maintenance	855,000	213,750	44,662	169,088	79.11%
Phone & Utilities	9,500	2,375	1,730	645	27.15%
Equipment & Computers	91,050	22,763	2,766	19,996	87.85%
Meeting & Travel	8,250	2,063	51	2,011	97.51%
Other Administrative Costs	49,950	12,488	5,240	7,247	58.03%
Other Expense	209,713	52,428	39,582	12,847	24.50%
Indirect Costs	1,424,978	356,245	355,201	1,043	0.29%
Total Operating Expenses	7,430,951	1,857,740	1,559,837	297,903	16.04%
Net Operating Revenue / (Deficit)	2,986,187	746,545	1,190,967	246,068	32.96%
Non-Operating Revenue (Expense)					
Interest & Investments	929,952	388,129	450,448	62,319	16.06%
Debt Service	-3,028,588	-1,482,528	-1,482,528	0	0.00%
T-Strip Maturities	949,000	0	0	0	0.00%
Use of Reserves	271,679	0	0	0	0.00%
Contributions to Reserves	-2,108,229	-527,057	-527,065	8	0.00%
Net Non-Operating Revenue / (Deficit)	-2,986,187	-1,621,456	-1,559,145	62,326	-3.84%
Net Revenue / (Deficit)	\$0	-\$874,912	-\$368,177	\$506,734	

Santa Ana Watershed Project Authority
 FYE 2017 Budget vs. Actual
 for the Period Ending September 30, 2016
Planning Fund

	FYE 2017 Budget	3-Month Budget	YTD Actual	Favorable (Unfavorable) Variance	
Operating Revenue					
Total Operating Revenue	\$0	\$0	\$0	\$0	0.00%
Operating Expenses					
Labor	210,954	52,739	59,748	-7,009	-13.29%
Benefits	91,515	22,879	25,931	-3,052	-13.34%
Consulting & Professional Services	70,000	17,500	0	17,500	100.00%
Meeting & Travel	8,900	2,225	2,324	-99	-4.44%
Other Administrative Costs	10,650	2,663	10,733	-8,070	-303.11%
Other Expense	2,400	600	210	390	65.00%
Indirect Costs	333,032	83,258	94,342	-11,084	-13.31%
Total Operating Expenses	727,451	181,863	193,287	-11,424	-6.28%
Net Operating Revenue / (Deficit)	-727,451	-181,863	-193,287	11,424	-6.28%
Non-Operating Revenue (Expense)					
Member Agency Contributions	670,000	670,000	670,000	0	0.00%
Federal Grant Proceeds	50,000	12,500	0	-12,500	-100.00%
Interest & Investments	0	0	1,089	1,089	100.00%
Net Non-Operating Revenue / (Deficit)	720,000	682,500	671,090	-11,410	-1.67%
Net Revenue / (Deficit)	-\$7,451	\$500,637	\$477,803	-\$22,834	

Santa Ana Watershed Project Authority
 FYE 2017 Budget vs. Actual
 for the Period Ending September 30, 2016
Grant / Contract Fund

	FYE 2017 Budget	3-Month Budget	YTD Actual	Favorable (Unfavorable) Variance	
Operating Revenue					
Total Operating Revenue	\$0	\$0	\$0	\$0	0.00%
Operating Expenses					
Labor	441,409	110,352	81,993	28,359	25.70%
Benefits	191,488	47,872	35,585	12,287	25.67%
Consulting & Professional Services	2,129,037	532,259	47,747	484,512	91.03%
Meeting & Travel	8,750	2,188	62	2,126	97.17%
Other Administrative Costs	19,550	4,888	10,000	-5,113	-104.60%
Other Expense	100	25	0	25	100.00%
Construction	0	0	449,852	-449,852	-100.00%
Indirect Costs	696,846	174,212	129,467	44,744	25.68%
Total Operating Expenses	3,487,180	871,795	754,707	117,088	13.43%
Net Operating Revenue / (Deficit)	-3,487,180	-871,795	-754,707	-117,088	13.43%
Non-Operating Revenue (Expense)					
Member Agency Contributions	10,000	10,000	10,000	0	0.00%
State Grant Proceeds	3,305,398	826,350	674,226	-152,124	-18.41%
Financing Proceeds	171,782	42,946	53,169	10,223	23.81%
Net Non-Operating Revenue / (Deficit)	3,487,180	879,295	737,395	-141,900	-16.14%
Net Revenue / (Deficit)	\$0	\$7,500	-\$17,312	-\$24,812	
Project Reimbursement (Prop 84 Capital)	\$6,381,306	\$6,381,306	\$93,497	-\$6,287,809	

Santa Ana Watershed Project Authority
 FYE 2017 Budget vs. Actual
 for the Period Ending September 30, 2016
Collaborative Project Fund

	FYE 2017 Budget	3-Month Budget	YTD Actual	Favorable (Unfavorable) Variance	
Operating Revenue					
Total Operating Revenue	\$0	\$0	\$0	\$0	0.00%
Operating Expenses					
Labor	93,424	23,356	21,070	2,286	9.79%
Benefits	40,529	10,132	9,144	988	9.75%
Consulting & Professional Services	2,083,970	520,993	189,036	331,957	63.72%
Operating Costs	5,000	1,250	1,685	-435	-34.78%
Meeting & Travel	600	150	0	150	100.00%
Other Administrative Costs	150	38	50	-13	-33.33%
Construction	150,000	37,500	0	37,500	100.00%
Indirect Costs	147,488	36,872	33,270	3,602	9.77%
Total Operating Expenses	2,521,161	630,290	254,255	376,035	59.66%
Net Operating Revenue / (Deficit)	-2,521,161	-630,290	-254,255	-376,035	59.66%
Non-Operating Revenue (Expense)					
Member Agency Contributions	174,572	43,643	146,104	102,461	234.77%
Other Agency Contributions	832,306	668,079	729,678	61,599	9.22%
State Grant Proceeds	941,539	235,385	63,312	-172,072	-73.10%
Mitigation Credit Sales	44,490	11,123	0	-11,123	-100.00%
Interest & Investments	0	0	4,610	4,610	100.00%
Net Non-Operating Revenue / (Deficit)	1,992,907	958,229	943,704	-14,525	-1.52%
Net Revenue / (Deficit)	-\$528,254	\$327,939	\$689,449	\$361,510	

Santa Ana Watershed Project Authority
 FYE 2017 Budget vs. Actual
 for the Period Ending September 30, 2016
Capital Fund

	FYE 2017 Budget	3-Month Budget	YTD Actual	Favorable (Unfavorable) Variance	
Operating Revenue					
Total Operating Revenue	\$0	\$0	\$0	\$0	0.00%
Operating Expenses					
Labor	131,463	32,866	52,862	-19,996	-60.84%
Benefits	57,031	14,258	22,942	-8,684	-60.91%
Consulting & Professional Services	487,500	121,875	311,601	-189,726	-155.67%
Meeting & Travel	5,000	1,250	0	1,250	100.00%
Other Expense	45,000	11,250	1,823	9,427	83.80%
Construction	4,600,000	1,150,000	172,475	977,525	85.00%
Indirect Costs	207,541	51,885	83,469	-31,584	-60.87%
Total Operating Expenses	5,533,535	1,383,384	645,172	738,212	53.36%
Net Operating Revenue / (Deficit)	-5,533,535	-1,383,384	-645,172	-738,212	53.36%
Non-Operating Revenue (Expense)					
Use of Reserves	5,533,535	1,383,384	645,172	-738,212	-53.36%
Net Non-Operating Revenue / (Deficit)	5,533,535	1,383,384	645,172	-738,212	-53.36%
Net Revenue / (Deficit)	\$0	\$0	\$0	\$0	

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The background of the slide is a collage of financial-related images. It includes a blue-toned bar chart with five bars of varying heights, a line graph showing fluctuations, a pie chart, and various financial documents and spreadsheets. The text is overlaid on a semi-transparent blue rectangular box.

Santa Ana Watershed Project Authority

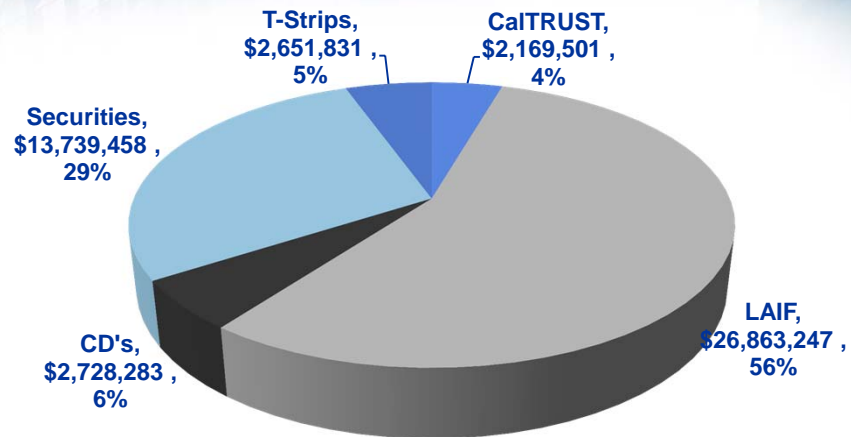
Financial Report for the Inland Empire Brine Line
Enterprise/CIP for the 1st Quarter Ending
September 30, 2016

Agenda

- Cash & Investments
- Reserve Account Balances
- Transfer, Uses & Contributions from/to Reserves
- Enterprise Performance
- Enterprise Revenues
- Enterprise Expenses
- Capital Improvement Program

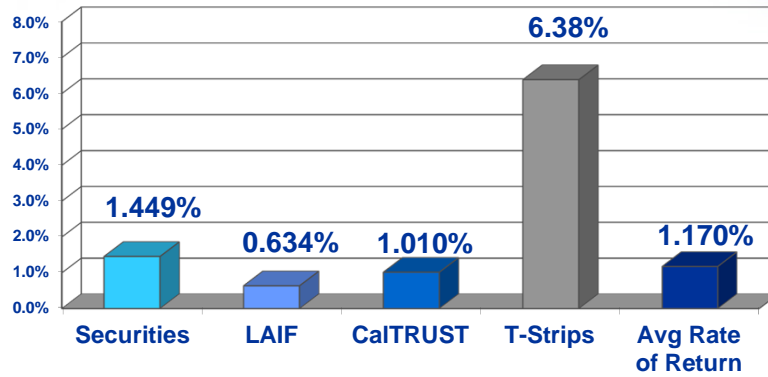
Cash & Investments

\$48,152,320



Cash & Investments

Interest Rate Analysis



Reserve Account Balances

Reserve Account	Balance
Self Insurance	\$3,748,301
Debt Retirement	5,525,034
Pipeline Replacement	18,908,927
OCSD Rehabilitation	7,087,855
Capacity Management	7,198,787
OCSD Future Capacity	1,714,869
Flow Imbalance Reserve	83,246
Operating Reserve	3,885,301
Total Reserves	\$48,152,320

Reserve Account Balances Trends

Reserve	Balance @ 12/31/15	Balance @ 03/31/16	Balance @ 06/30/16	Balance @ 09/30/16
Self Insurance	\$3,657,813	\$3,685,541	\$3,717,788	\$3,748,301
Debt Retirement	6,059,888	6,553,726	6,606,169	5,525,034
Pipeline Replacement	19,057,294	20,915,630	19,919,329	18,908,927
OCSD Rehabilitation	6,681,021	6,810,973	6,949,290	7,087,855
Capacity Mgmt	7,165,143	7,170,490	7,197,751	7,198,787
OCSD Future Capacity	1,706,851	1,708,128	1,711,499	1,714,869
Flow Imbalance Reserve	79,330	82,005	83,084	83,246
Operating Reserve	3,207,550	3,291,524	3,790,275	3,885,301
Total	\$47,614,890	\$50,218,017	\$49,975,185	\$48,152,320

Transfers, Use and Contributions To/From Reserves

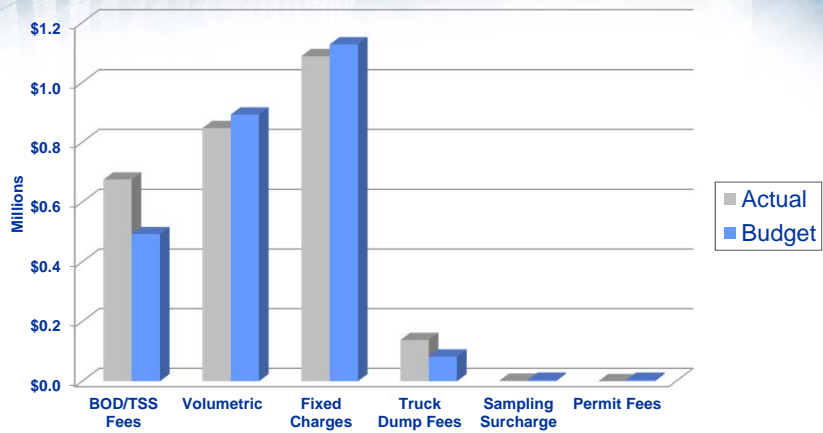
- **Pipeline Replacement Reserve**
 - Contribution of \$250,000
- **Capacity Management Reserve**
 - Contribution of \$74,750 (OCFCD loan payment)
- **OCSD Rehabilitation Reserve**
 - Contribution of \$125,003
- **Self Insurance Reserve**
 - Contribution of \$25,000
- **Debt Service Reserve**
 - Contribution of \$127,062

Total Operating Revenues

Source	Total	Budget	Variance Positive/(Negative)
BOD/TSS Fees	\$675,292	\$493,063	\$182,229
Volumetric Fees	847,065	892,320	(45,255)
Fixed Charges	1,088,028	1,126,902	(38,874)
Truck Discharge	138,300	82,688	55,612
Sampling Surcharge	2,120	4,375	(2,255)
Permit Fees	0	4,938	(4,938)
Total Operating Revenues	\$2,750,805	\$2,604,286	(\$146,519)

Operating Revenues vs. Budget

Budget vs. Actual

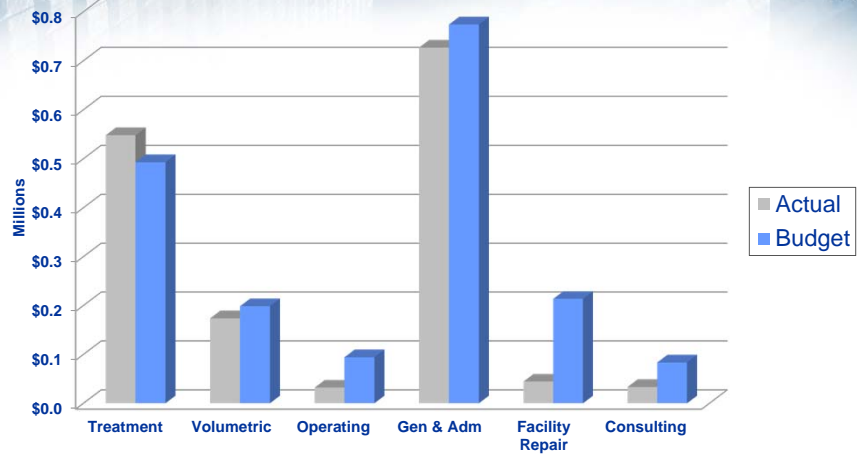


Total Operating Expenses

Source	Total	Budget	Variance Positive/(Negative)
Treatment Costs	(\$548,149)	(\$493,063)	\$55,086
Volumetric Costs	(174,047)	(198,688)	(24,641)
Operating Costs	(32,259)	(94,374)	(62,115)
General & Administration	(727,153)	(774,115)	(46,962)
Facility Repair & Maintenance	(44,662)	(213,750)	(169,088)
Consulting & Professional Services	(33,566)	(83,750)	(50,184)
Total Operating Expenses	(\$1,559,837)	(\$1,857,740)	(\$297,903)

Operating Expenses vs. Budget

Budget vs. Actual



Enterprise Performance

Flow, BOD, TSS Actual vs. OCSD Billing

	SAWPA Billed	OCSD Billing	Difference
Total Flow (MG)	992.777	993.590	(0.813)
Total BOD (1,000 lbs)	374.761	364.608	10.153
Total TSS (1,000 lbs)	1,182.262	1,151.829	30.433
BOD cost per 1,000 lbs	\$307.00	\$278.14	\$28.86
TSS cost per 1,000 lbs	\$429.00	\$387.85	\$41.15

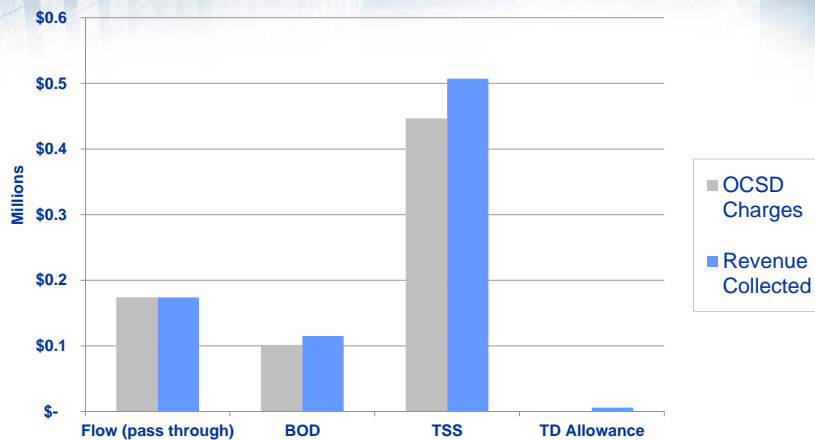
Enterprise Performance

OCSD Flow, BOD & TSS Charges vs. Revenue Billed

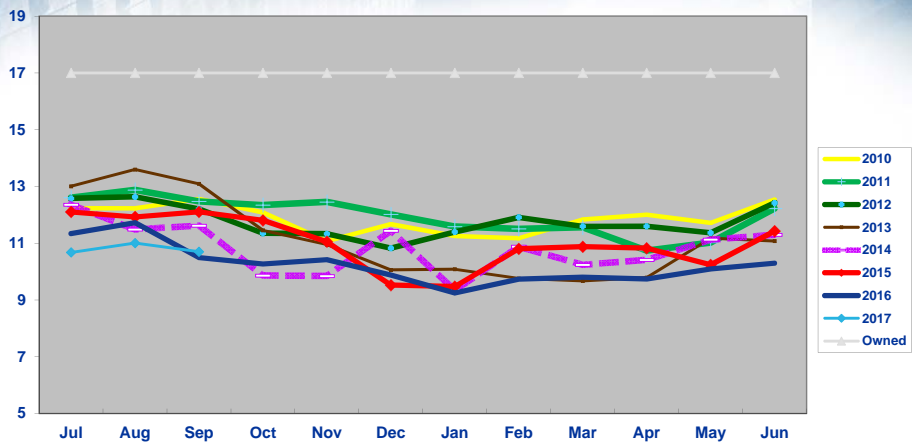
	Revenue Billed	OCSD Charges	Difference
Flow (pass through)	\$173,905	\$174,047	(\$142)
BOD	115,051	101,412	13,639
TSS	507,190	446,737	60,453
TD Allowance	5,864	0	5,864
Total	\$802,010	\$722,196	\$79,814

Enterprise Performance

OCSD Flow, BOD & TSS Charges vs. Revenue Collected

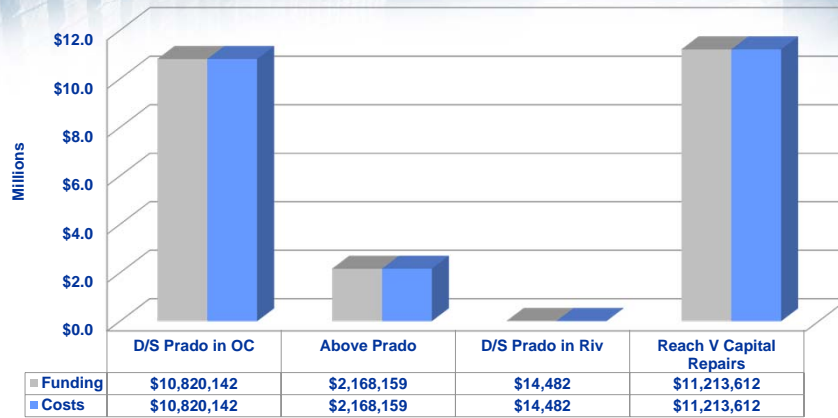


Average Daily Flow by Month



Capital Project Fund

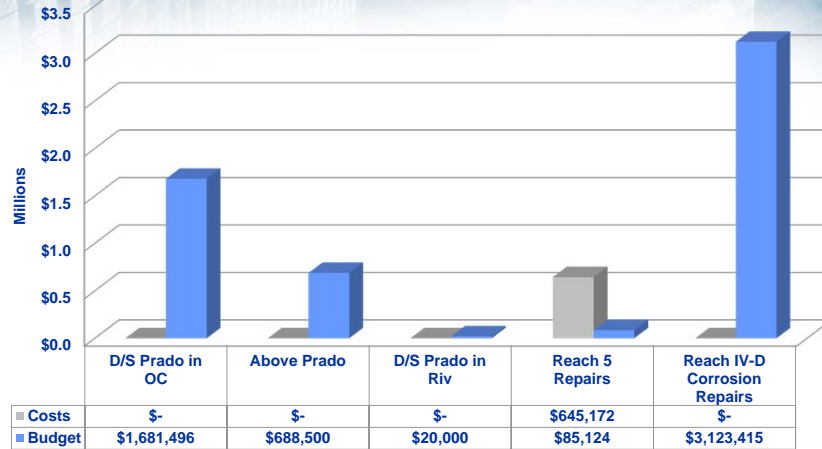
Costs (Project to Date) vs. Funding



Funding = Reserves

Capital Project Fund

Costs vs. Budget

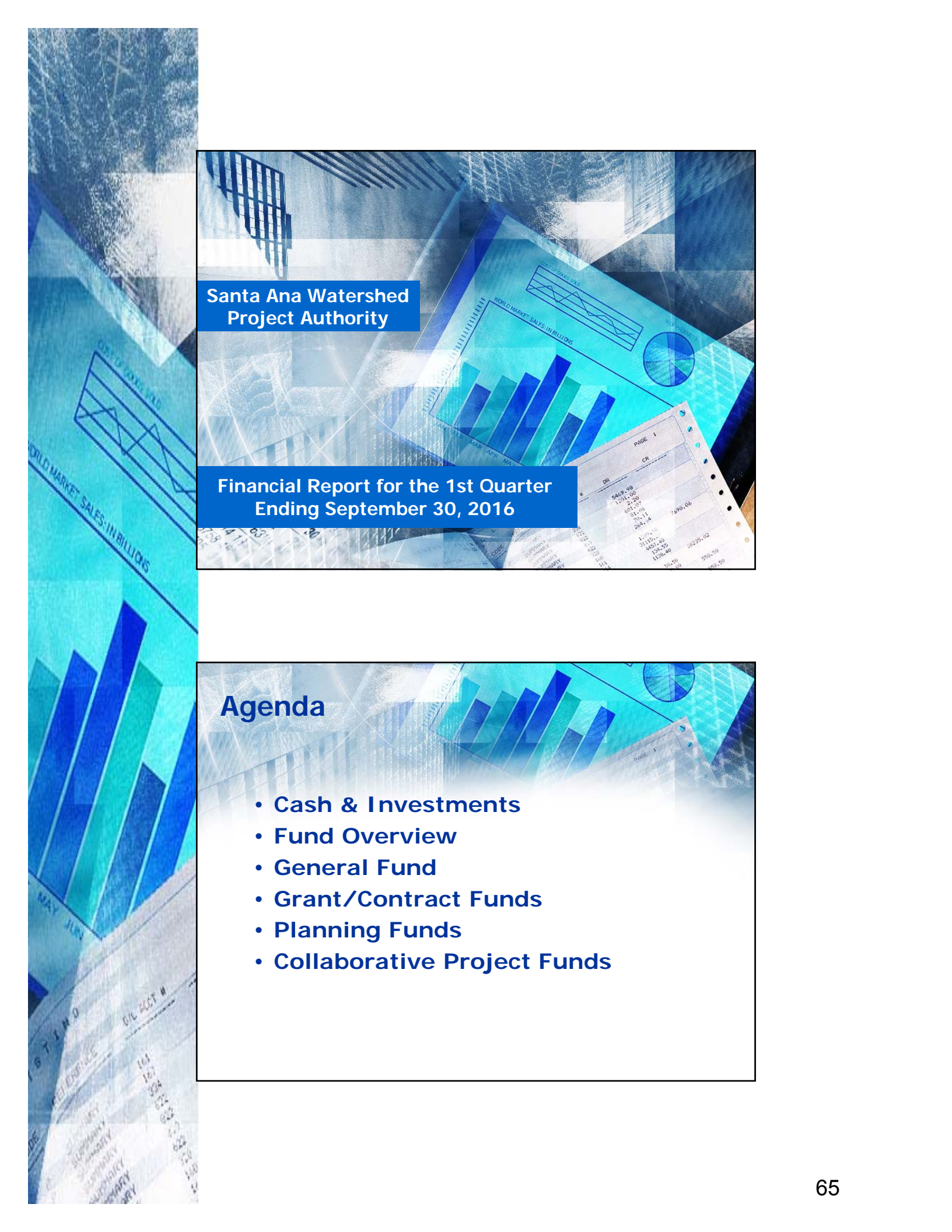


Capital Project Fund (320)

Brine Line Protection / Relocation Projects

- **D/S Prado in OC** – emergency protection work, pipeline relocation
- **Above Prado** - pipeline relocation and manhole lid adjustments – when required
- **D/S Prado in Riv County** – bank armoring



The background of the slide is a collage of financial documents and charts. It features a bar chart with blue bars, a line graph with a fluctuating line, and a pie chart. There are also various tables and spreadsheets visible, some with columns labeled 'DR', 'CR', and 'PAGE'. The overall color scheme is blue and white.

Santa Ana Watershed Project Authority

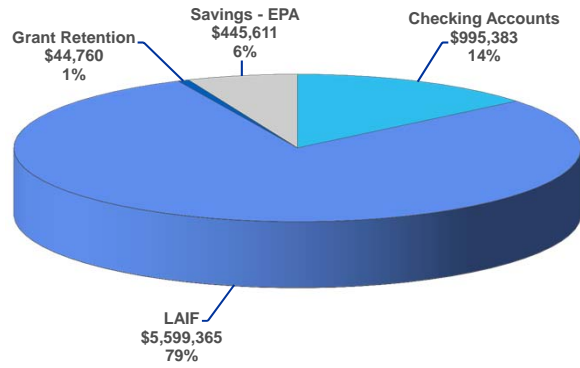
Financial Report for the 1st Quarter Ending September 30, 2016

Agenda

- Cash & Investments
- Fund Overview
- General Fund
- Grant/Contract Funds
- Planning Funds
- Collaborative Project Funds

Cash & Investments

\$7,085,119



Cash & Investments

Total by Fund

General Fund	\$3,137,411
Planning Fund	675,677
Collaborative Project Funds	2,781,660
Grant/Contract Fund	490,371
Total	\$7,085,119

Cash & Investments

General Funds

Fund	Checking (Cash)	LAIF Account	Total
General Fund	\$995,383	\$1,313,965	\$2,309,348
Building Reserve	0	828,063	828,063
Total	\$995,383	\$2,142,028	\$3,137,411

Cash & Investments

Planning Funds

Fund	LAIF Account	Total
General Basin Planning	\$335,211	\$335,211
USBR Partnership Studies	24,409	24,409
Watershed Mgmt Plan	296,963	296,963
Imported Water Recharge	19,094	19,094
Total	\$675,677	\$675,677

Cash & Investments

Collaborative Project Funds

Fund	LAIF Account	Total
Basin Monitoring	\$811,424	\$811,424
RWQ Monitoring TF	8,134	8,134
SAR Fish Conservation	188,830	188,830
Middle SAR TMDL TF	497,379	497,379
Emerging Constituents TF	123,226	123,226
Mitigation Banking	959,358	959,358
Energy – Water DAC Grant	193,309	193,309
Total	\$2,781,660	\$2,781,660

Cash & Investments

Grant/Contract Funds

Fund	LAIF Account	Savings EPA	Grant Retention	Total
Legal Defense Fund	\$0	\$445,611	\$0	\$445,611
Prop 13 – Grant Retention	0	0	44,760	44,760
Total	\$0	\$445,611	\$44,760	\$490,371

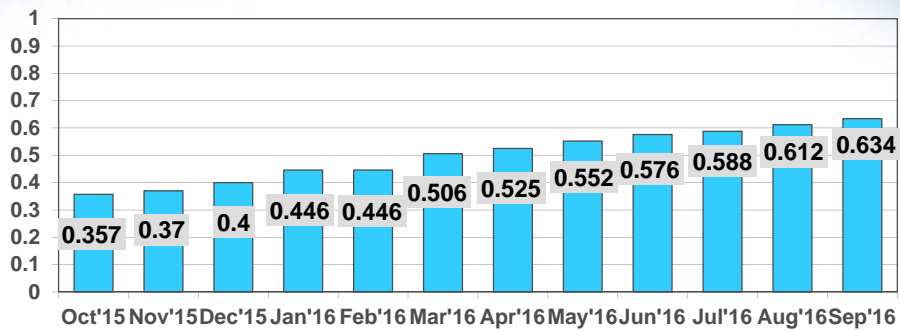
Cash & Investments

Grant Retention Balances

Agency	Project	Retention
City of Norco	Recycled Water Piping	\$44,760
	Total Retention	\$44,760

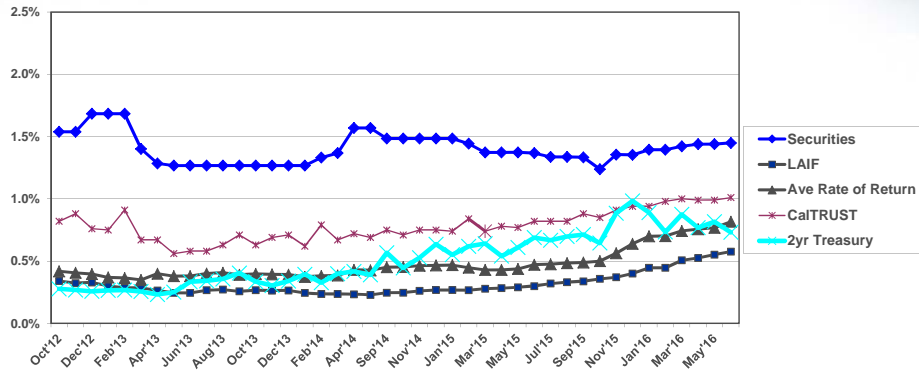
Cash & Investments

LAIF Interest Rates



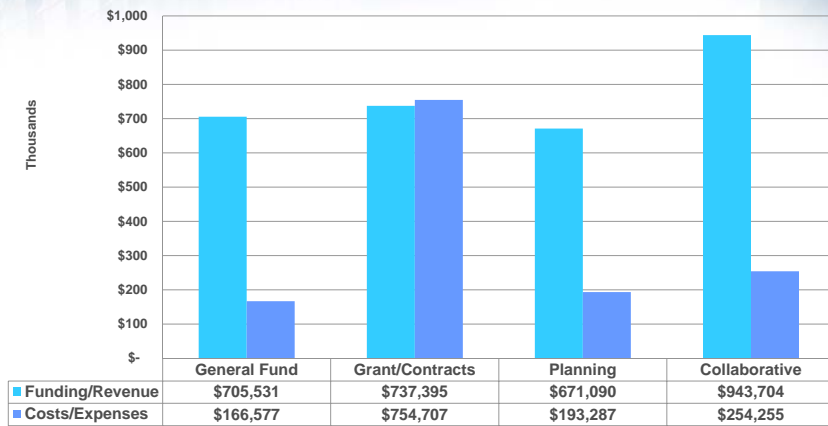
Cash & Investments

Interest Rate Comparison



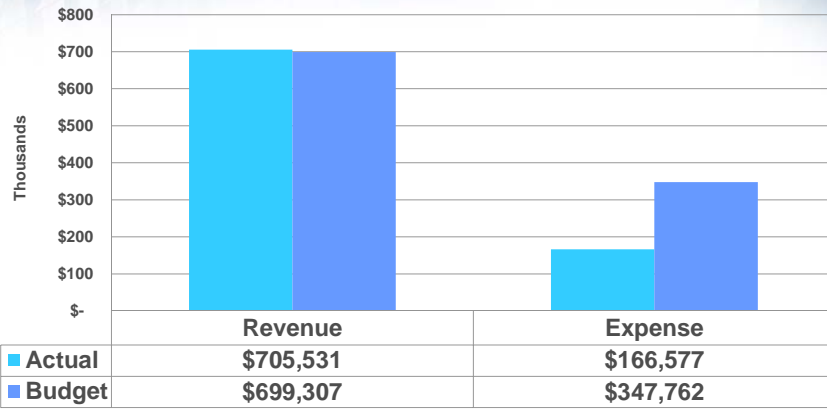
Analysis by Fund Type

Revenues and Expenses



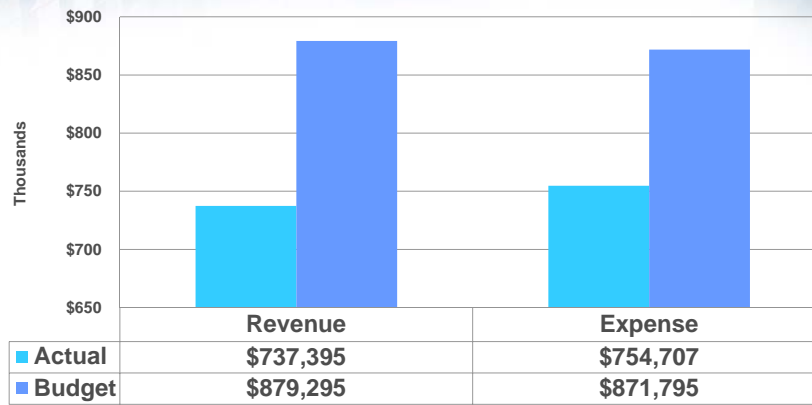
General Fund

Budget vs. Actual



Grant/Contract Funds

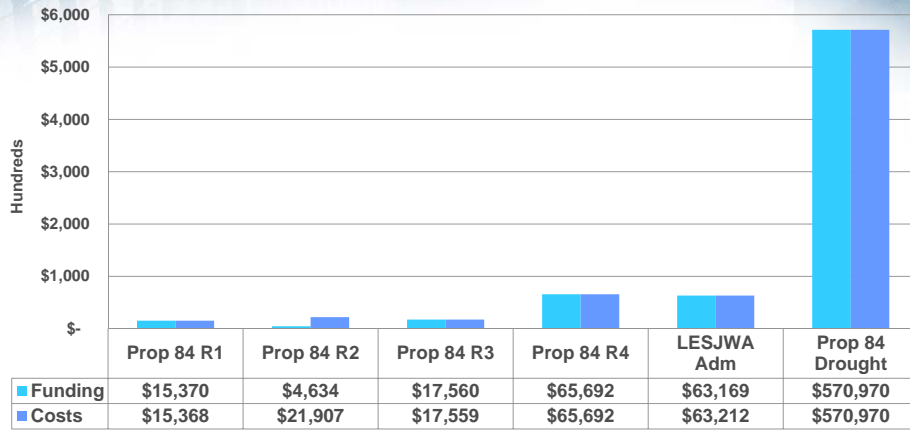
Budget vs. Actual



Project Reimbursement (Prop 84) \$93,497

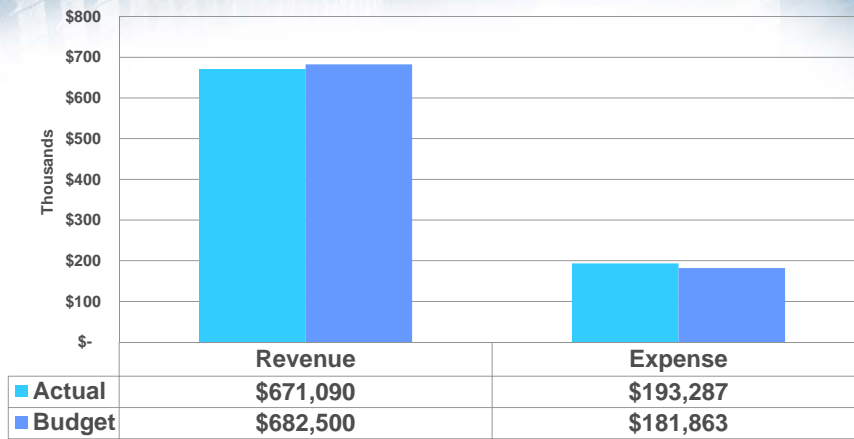
Grant/Contract Funds

Costs vs. Funding



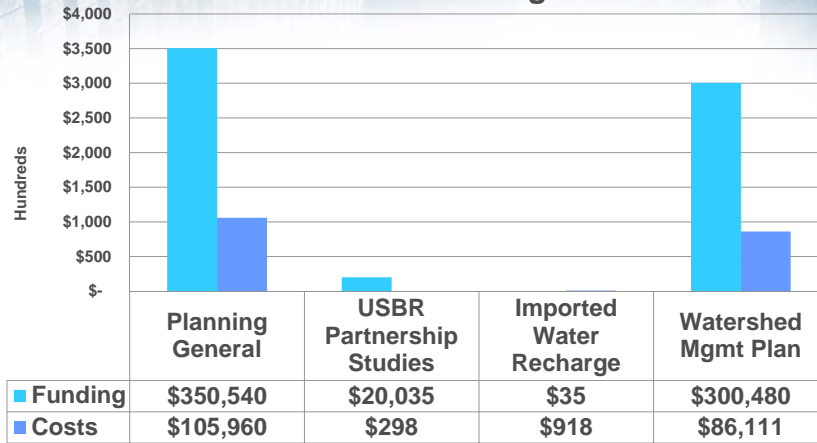
Planning Funds

Budget vs. Actual



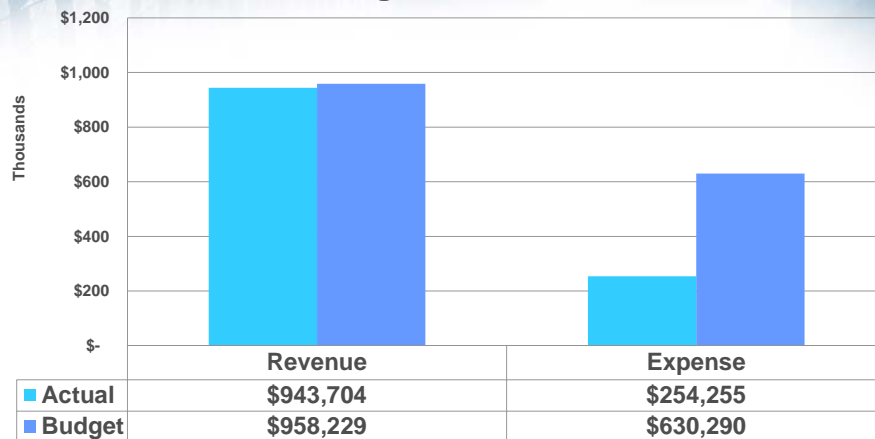
Planning Funds

Costs vs. Funding



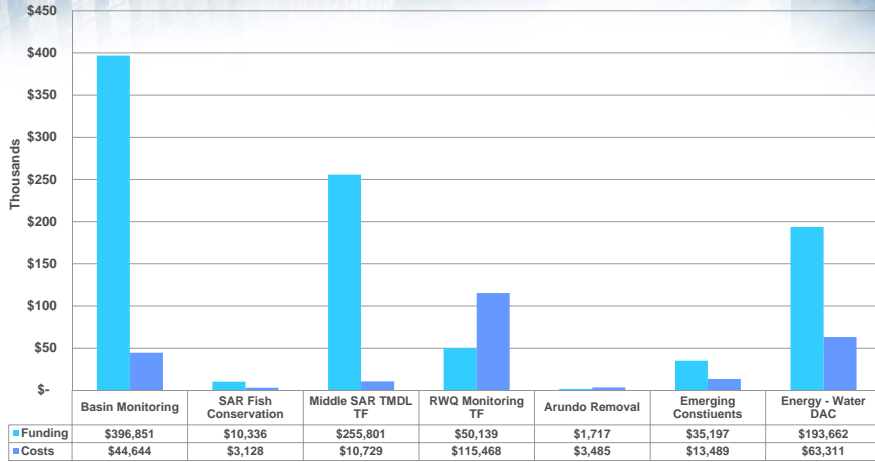
Collaborative Project Funds

Budget vs. Actual



Collaborative Project Funds

Costs vs. Funding



Questions ?

GENERAL MANAGERS MEETING NOTES

TUESDAY, DECEMBER 13, 2016

PARTICIPANTS PRESENT

Paul Jones
Joe Grindstaff
Michael Markus
Doug Headrick
John Rossi
Mark Norton
Rich Haller
Sara Villa

REPRESENTING

Eastern Municipal Water District
Inland Empire Utilities Agency
Orange County Water District
San Bernardino Valley Municipal Water District
Western Municipal Water District
Santa Ana Watershed Project Authority
Santa Ana Watershed Project Authority
Santa Ana Watershed Project Authority

PARTICIPANTS ABSENT

Celeste Cantú

Santa Ana Watershed Project Authority

CALL TO ORDER

John Rossi called the meeting to order at 8:03 a.m. at SAWPA, 11615 Sterling Avenue, Riverside, California.

OWOW UPDATE

Mark Norton advised the General Managers that SAWPA was one of 14 applicants that applied for the Planning Grant of \$250,000 for the update to the 2014 Integrated Regional Watershed Management Plan (IRWMP). The update to the IRWMP is estimated to be \$600,000 and it is expected to be done in about two years. Mark Norton stated that they want to continue the path by utilizing the services of our Pillars. A handout was distributed to the General Managers referencing an action plan with the selected Chairperson for each Pillar. The General Managers were asked to provide any suggested delegates to represent their Pillar or any comments they may have to the action plan. It was noted that the IRWMP Update Notice of Intent will be posted in the public newspaper on December 15 and 22, 2016 and a public hearing is scheduled January 17, 2017. The first Pillar Meeting is scheduled to be in February.

SANTA ANA RIVER WATERMASTER ACTION TEAM – SAR STUDY COORDINATION RFP

Mark Norton informed the General Managers that in a recent Prado Basin sustainability coordination group he learned that there was a Santa Ana River Study being proposed. It's been described as an integrated surface and groundwater modeling effort of the river. Mark Norton noted that there is a concern on the duplication of efforts because SAWPA has an RFP on the Santa Ana River Wasteload Allocation Model. Three proposals have been received by GeoSciences, David Stevens, and Wildermuth Environmental. It was asked if there could be some coordination to share the scope of work to avoid duplication. Michael Markus suggested that Mark Norton provide the RFP scope of work to Doug Headrick and they'll advise him if it's the same type of work or not.

QUALITY ASSURANCE PROGRAM

Rich Haller advised the General Managers that Nicole Weideman (Quality Assurance Manager) was hired to focus on Proposition 84. The goal is to get the invoices paid in a timely manner and be ready for the audit. Nicole is preparing a Standard Operating Procedure (SOP) for the program with a checklist that she'll use as she does site visits to record and document. The goal is to visit all of the active projects within 90 days and she will have it done by the end of this week. It was questioned how many projects are active and how many are under construction. In Rounds 1 and 2, there are roughly 30 projects that are active and 80% of them are under construction, seven (7) projects are fully complete.

UPDATES/DISCUSSION ITEMS

Brine Line Update. Rich Haller provided updates on the following:

- Reach V Repair –Rich Haller informed the General Managers that the Reach V Repair is going very well and the contractor is making good progress. By the end of next week the pipe is expected to be in the ground, pressure tested, and paving completed. The other activity that is being implemented is to divert the flow from

shots 1-10 from the bypass into the portion that was pressure tested (CIPP). Rich Haller noted that everything is on track to complete the pipe installation prior to Christmas and complete the restoration by January.

- Pretreatment Program Update:
 - Ordinance, Local Limits Update (Draft Ordinance No. 8 Local Limits Resolution) – OCSD has asked SAWPA to come up with Total Organic Carbon (TOC) language to be incorporated into Ordinance No. 8.
- Lease and Loan Capacity Pools Agreement – The Lease and Loan Capacity Pool Agreement will be taken to the SAWPA Commission for approval along with the Collection Station MOU and Ordinance No. 8.
- OCSD Audit of SAWPA (EEC) –SAWPA continues to work on the internal audit (EEC) and that involves updating the Ordinance, Policy, and Procedures.
- EPA Audit – SAWPA continues to work with the EPA Audit results from 2015.
- OCSD Rock Removal Design – Michael Baker International has been selected to do the design work on the removal of the rock and is currently preparing plans and specs.
- Potential New Dischargers (Victorville, Beaumont, Hidden Villa Ranch, Grapeland Peaker, City of Rialto) – Rich Haller noted that SAWPA has been contacted by the City of Rialto and they are working on a study for a project potentially needing brine discharge capacity of 860,000 gpd. Beaumont’s City Council selected a preferred alternative for salt management that uses the Brine Line. They are preparing a letter requesting SAWPA to approach OCSD on approval. City of Victorville is also preparing a package to request OCSD ’s approval to haul to one of the Collection Stations. Grapeland Peaker is already up and running and it is expected to be about three (3) truck loads per day.

OTHER BUSINESS

- Rich Haller noted that he worked with Craig Proctor on adding an Agenda item for December 20 on a three (3) year extension for Lewis Homes, though it is expected to be complete within a year.
- Rich Haller stated that there is a shortage statewide of qualified pretreatment personnel and the agencies usually hire within the agencies, and retirements are also a concern. We are working as a group with Valley College to talk to students about pretreatment and environmental compliance.

SCHEDULE NEXT GM MEETING

January 10, 2017, at 8:00 a.m. at SAWPA

The meeting adjourned at 8:48 a.m.

COMMISSION REVIEW: December 20, 2016

COMMISSION MEMORANDUM NO. 2016.107

DATE: December 20, 2016

TO: SAWPA Commission

SUBJECT: Reach V Rehabilitation and Improvement Project – Phase I

PREPARED BY: David Ruhl, Program Manager

RECOMMENDATION

That the Commission find that the unfinished condition of the Reach V Rehabilitation and Improvement Project (the Project) after the termination for cause of the Project contractor continues to be an emergency that requires immediate action per the Commission's prior action on August 2, 2016.

DISCUSSION

After the Commission's action on August 2, SAWPA received a letter from Charles King Company's (CKC) performance bond surety that denied SAWPA's claim. The letter terminating CKC's work under the contract was sent to CKC that day, August 2, per the Commission's action.

Upon termination, SAWPA obtained control of the above ground by-pass system. A security firm was hired to monitor the by-pass system during non-working hours including nights and weekends. SAWPA hired a Contractor, Weka, Inc. to retrieve stored material at CKC's storage yard and deliver to SAWPA's temporary storage area. On August 5, 2016 SAWPA retrieved all materials at CKC's yard and delivered to a temporary storage location at Temescal Valley Water District. SAWPA's Construction Manager is working with the CKC to obtain "redline" drawings of as-built conditions from the original construction.

SAWPA contracted with Weka, Inc. to repair and place into service segments 1 through 16 including removal of about 3,400 feet of deficient liner and PVC pipe, repair deficiencies from CKC's original construction and replace with new C905 DR 18 pipe. The removal and replacement work has started. Staff is actively seeking a replacement CIPP installer to complete Reaches 2 and 3 of the project.

None of the facts on which the Commission's findings and action were based on August 2 have changed, such that the situation still constitutes an emergency requiring urgent action.

CRITICAL SUCCESS FACTORS

1. Minimize disruptions to customers.
2. Maintain sufficient funding and reserves for current and future Capital and O&M costs through stable, predictable, and affordable rates and charges.
3. Protect and preserve and the useful life of Brine Line assets through strategic maintenance, repair, and capital improvements.
4. Operate the Brine Line to: (1) protect the OCSO treatment plant and the environment from non-compliant dischargers, and (2) eliminate any uncontrolled pipeline releases.

RESOURCE IMPACTS

The Project is being funded by the Brine Line Reserve, and is supported by an SRF loan for part of the project cost. SAWPA intends to hold the contractor and the performance bond surety responsible for completing the project within the original bid price.

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