

# SAWPA

A blue fountain pen with a silver nib is positioned diagonally across the center of the image. The pen is resting on a document that features a line graph with a blue line. The graph has a y-axis with values 0000, 0050, and 0000, and an x-axis with labels for months: Feb., Apr., Jun., and Aug. A magnifying glass is visible on the right side of the image, focusing on the graph. The background is a light blue gradient.

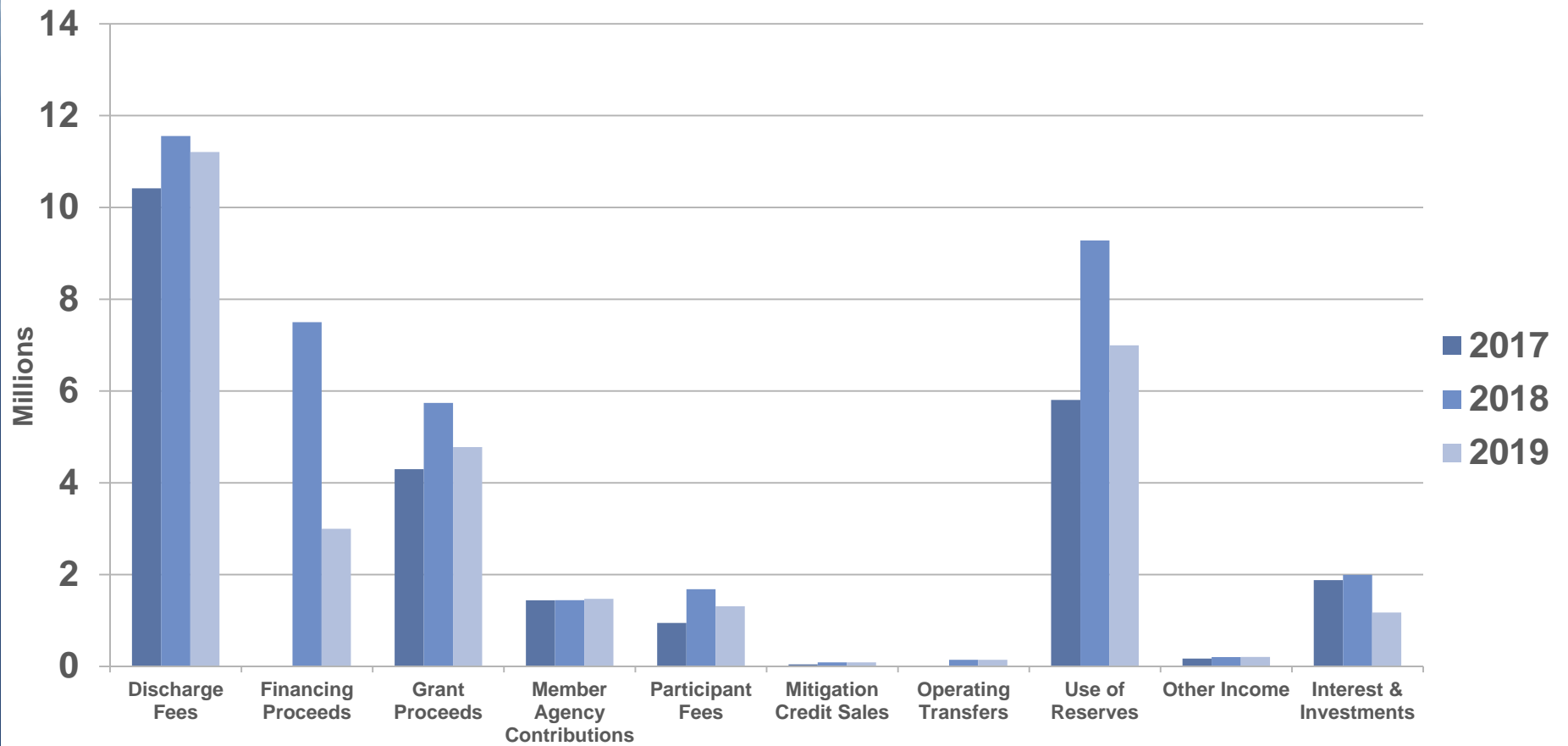
FYE 2018 and 2019 Draft  
Budget



- 1 Combined Budget**
- 2 Brine Line Operating Budget**
- 3 Brine Line Capital Budget**
- 4 OWOW Fund Budget**
- 5 Roundtables Fund Budget**
- 6 General Fund Budget**
- 7 Member Agency Contributions**



# Combined Revenues



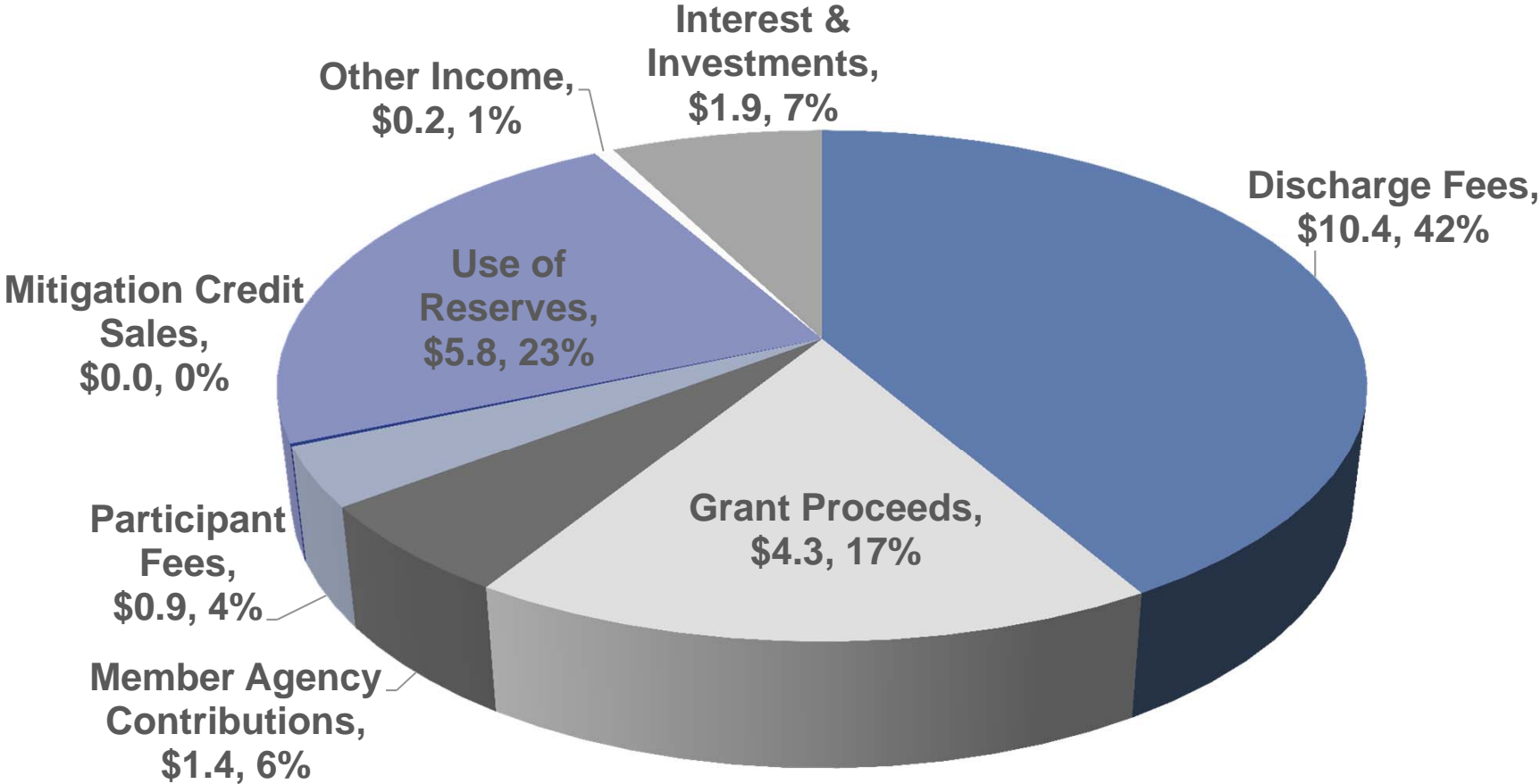


# Combined Revenues

| Revenue                     | FYE 2017 Budget     | FYE 2018 Budget     | % (Inc.)/<br>Dcr. | FYE 2019 Budget     | %(Inc.)/<br>Dcr. |
|-----------------------------|---------------------|---------------------|-------------------|---------------------|------------------|
| Discharge Fees              | \$10,417,136        | \$11,555,161        | (10.9%)           | \$11,208,867        | 3.0%             |
| Financing Proceeds          | 0                   | 7,500,000           | (100.0%)          | 3,000,000           | 60.0%            |
| Grant Proceeds              | 4,296,936           | 5,741,297           | (33.6%)           | 4,777,256           | 16.8%            |
| Member Agency Contributions | 1,439,307           | 1,442,118           | (0.2%)            | 1,471,695           | (2.1%)           |
| Participant Fees            | 946,878             | 1,682,056           | (77.6%)           | 1,309,273           | 22.2%            |
| Mitigation Credit Sales     | 44,490              | 88,980              | (100.0%)          | 88,980              | 0.0%             |
| Operating Transfers         | 0                   | 144,252             | (100.0%)          | 144,252             | 0.0%             |
| Use of Reserves             | 5,805,215           | 9,280,479           | (59.9%)           | 6,995,901           | 24.6%            |
| Other Income                | 171,782             | 202,027             | (17.6%)           | 206,674             | (2.3%)           |
| Interest & Investments      | 1,878,952           | 1,994,772           | (6.2%)            | 1,173,582           | 41.2%            |
| <b>Total</b>                | <b>\$25,000,696</b> | <b>\$39,631,141</b> | <b>(58.5%)</b>    | <b>\$30,376,479</b> | <b>23.4%</b>     |

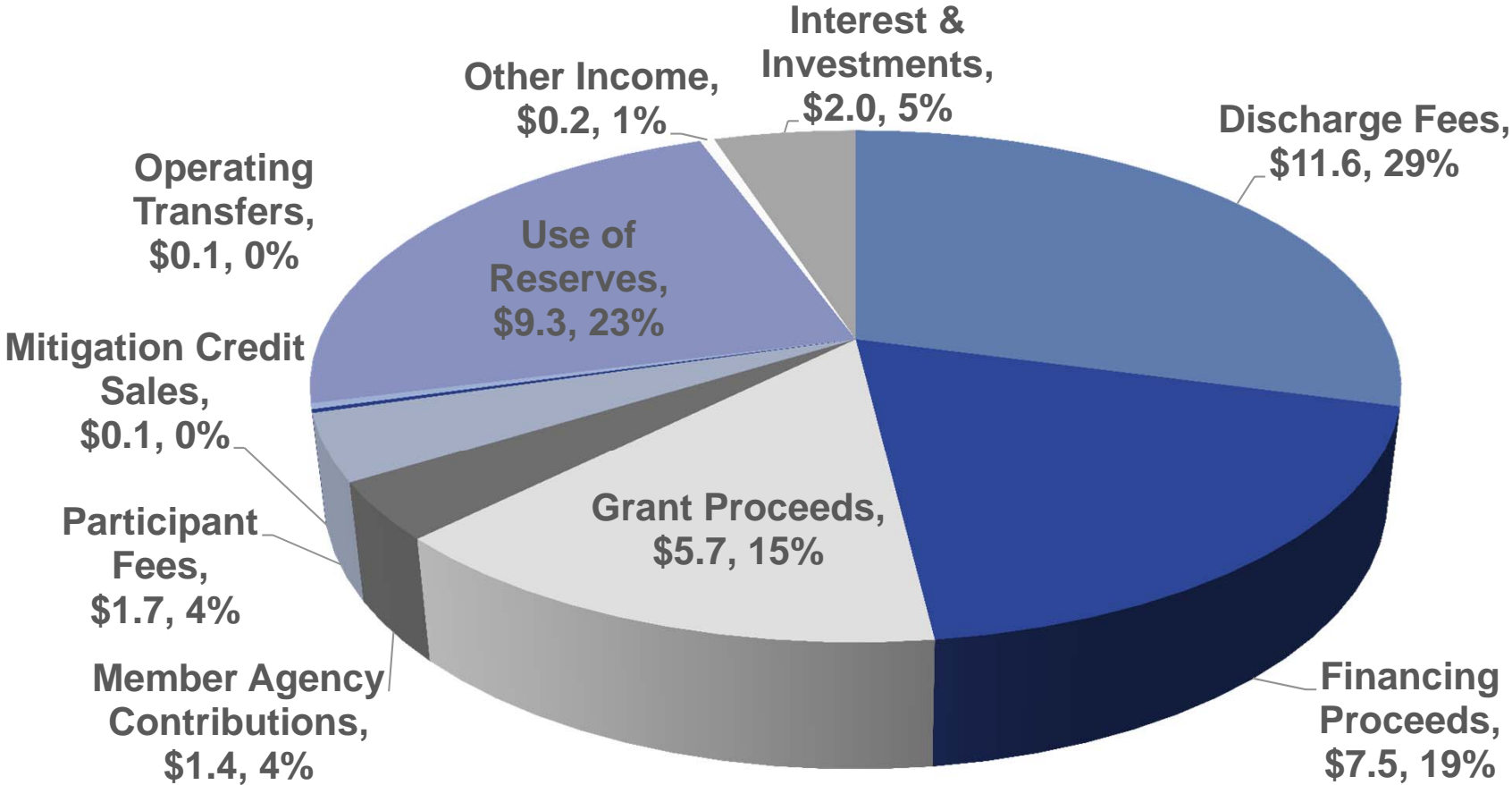
# Combined Budget

## FYE 2017 Revenues - \$25.0 M



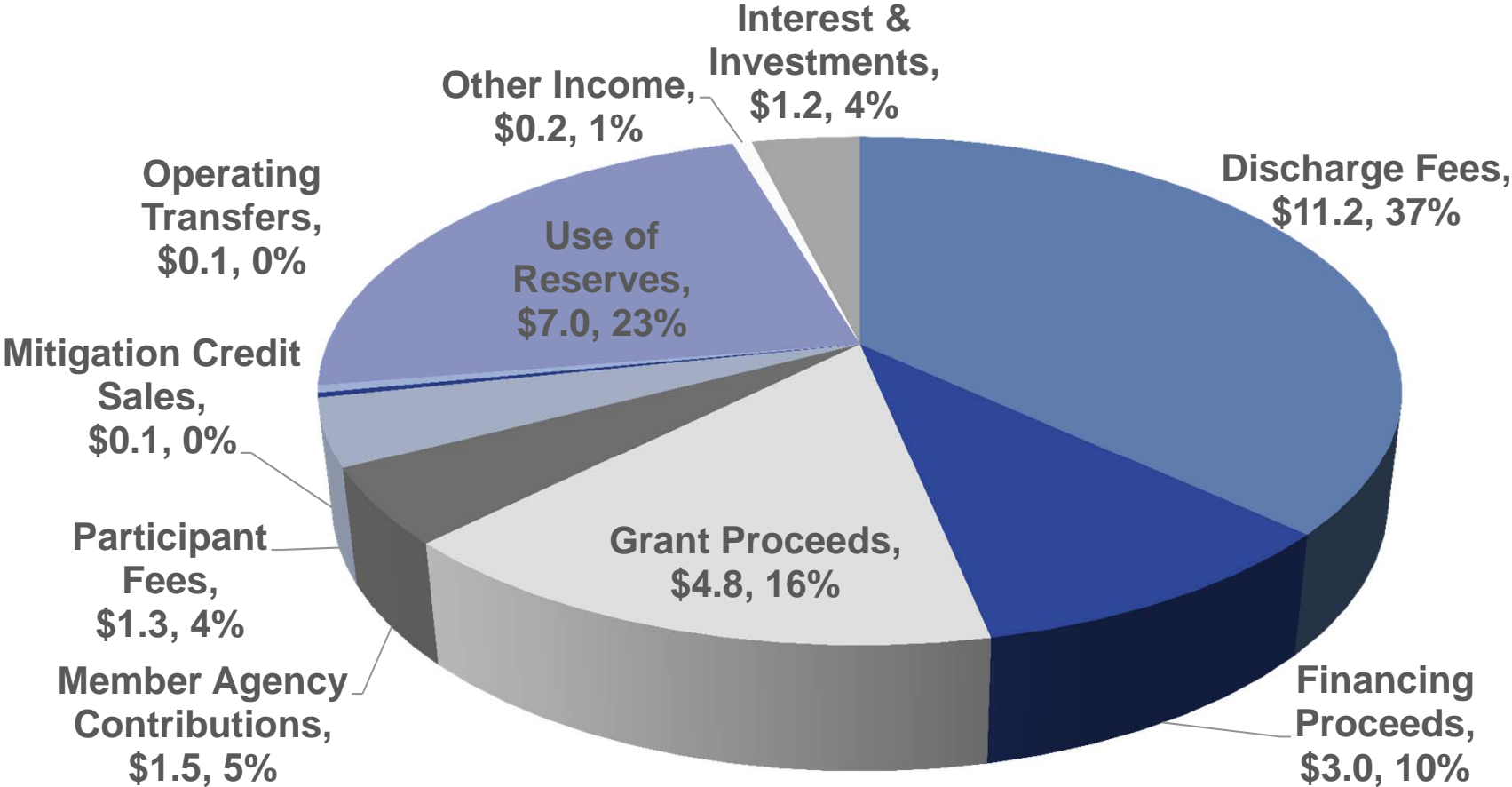
# Combined Budget

## FYE 2018 Revenues - \$39.6 M



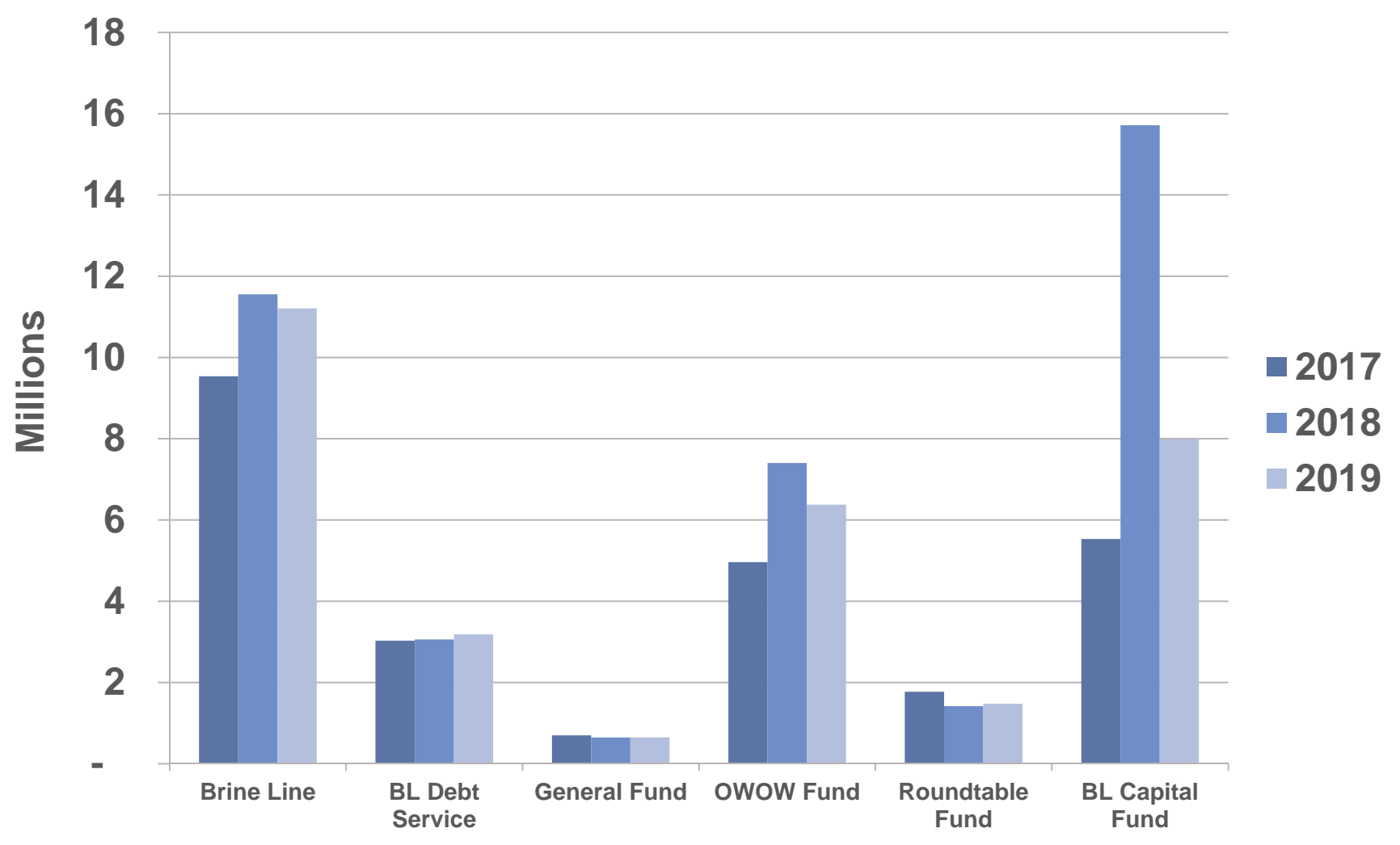
# Combined Budget

## FYE 2019 Revenues - \$30.4 M





# Combined Expenses





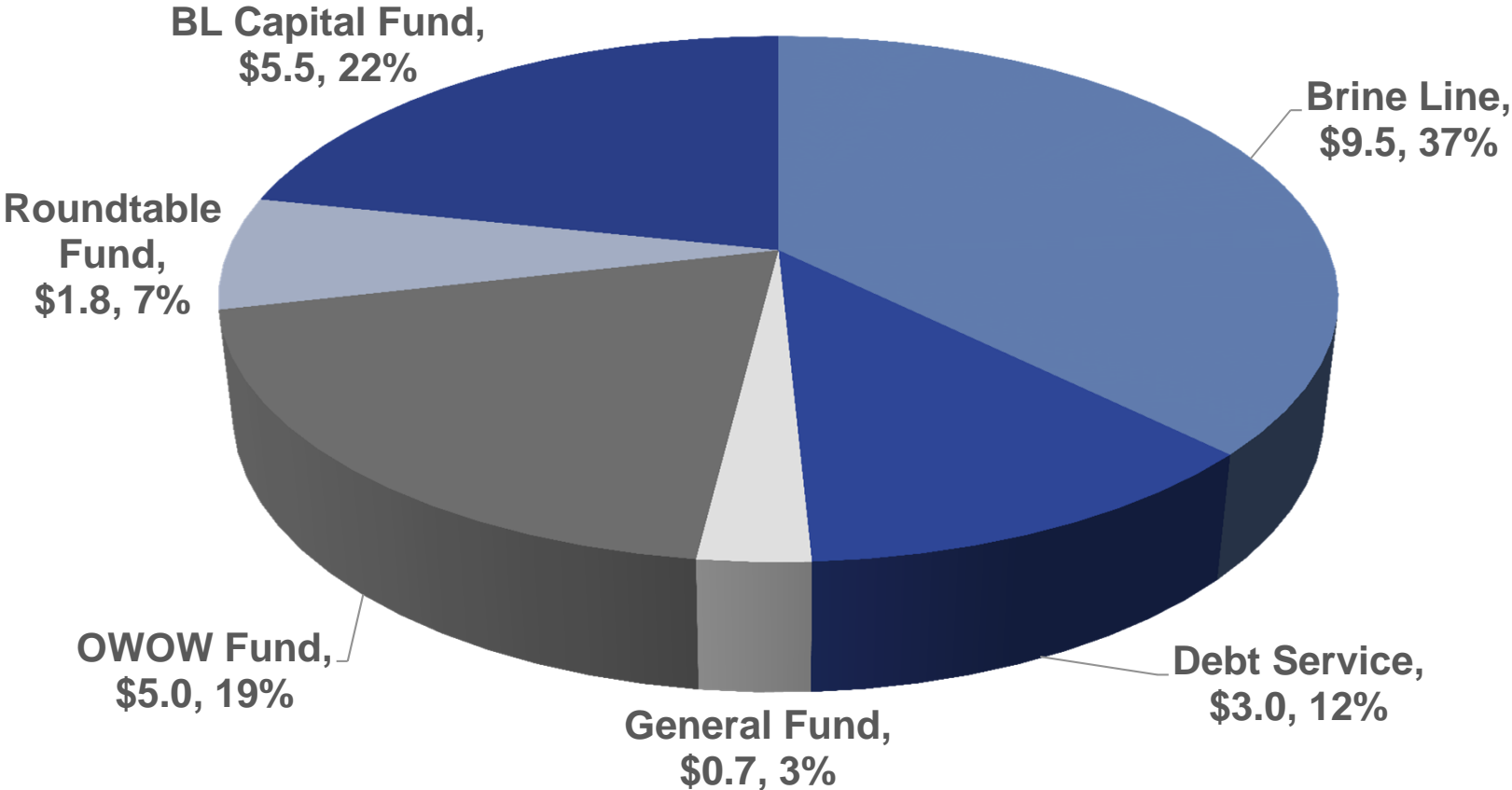


# Combined Expenses

| Revenue                    | FYE 2017 Budget     | FYE 2018 Budget     | % (Inc.)/<br>Dcr. | FYE 2019 Budget     | %(Inc.)/<br>Dcr. |
|----------------------------|---------------------|---------------------|-------------------|---------------------|------------------|
| Brine Line Enterprise Fund | \$9,539,179         | \$11,555,161        | (21.19%)          | \$11,208,867        | 3.0%             |
| Brine Line Debt Service    | 3,028,588           | 3,060,719           | (1.1%)            | 3,183,451           | (4.0%)           |
| General Fund               | 699,307             | 646,118             | 7.6%              | 650,695             | (0.7%)           |
| OWOW Fund                  | 4,963,864           | 7,403,317           | (49.1%)           | 6,380,106           | 13.8%            |
| Roundtables Fund           | 1,772,928           | 1,419,206           | 20.0%             | 1,475,981           | (4.0%)           |
| BL Capital Fund            | 5,533,536           | 15,714,532          | (184.0%)          | 7,986,032           | 49.2%            |
| <b>Total</b>               | <b>\$25,537,400</b> | <b>\$39,799,053</b> | <b>(55.8%)</b>    | <b>\$30,885,132</b> | <b>22.4%</b>     |

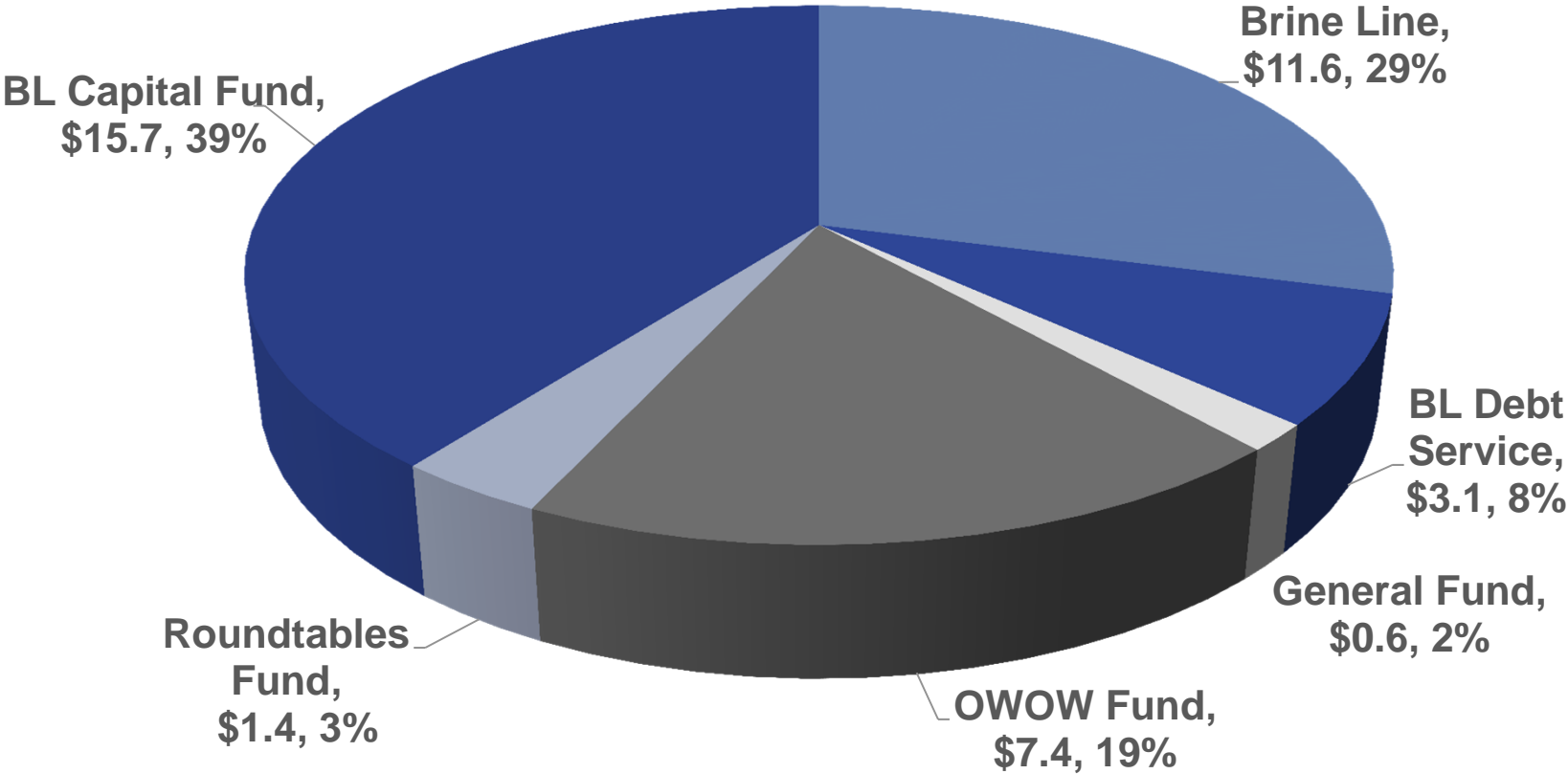
# Combined Budget

## FYE 2017 Expenses - \$25.5 M



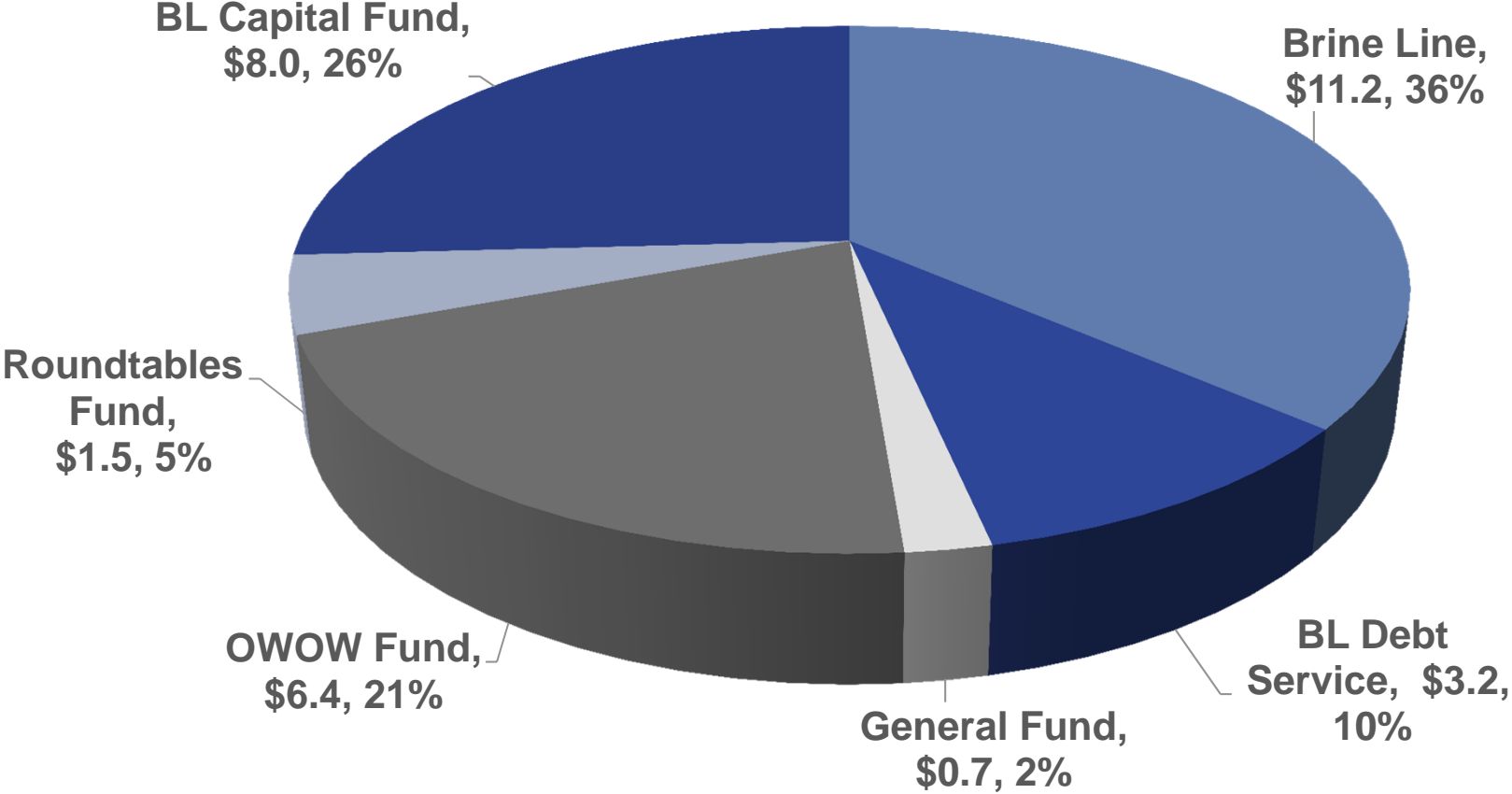
# Combined Budget

FYE 2018 Expenses - \$39.8 M



# Combined Budget

## FYE 2019 Expenses - \$30.9 M

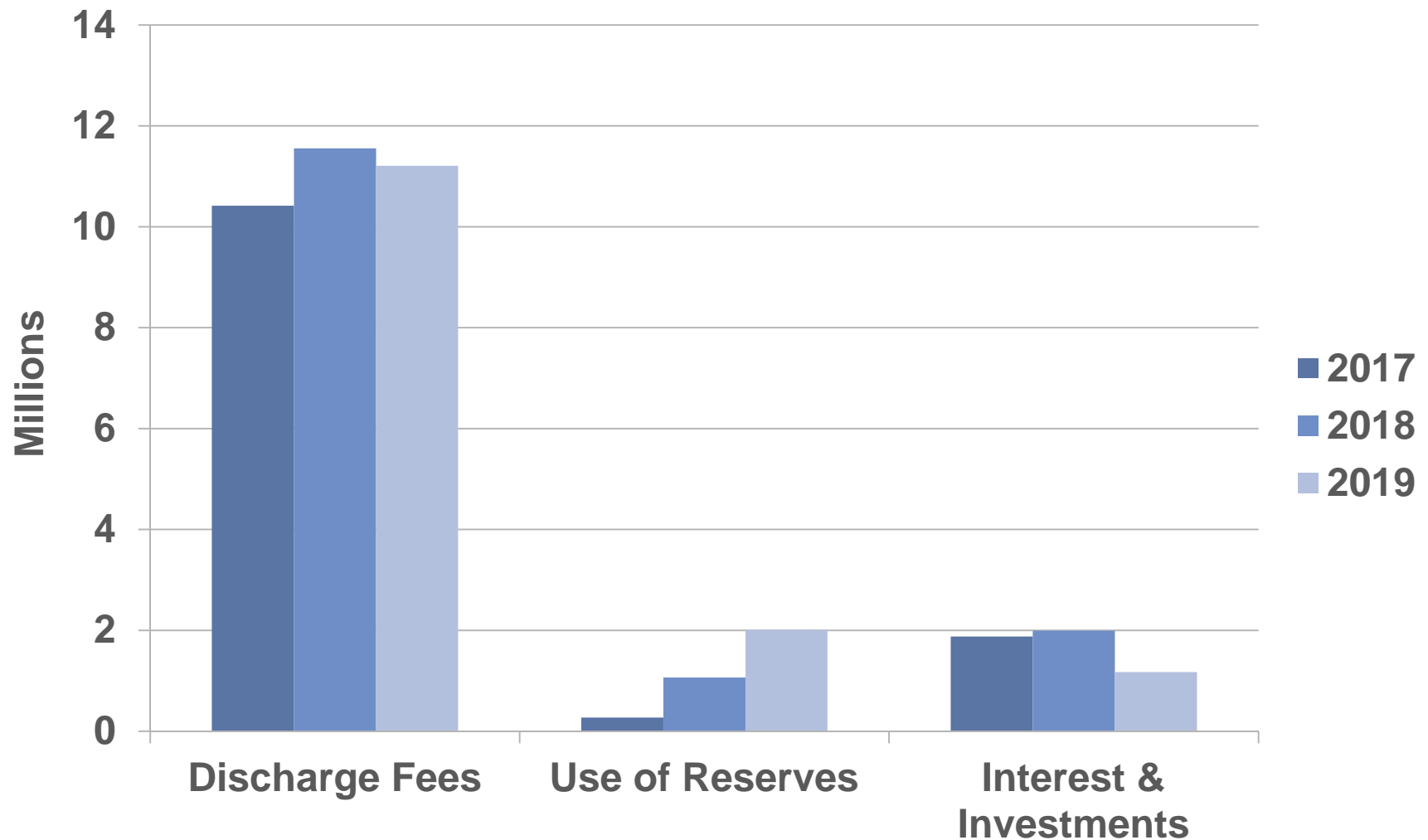


# Brine Line Operations & Capital Budget



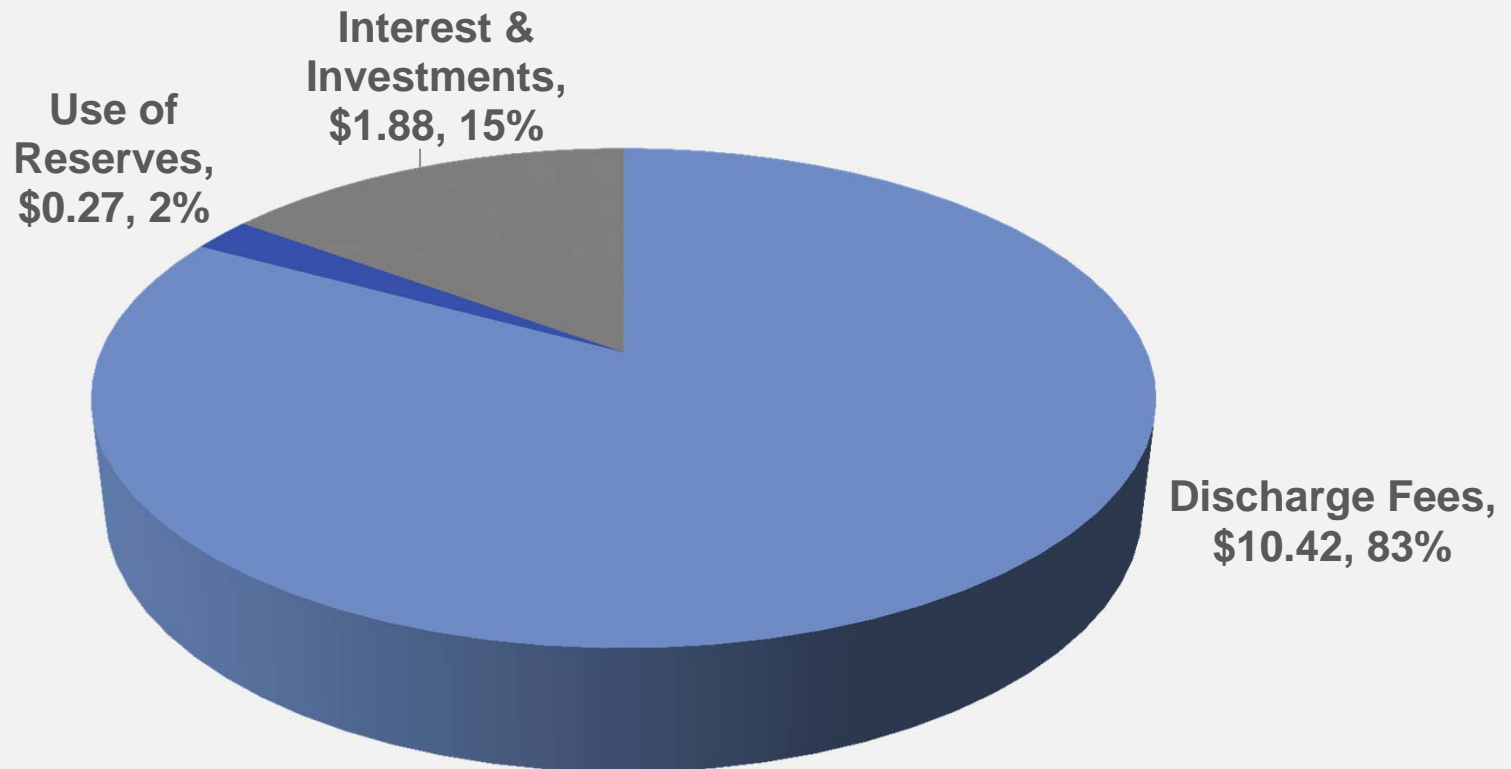


# Brine Line Enterprise - Revenue



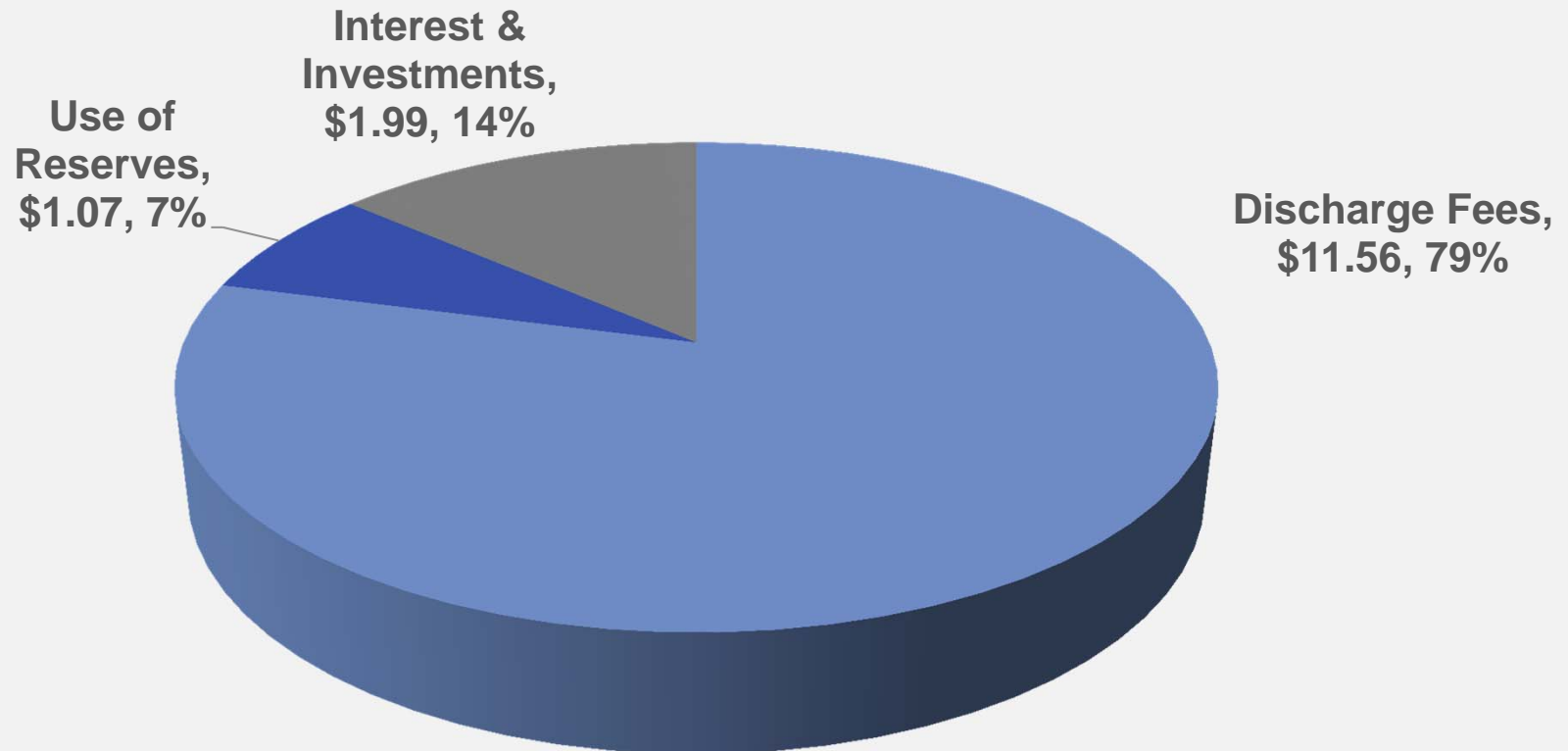
**FYE 2017**

**Brine Line Revenues \$12.57 M**



**FYE 2018**

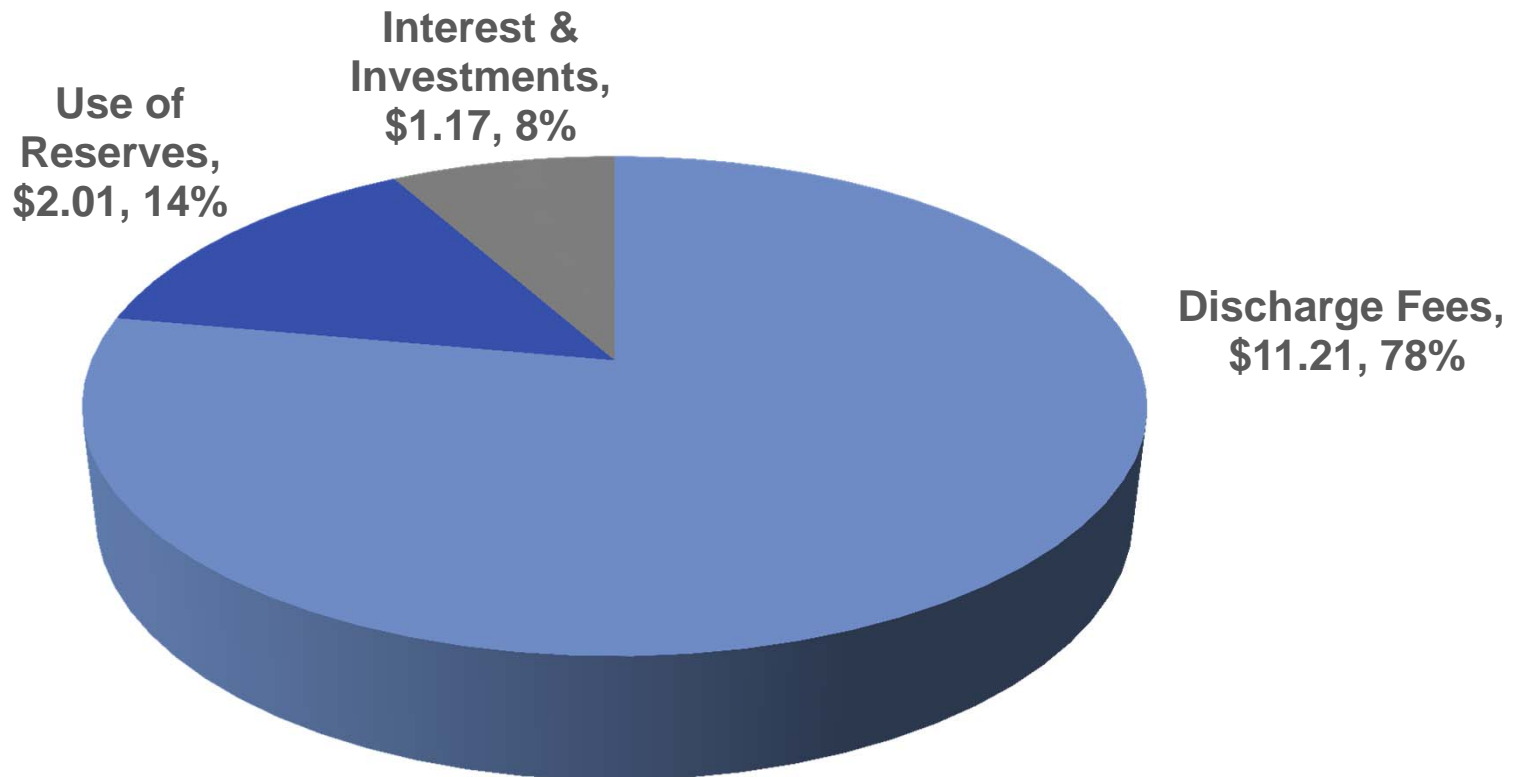
**Brine Line Revenues \$14.62 M**





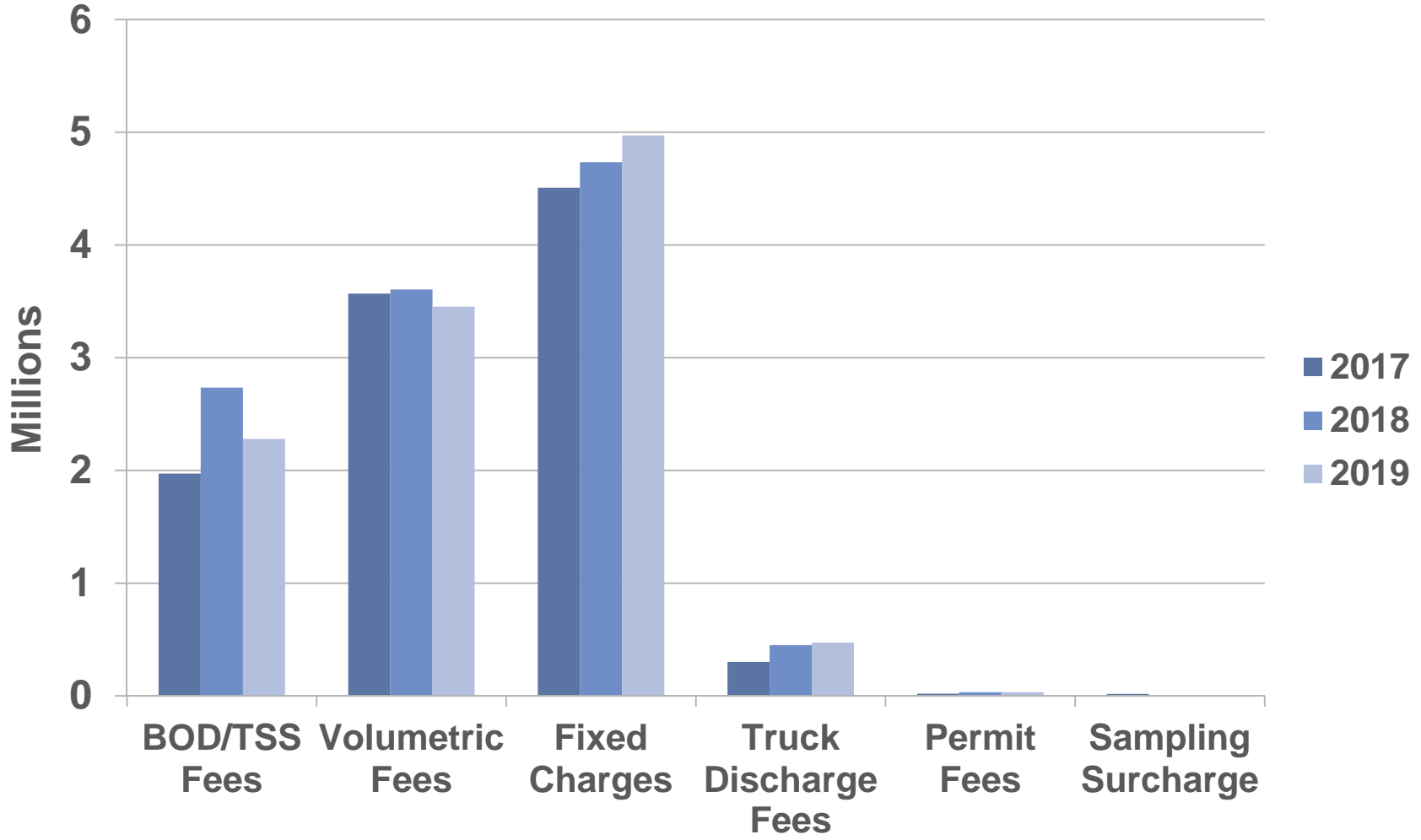
**FYE 2019**

**Brine Line Revenues \$14.39 M**



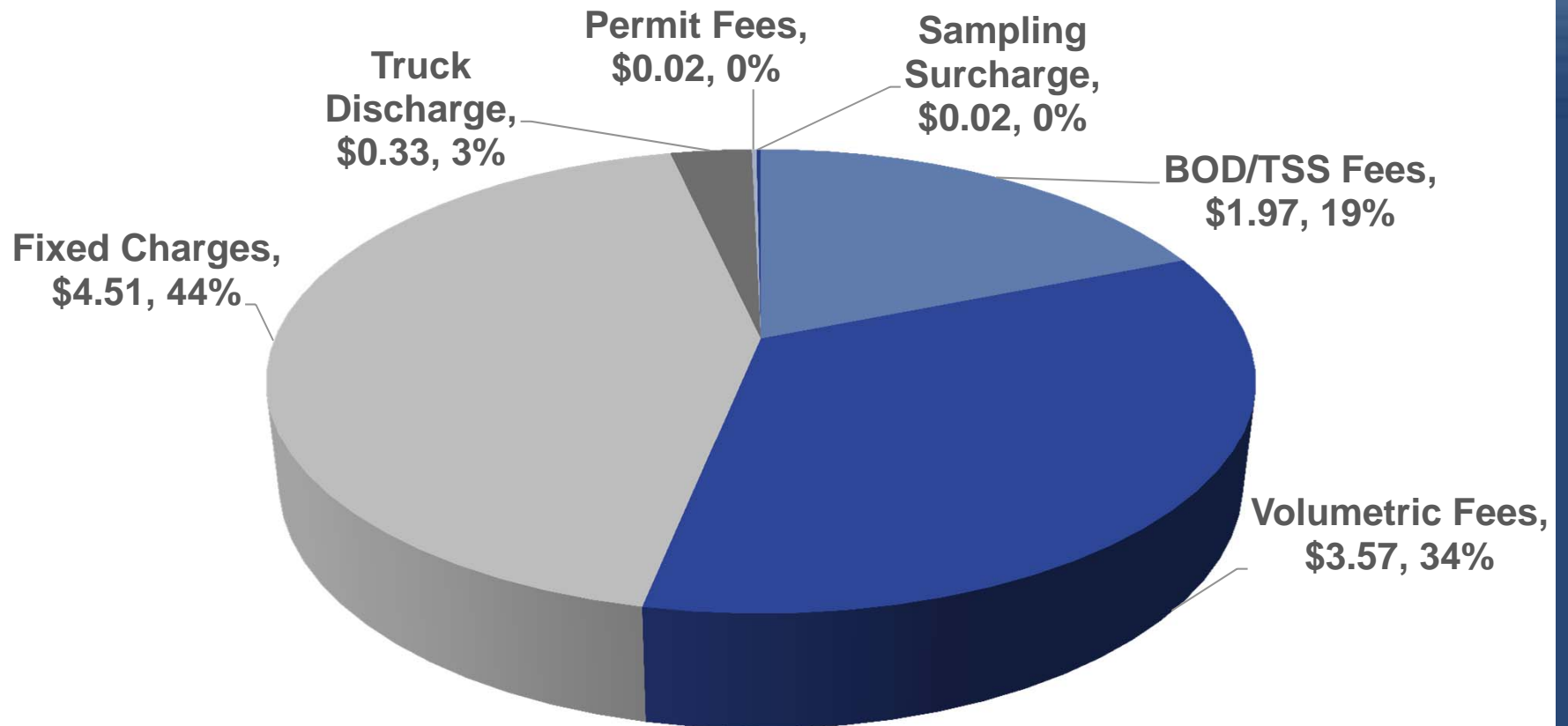


# Discharge Fees



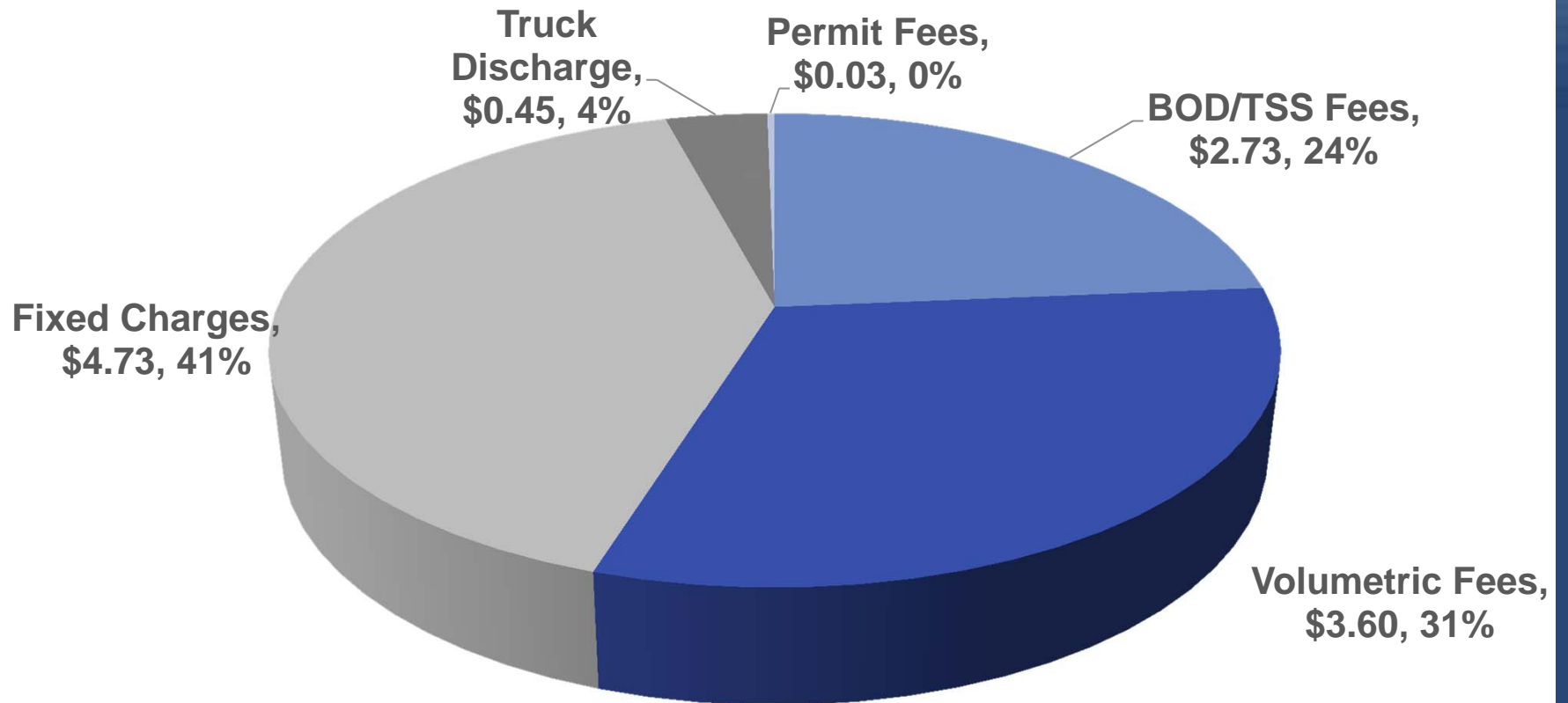
**FYE 2017**

**Discharge Fees \$10.42 M**



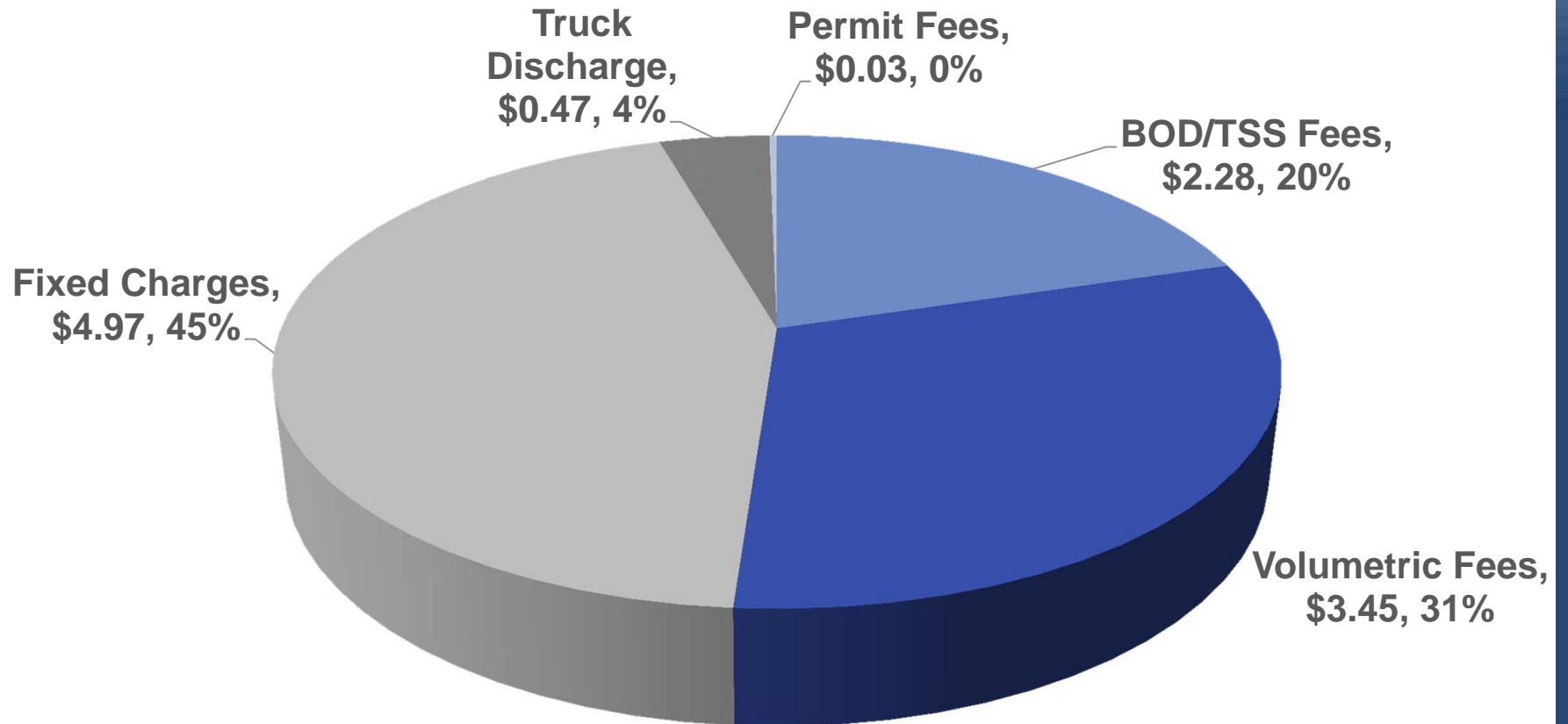
**FYE 2018**

**Discharge Fees \$11.56 M**



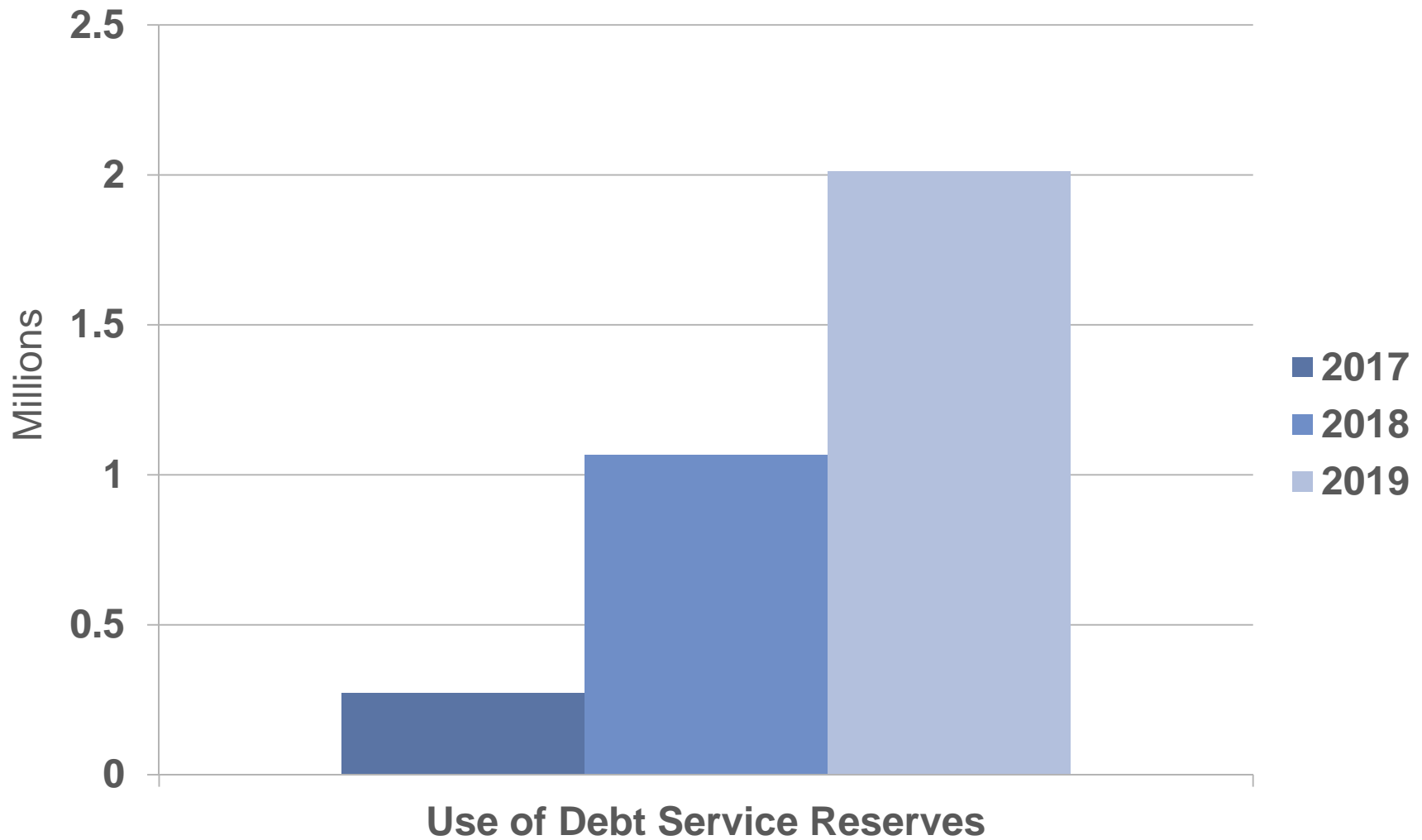
**FYE 2019**

**Discharge Fees \$11.21 M**



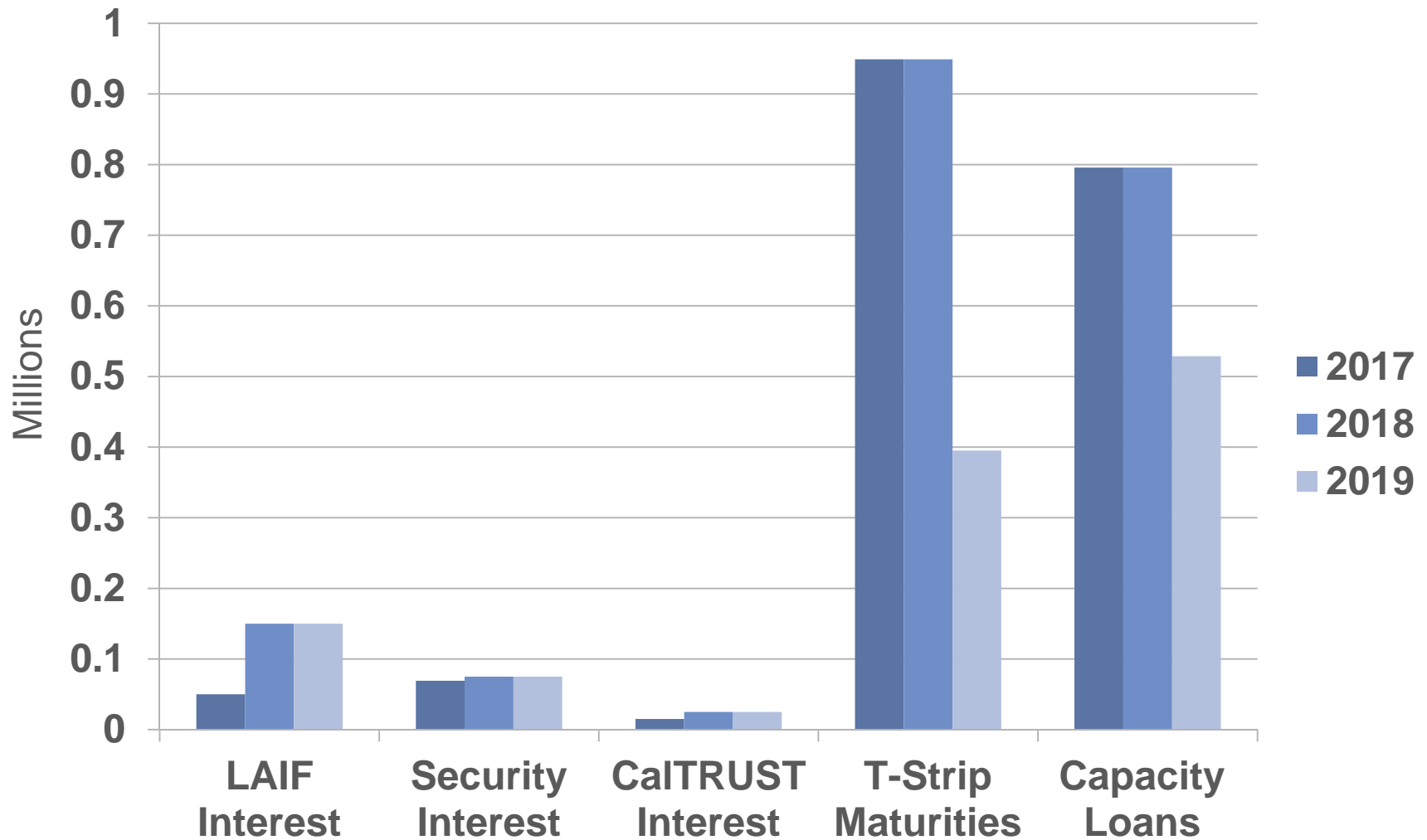


# Use of Reserves



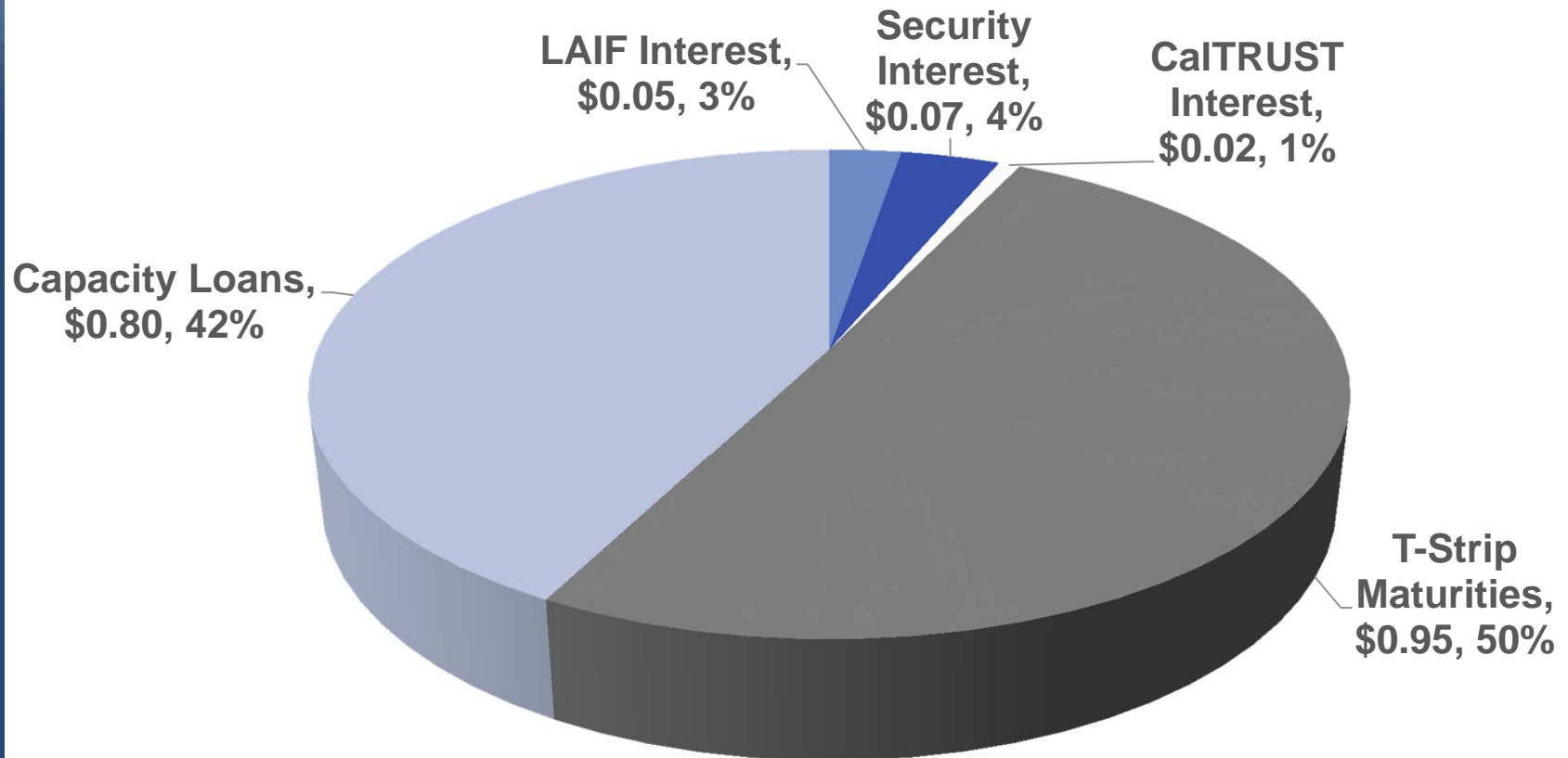


# Interest & Investments



**FYE 2017**

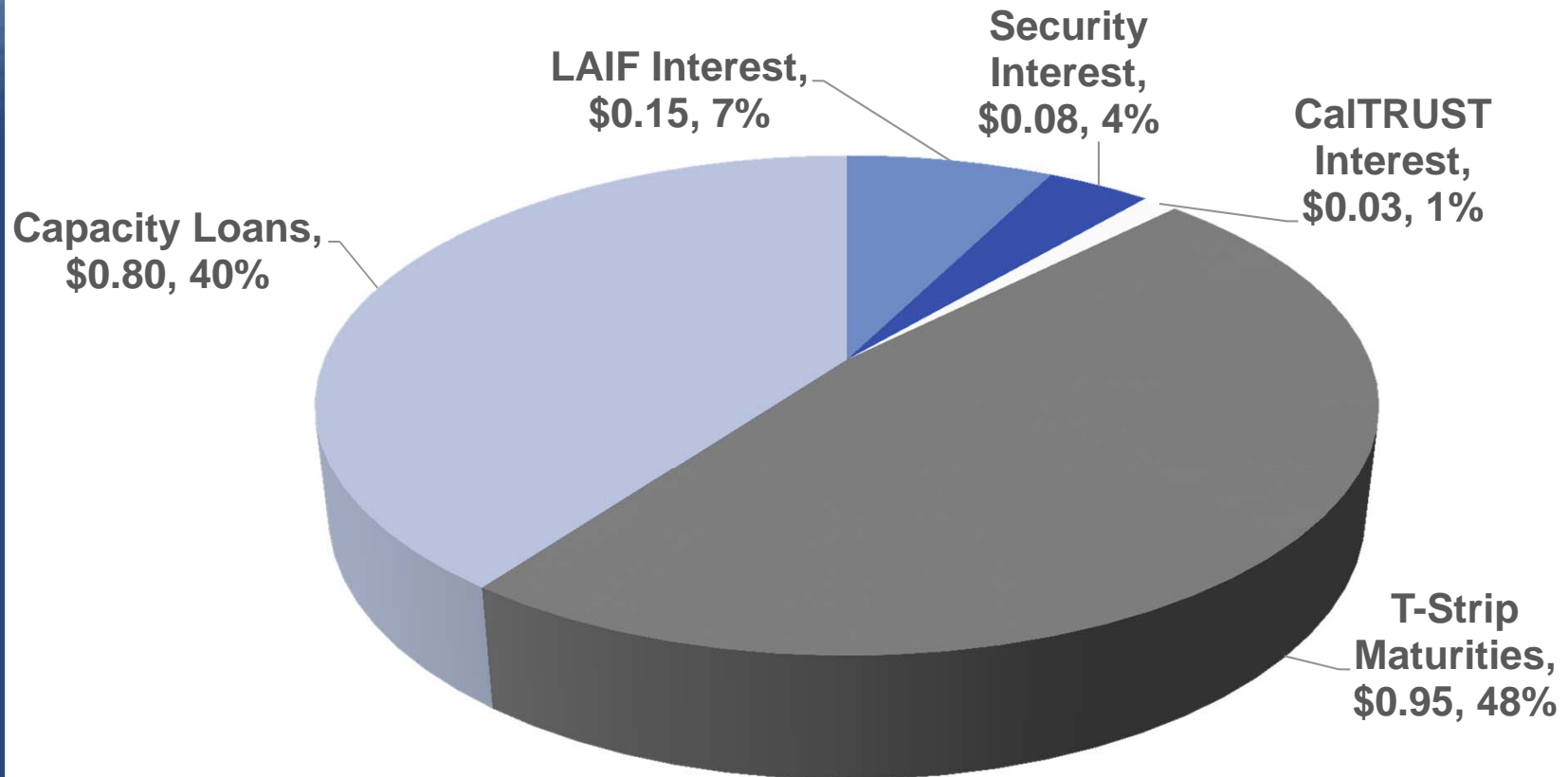
**Interest & Investments \$1.88 M**





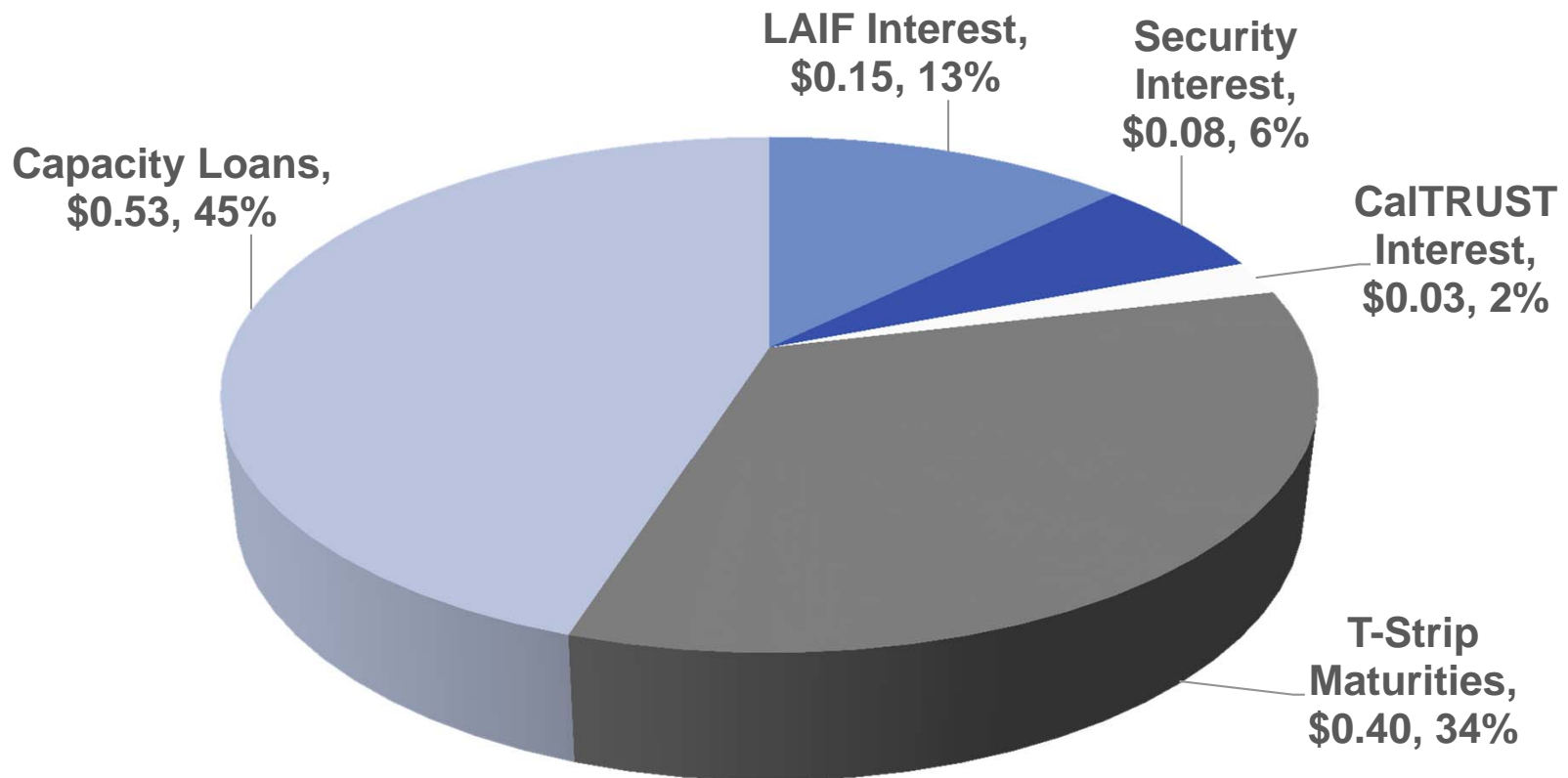
**FYE 2018**

**Interest & Investments \$1.99 M**

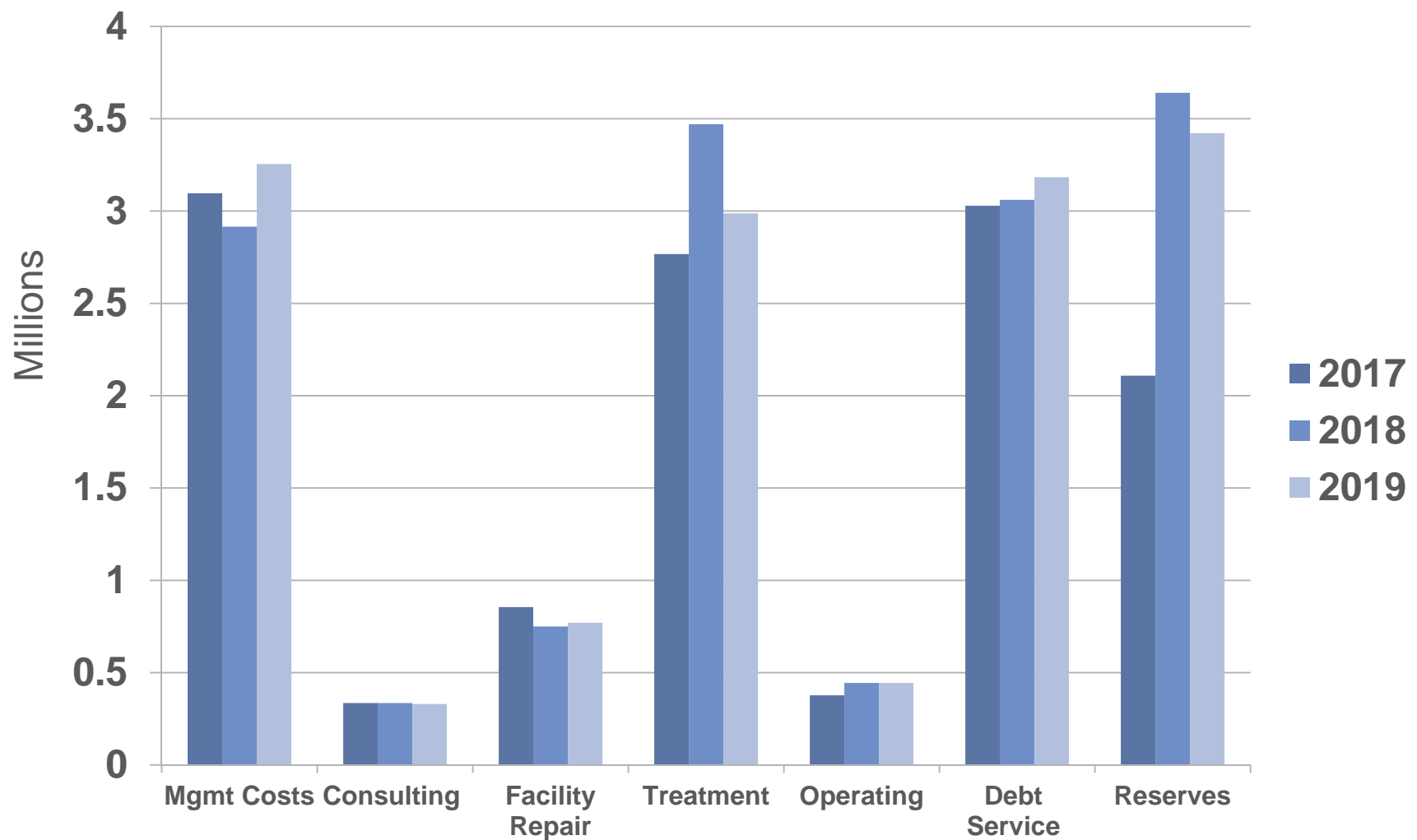


**FYE 2019**

**Interest & Investments \$1.17 M**

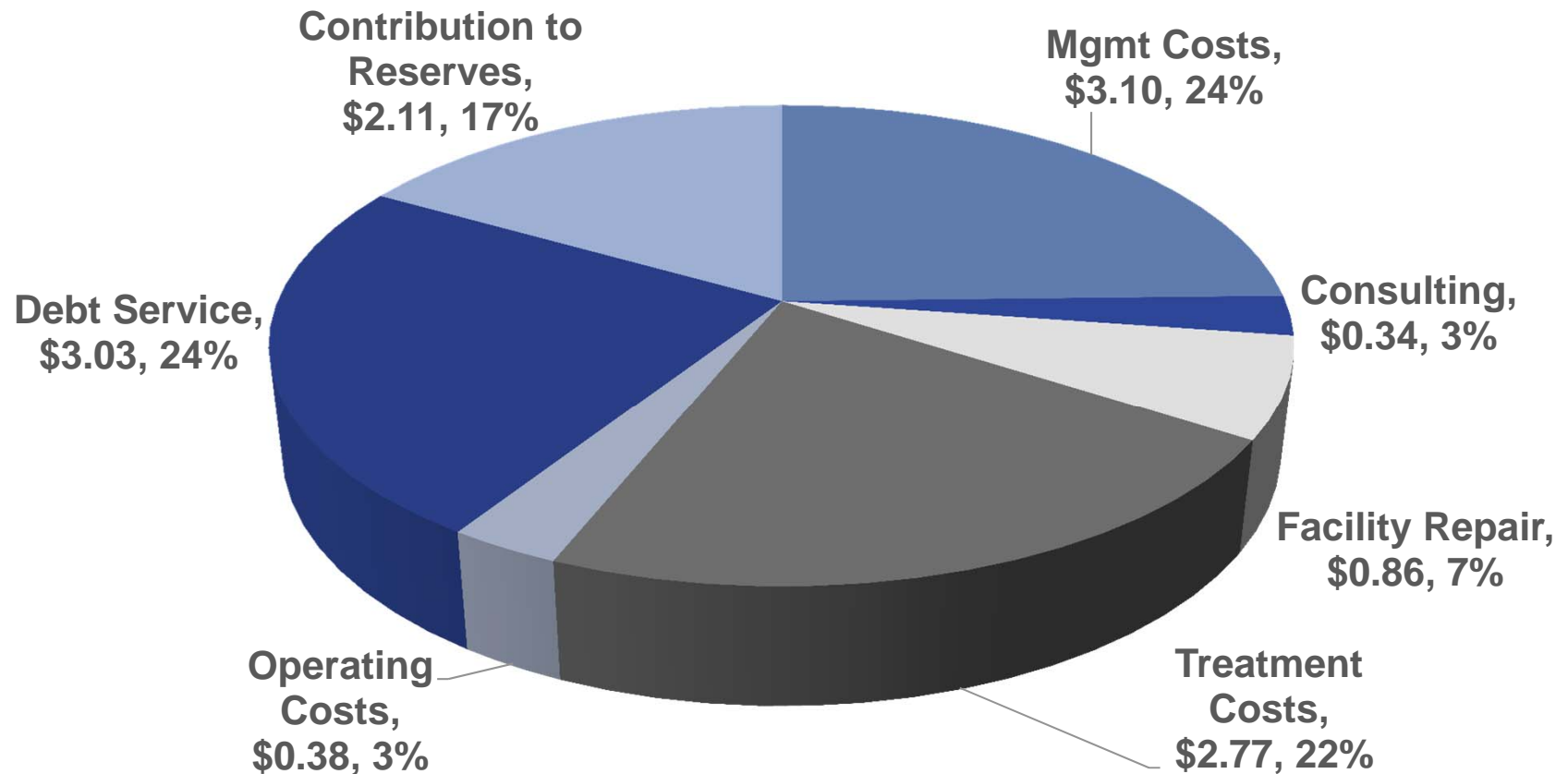


# Brine Line Enterprise - Expenses



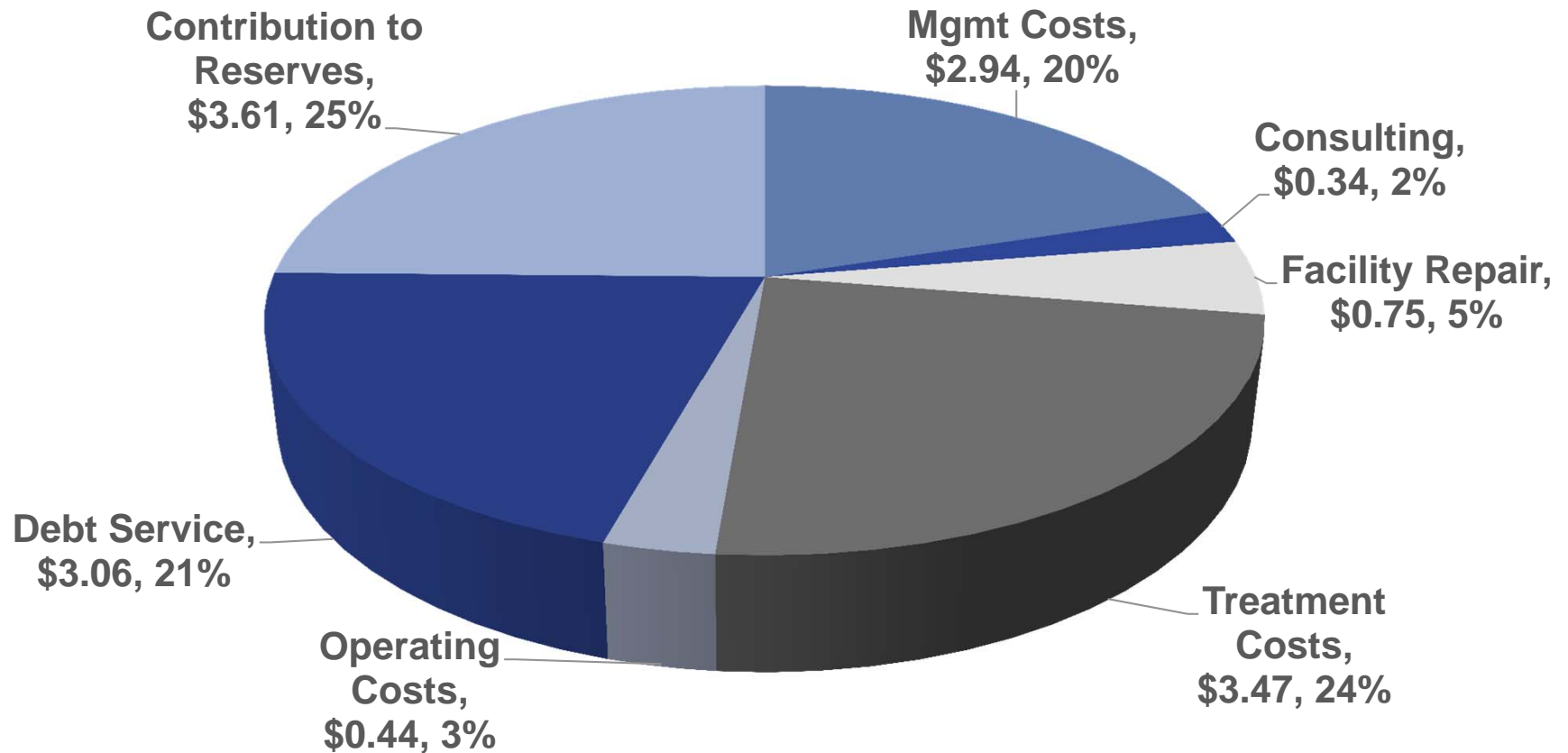
**FYE 2017**

**Brine Line Expenses \$12.57 M**



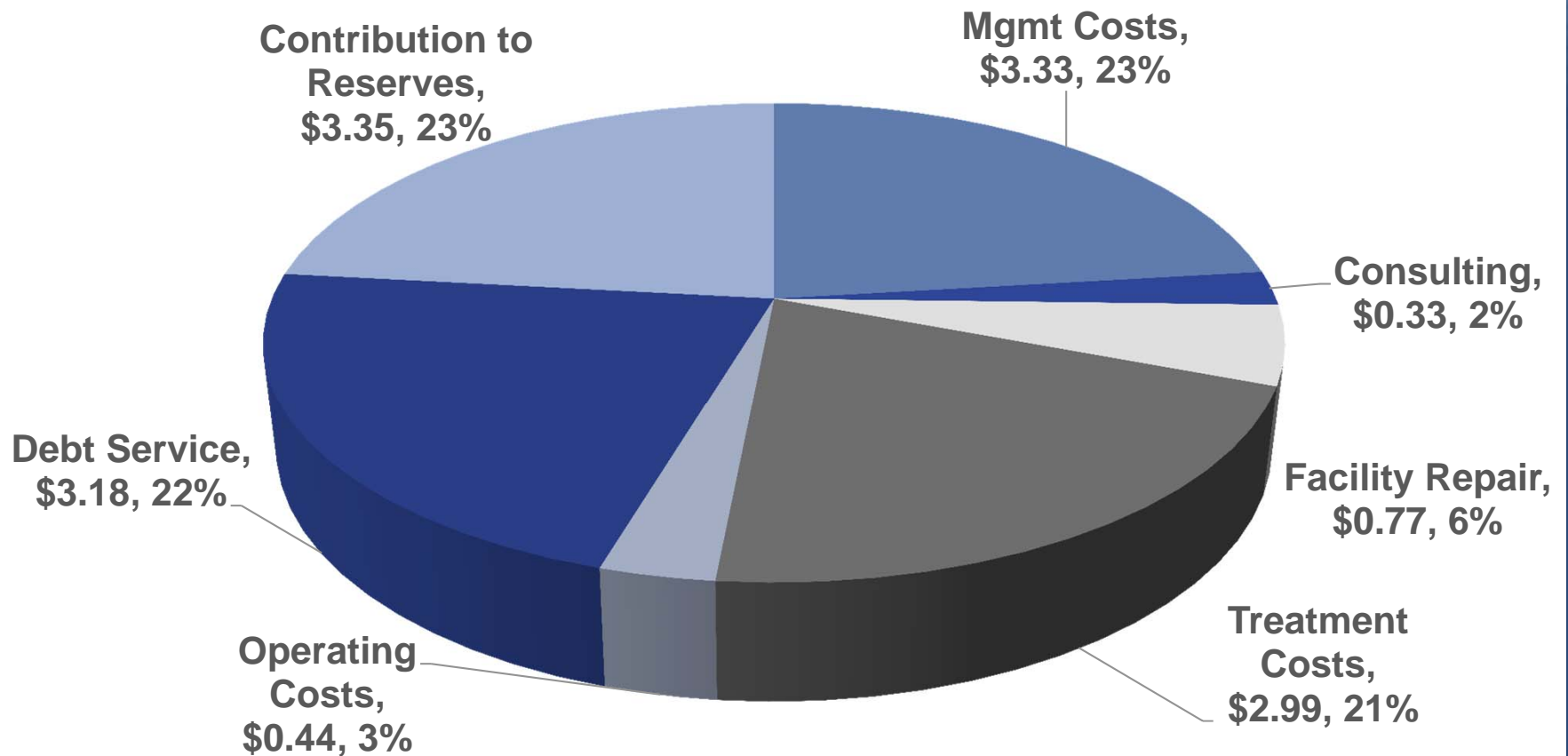
**FYE 2018**

**Brine Line Expenses \$14.62 M**

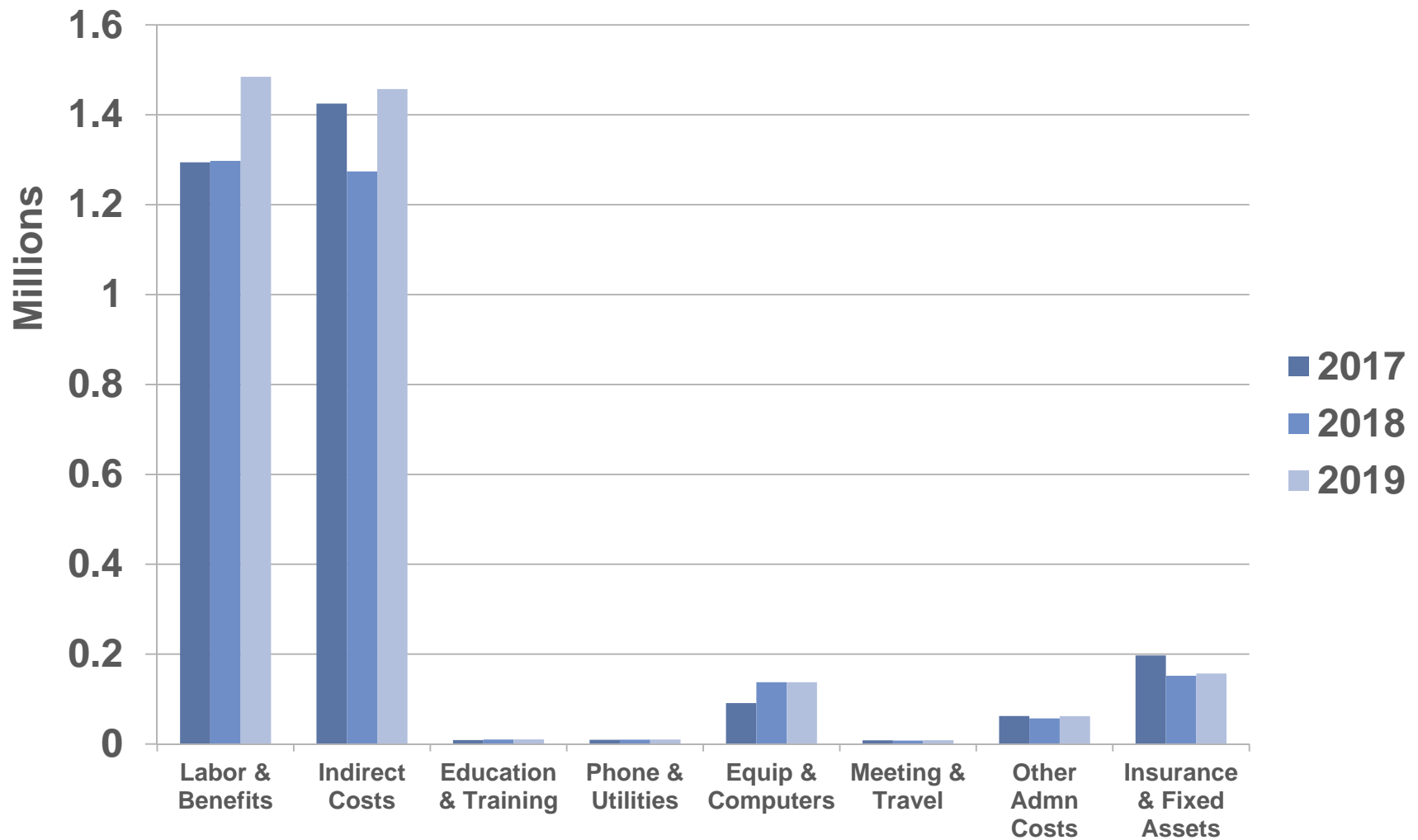


**FYE 2019**

**Brine Line Expenses \$14.39 M**

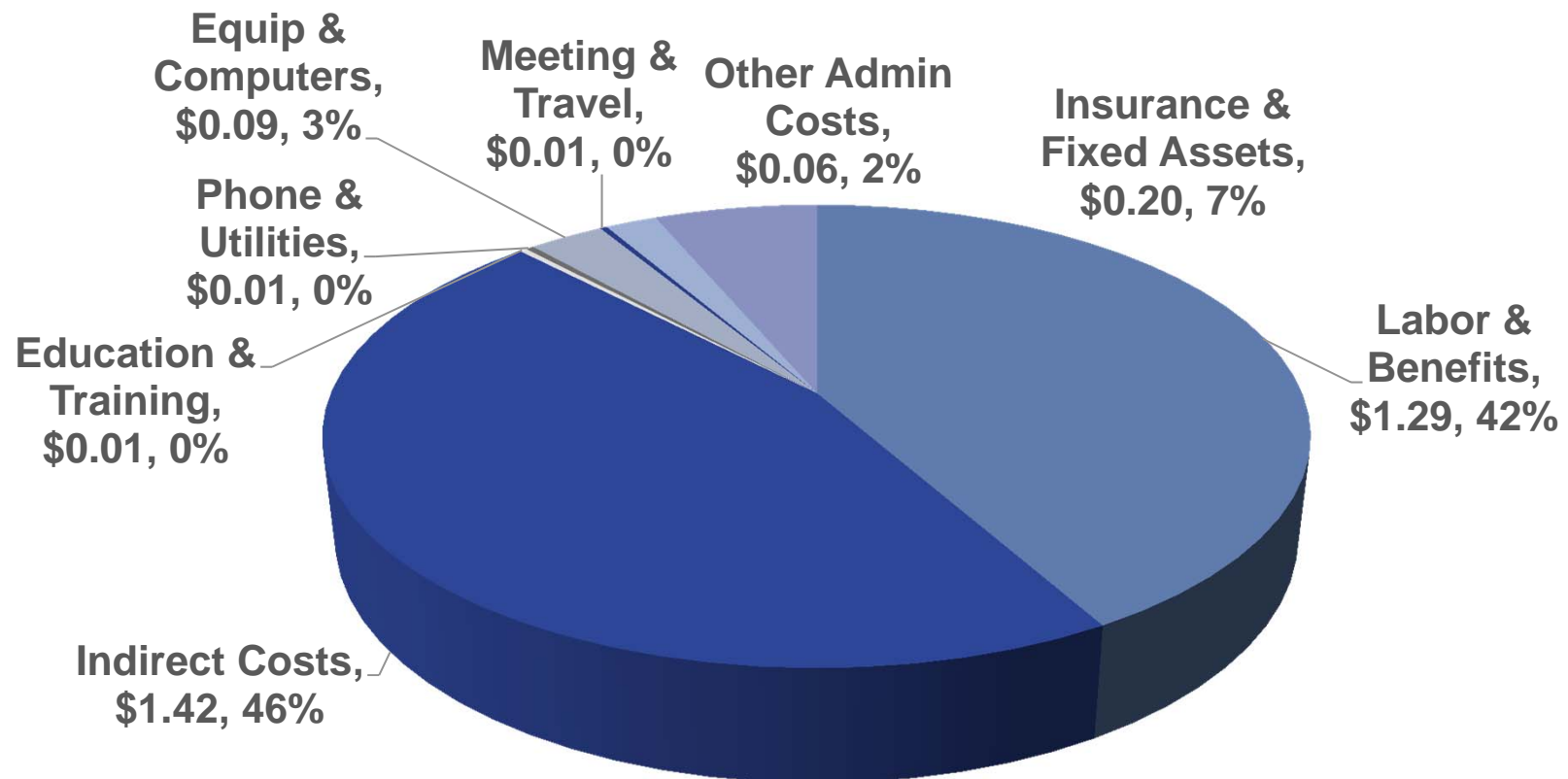


# Management Costs



**FYE 2017**

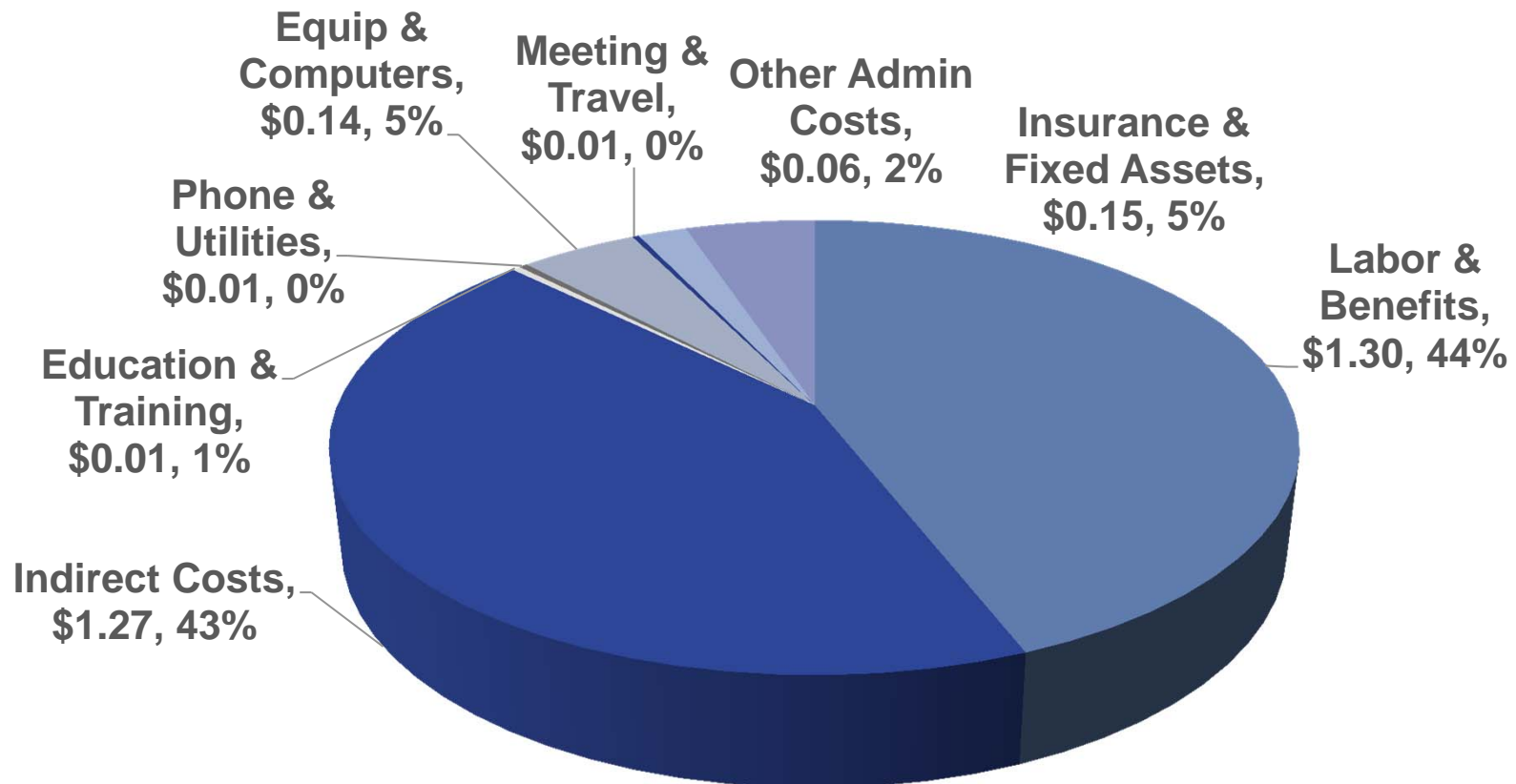
**Management Costs \$3.10 M**





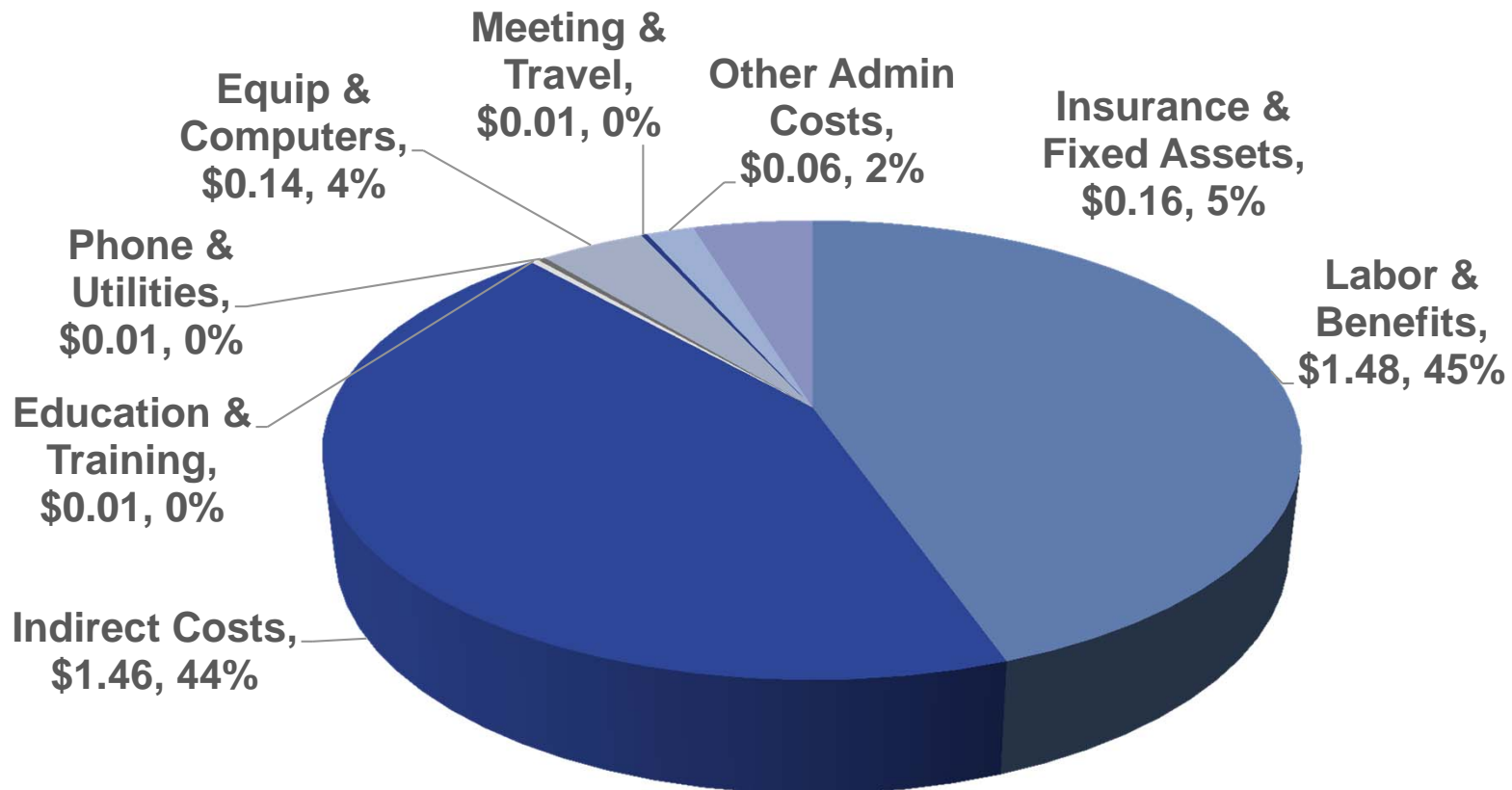
**FYE 2018**

**Management Costs \$2.94 M**

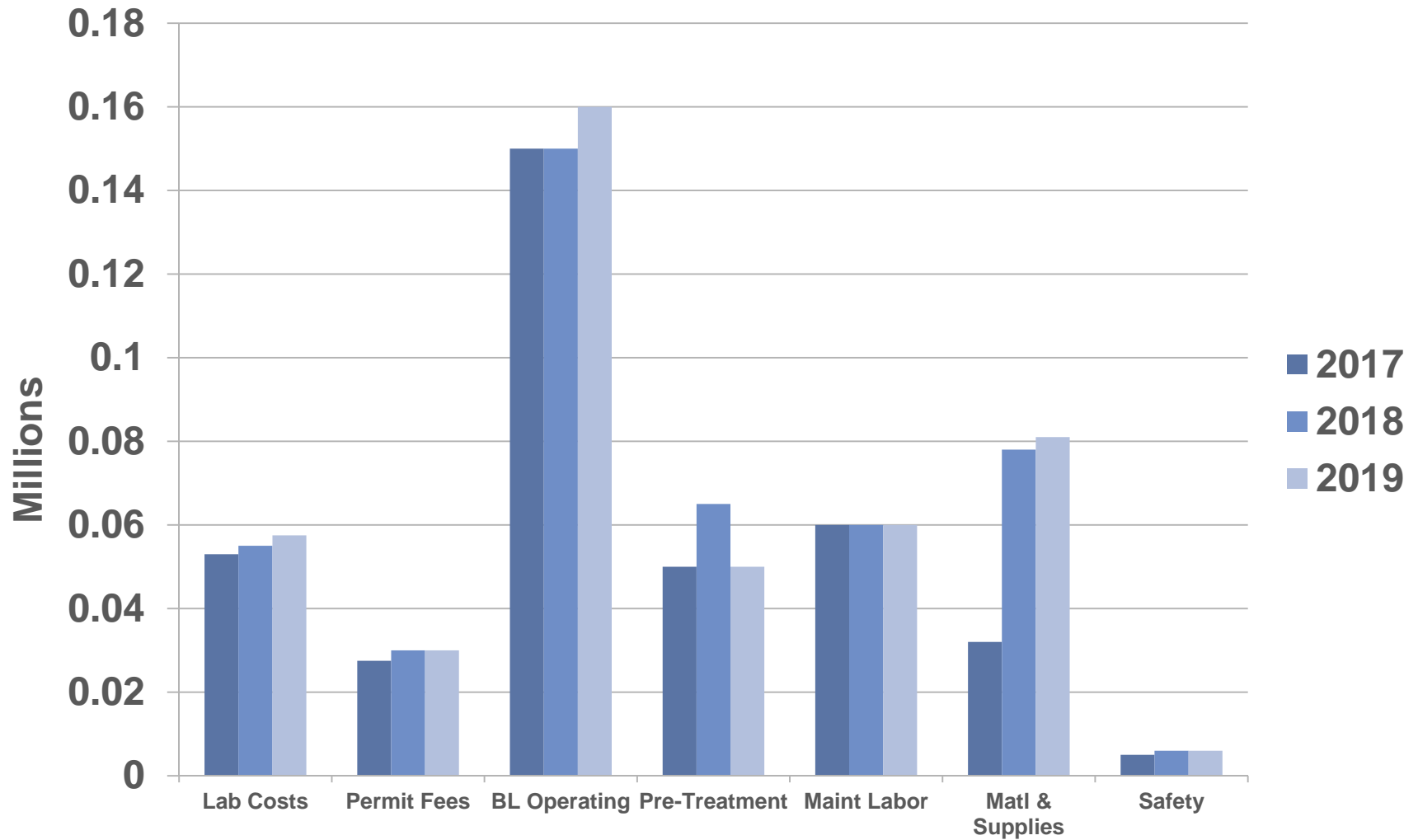


**FYE 2019**

**Management Costs \$3.33 M**

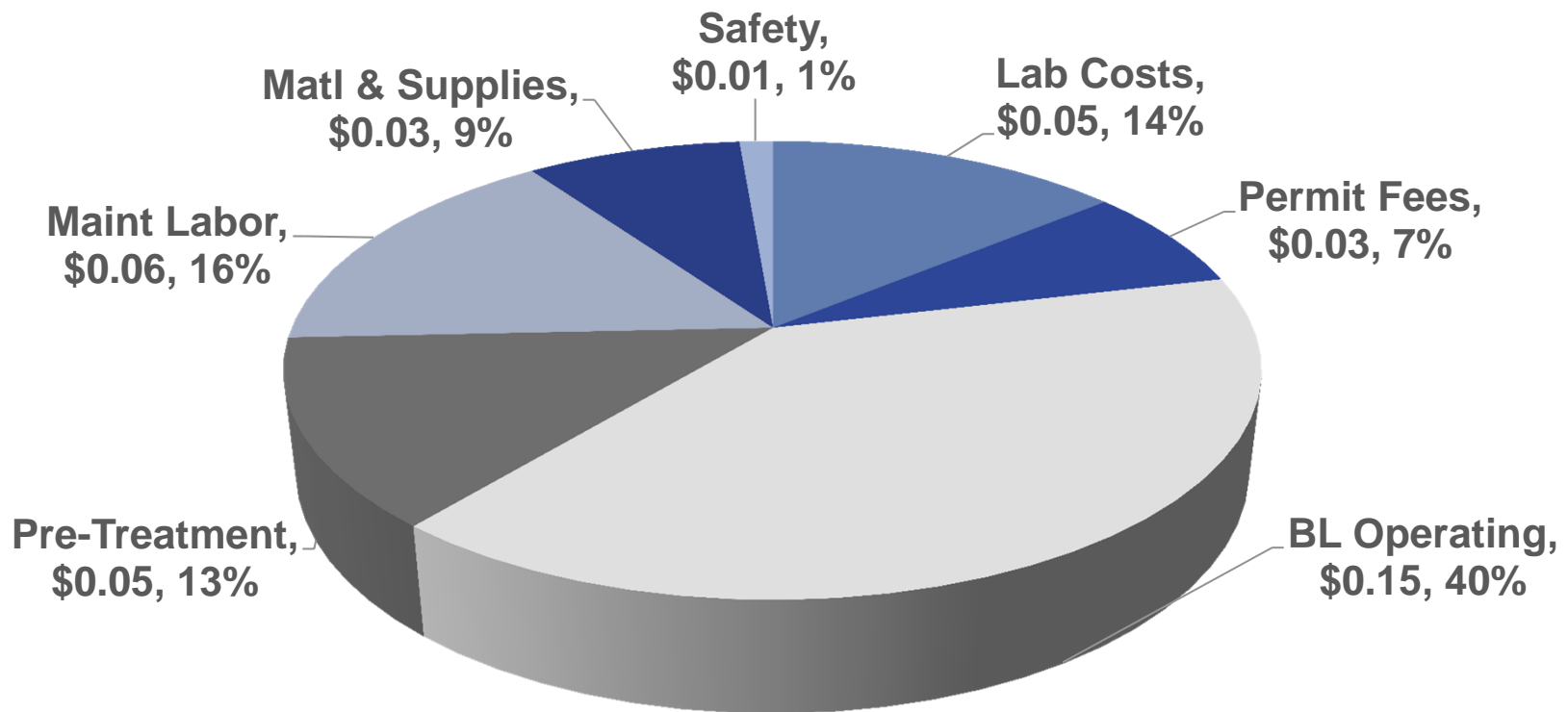


# Operating Costs



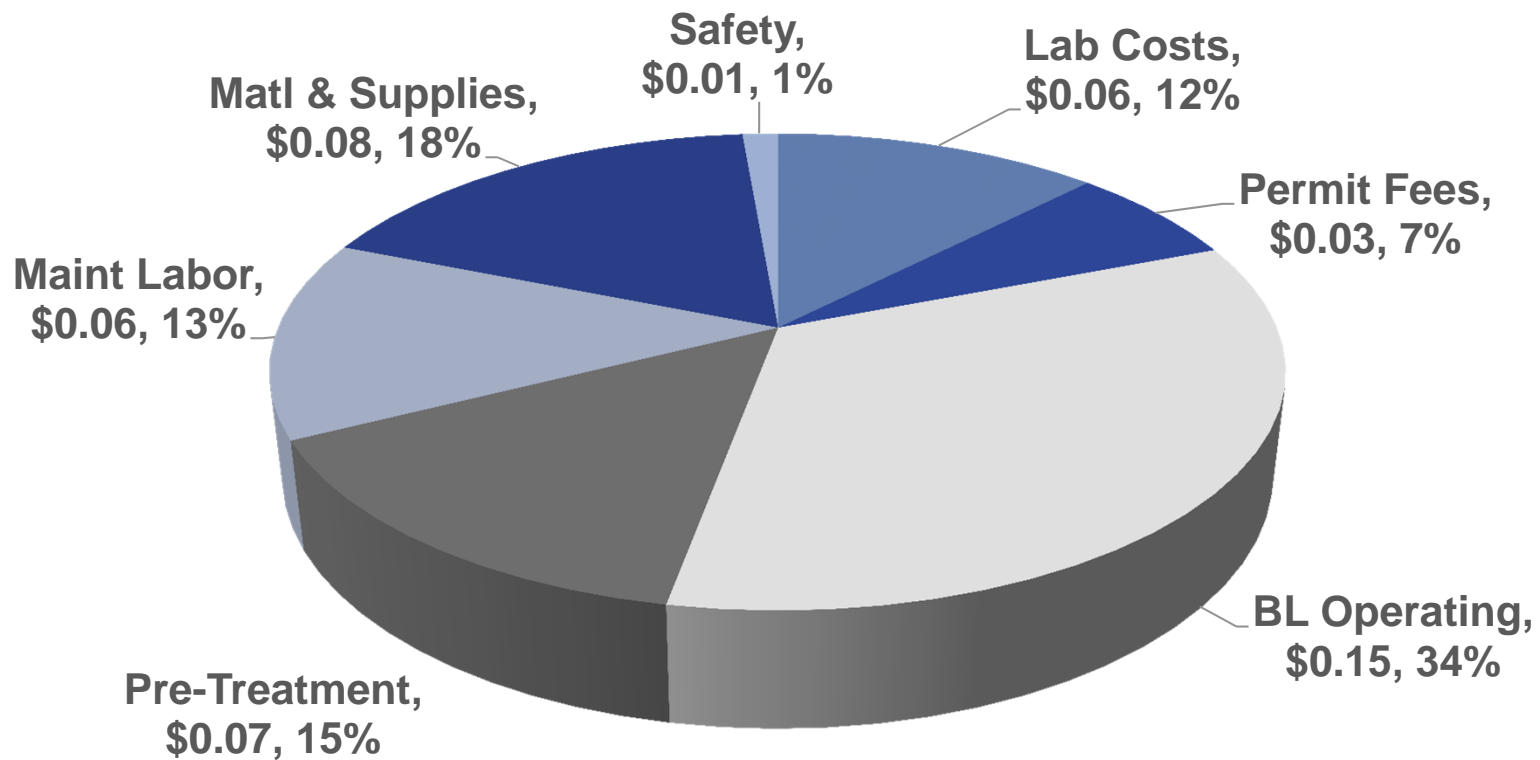
**FYE 2017**

**Operating Costs \$0.38 M**



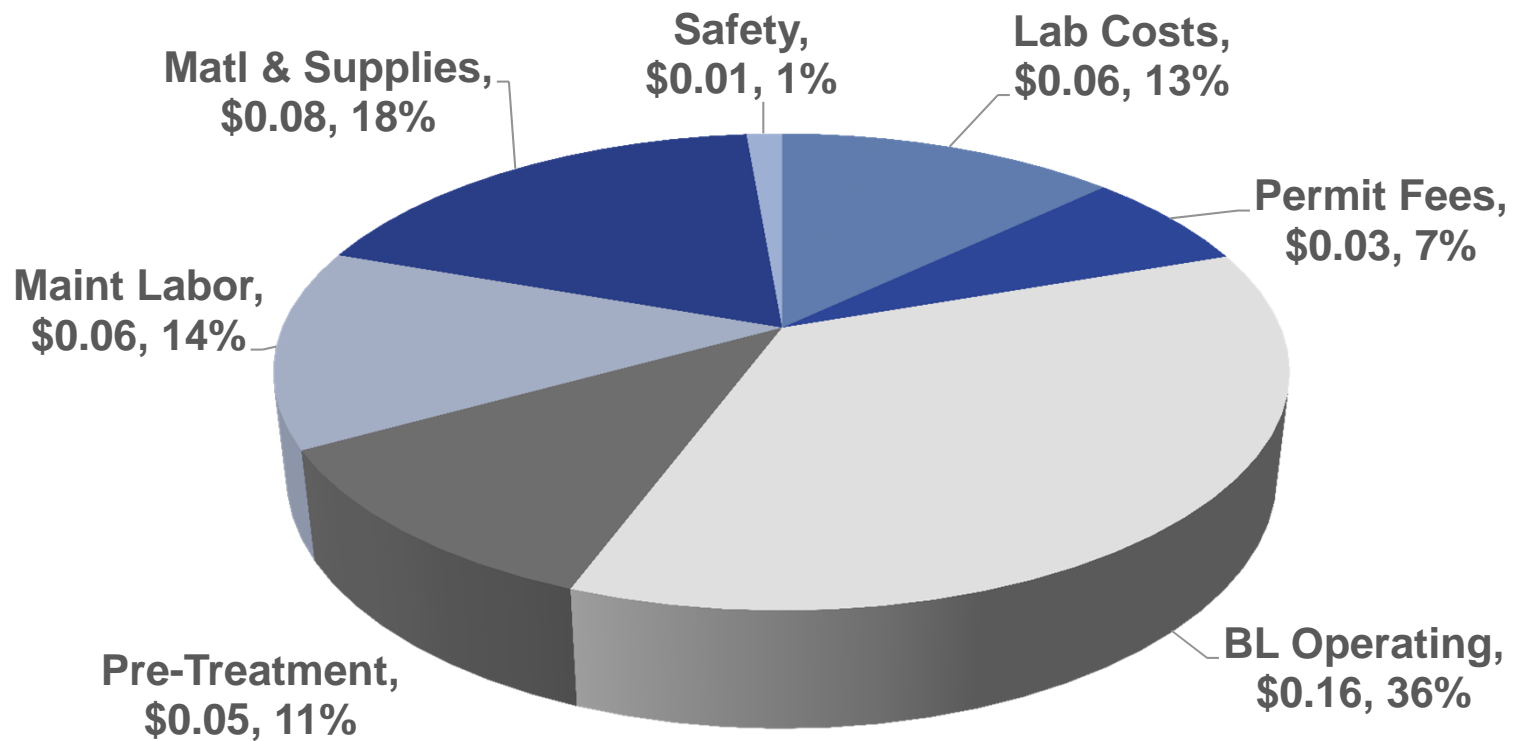
**FYE 2018**

**Operating Costs \$0.44 M**



**FYE 2019**

**Operating Costs \$0.44 M**





# Debt Service Payments

| Debt                                     | FYE 2017           | FYE 2018           | FYE 2019           |
|--|--------------------|--------------------|--------------------|
| Reach V Construction – SRF Loan 1 – 4    | \$1,094,147        | \$1,126,278        | \$1,126,578        |
| Reach IV-A & B Capital Repair – SRF Loan | 1,044,273          | 1,044,273          | 1,044,273          |
| Reach V Capital Repair – SRF Loan        | 0                  | 0                  | 656,350            |
| OCWD Repurchase                          | 356,250            | 356,250            | 356,250            |
| WRCRWA SRF Loans 1 - 3                   | 533,918            | 533,918            | 0                  |
| <b>Total Debt Service Payments</b>       | <b>\$3,028,588</b> | <b>\$3,060,719</b> | <b>\$3,183,451</b> |



# Debt Service Funding

| Debt                          | Interest Rate | Final Payment | Funding Source       |
|-------------------------------|---------------|---------------|----------------------|
| Reach V Construction          | 2.7%          | 10/05/21      | T-Strips/Investments |
| Reach IV-A & B Capital Repair | 2.6%          | 12/29/32      | Rates                |
| Reach V Capital Repair        | 1.9%          | 01/30/48      | Rates                |
| OCWD Repurchase               | 0%            | 07/01/19      | T-Strips/Investments |
| WRCRWA                        | 2.8%          | 06/01/18      | T-Strips/Investments |





# Reserve Contributions

| Fund                                  | FYE 2017           | FYE 2018           | FYE 2019           |
|---------------------------------------|--------------------|--------------------|--------------------|
| Pipeline Repair/Replacement           | \$1,000,000        | \$1,500,000        | \$1,500,000        |
| OCSD Rehabilitation Reserve           | 500,000            | 0                  | 0                  |
| Self Insurance Reserve                | 100,000            | 100,000            | 100,000            |
| Debt Service Reserve                  | 508,230            | 2,011,173          | 1,749,144          |
| <b>Total Contribution to Reserves</b> | <b>\$2,108,230</b> | <b>\$3,611,173</b> | <b>\$3,349,144</b> |



# Reserve Transfers – FYE 2018

| Fund                                  | From               | To                 |
|---------------------------------------|--------------------|--------------------|
| Pipeline Repair/Replacement           | \$0                | \$5,843,450        |
| OCSD Rehabilitation Reserve           | 4,000,000          | 0                  |
| Brine Line Operating Reserve          | 1,843,450          | 0                  |
| <b>Total Contribution to Reserves</b> | <b>\$5,843,450</b> | <b>\$5,843,450</b> |



# Reserve Balance (EOY)

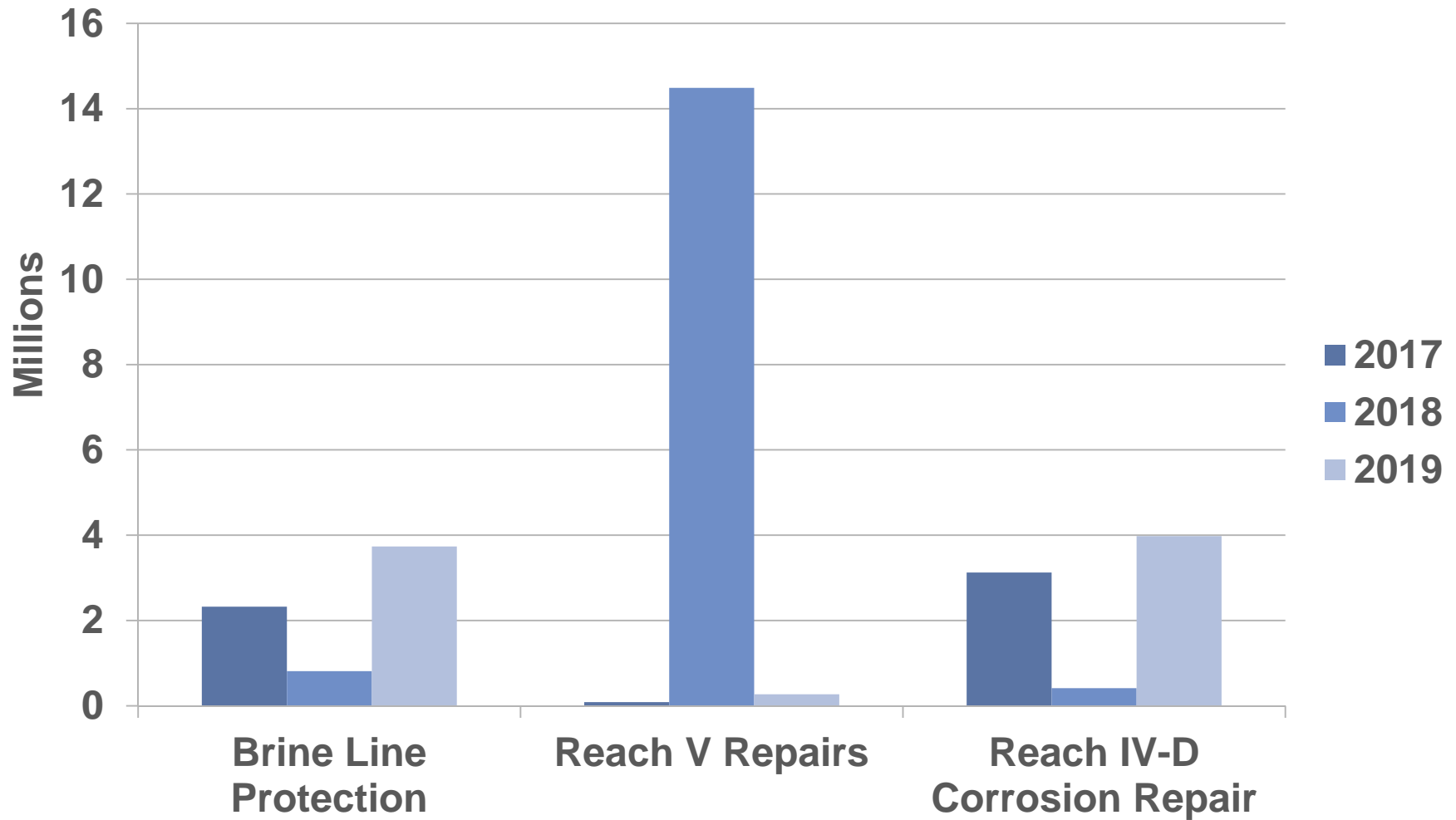
| Reserve                     | FYE 2018            | FYE 2019            |
|-----------------------------|---------------------|---------------------|
| Pipeline Repair/Replacement | \$13,519,815        | \$13,033,783        |
| OCSD Rehabilitation         | 3,491,290           | 491,290             |
| OCSD Future Capacity        | 1,722,932           | 1,722,932           |
| Self-Insurance Reserve      | 3,937,788           | 4,037,788           |
| Flow Imbalance Reserve      | 83,645              | 83,645              |
| Debt Service Reserve        | 4,649,603           | 2,501,741           |
| Capacity Management         | 7,815,546           | 7,815,546           |
| Operating Reserve           | 2,000,000           | 2,000,000           |
| <b>Total Reserves</b>       | <b>\$37,220,618</b> | <b>\$31,686,725</b> |



# Proposed Brine Line Rates

| Component            | Actual<br>FYE 2017         | FYE 2018                   | FYE 2019 |
|----------------------|----------------------------|----------------------------|----------|
| Flow                 | \$858 <sup>+ 5%</sup> →    | \$901 <sup>+ 5%</sup> →    | \$946    |
| BOD (per 1,000 lbs.) | \$307 <sup>+ 5%</sup> →    | \$322 <sup>+ 5%</sup> →    | \$330    |
| TSS (per 1,000 lbs.) | \$429 <sup>+ 5%</sup> →    | \$450 <sup>+ 5%</sup> →    | \$462    |
| Fixed Pipeline       | \$5,639 <sup>+ 5%</sup> →  | \$5,921 <sup>+ 5%</sup> →  | \$6,217  |
| Fixed Treatment      | \$11,433 <sup>+ 5%</sup> → | \$12,007 <sup>+ 5%</sup> → | \$12,607 |

# Capital Improvement Projects





Reserves

A rounded rectangular button with a black border and white text.

SRF Loan

A rounded rectangular button with a black border and white text.

SRF Loan

A rounded rectangular button with a black border and white text.

Reserves

A rounded rectangular button with a black border and white text.

Reserves

A rounded rectangular button with a black border and white text.



# Capital Project Funding – FYE 2018

| Project                      | Reserves           | SRF Loan           | Total               |
|------------------------------|--------------------|--------------------|---------------------|
| Brine Line Protection        | \$812,572          | \$0                | \$812,572           |
| Reach V Repairs              | 6,987,574          | 7,500,000          | 14,487,574          |
| Reach IV-D Corrosion Repairs | 414,386            | 0                  | 414,386             |
| <b>Total</b>                 | <b>\$8,214,532</b> | <b>\$7,500,000</b> | <b>\$15,714,532</b> |



# Capital Project Funding – FYE 2019

| Project                      | Reserves           | SRF Loan           | Total              |
|------------------------------|--------------------|--------------------|--------------------|
| Brine Line Protection        | \$3,736,548        | \$0                | \$3,736,548        |
| Reach V Repairs              | 269,167            | 0                  | 269,167            |
| Reach IV-D Corrosion Repairs | 980,317            | 3,000,000          | 4,986,032          |
| <b>Total</b>                 | <b>\$4,986,032</b> | <b>\$3,000,000</b> | <b>\$7,986,032</b> |





# Brine Line Statistics

| Project                              | FYE 2018    | FYE 2019    |
|--------------------------------------|-------------|-------------|
| Staff Hours for Operations & Capital | 20,726      | 20,765      |
| Full Time Equivalents (FTE)          | 10          | 10          |
| % of Indirect Costs paid             | 54.44%      | 55.14%      |
| Total of Indirect Costs paid         | \$1,606,248 | \$1,721,340 |

A close-up photograph of a silver fountain pen nib resting on a document. The document features a line graph with a blue line showing an upward trend. The x-axis is labeled with months: 'Feb.', 'Apr.', 'Jun.', and 'Aug.'. The y-axis has numerical values '000' and '0000'. The background is a soft-focus blue.

# OWOW Fund Budget

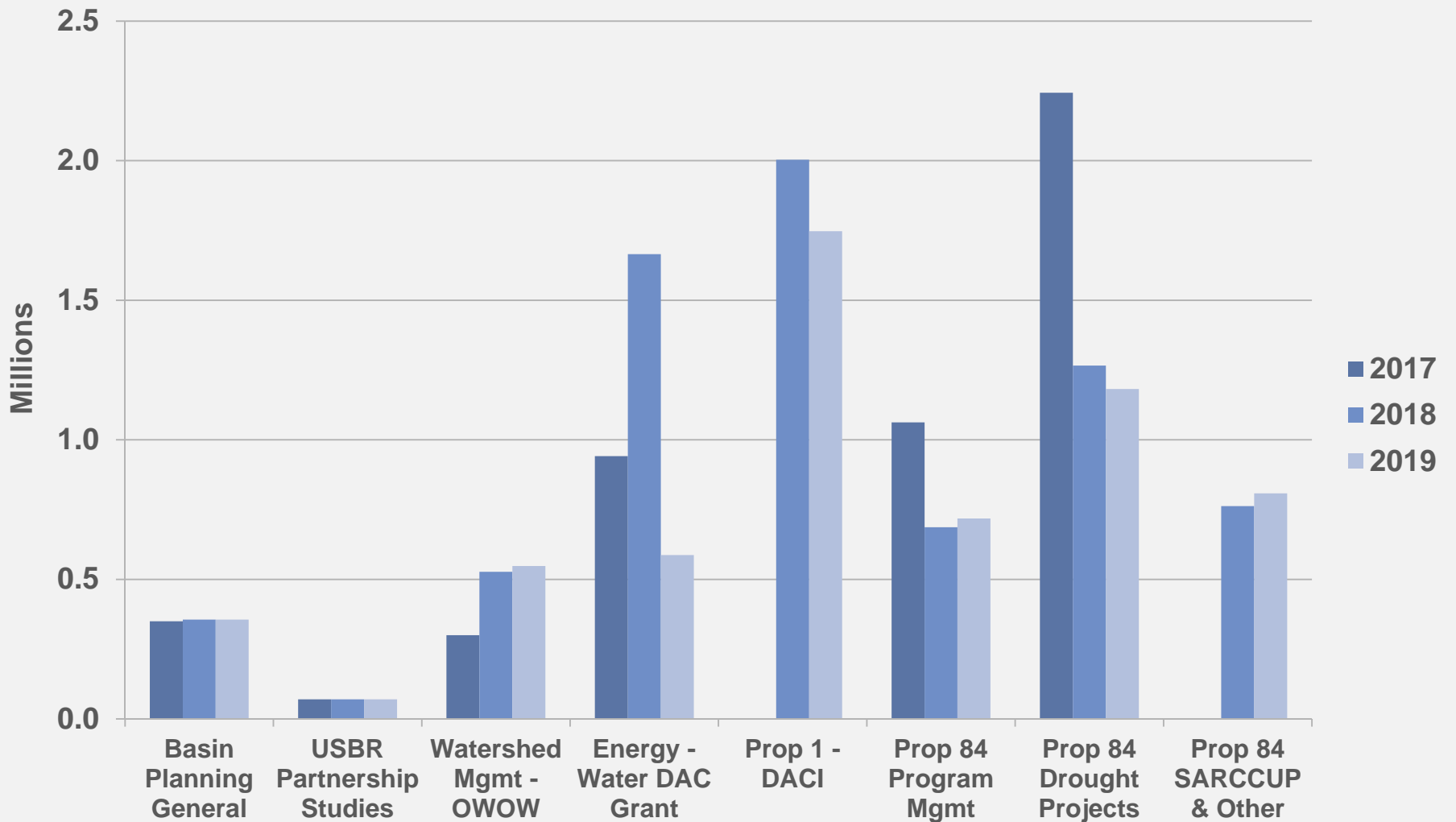




# OWOW Fund

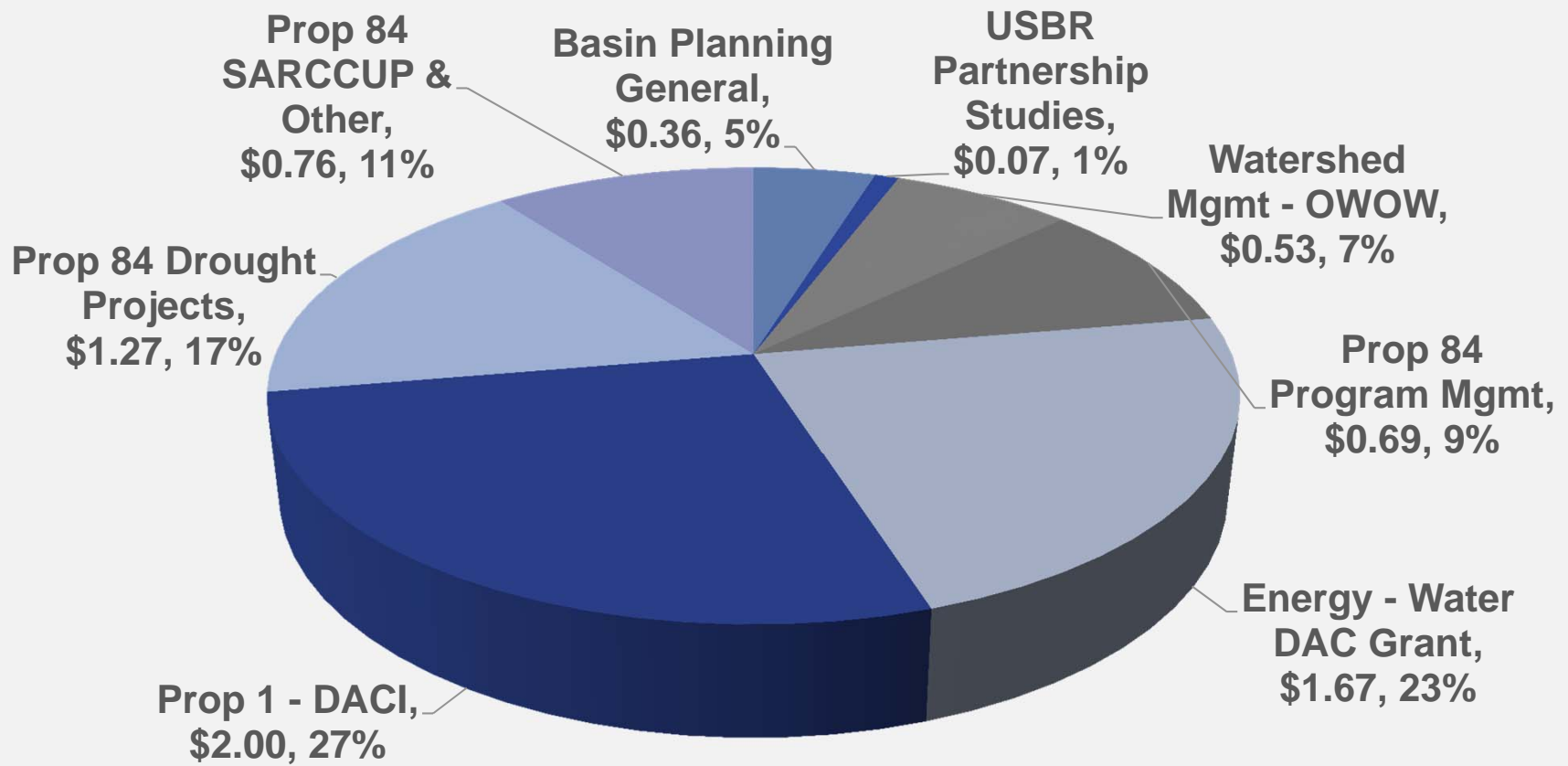
| <b>Fund Number</b> | <b>Fund Title</b>  |
|--------------------|--|
| <b>370-01</b>      | <b>Basin Planning General</b>                                  |
| <b>370-02</b>      | <b>USBR Partnership Studies</b>                                |
| <b>373</b>         | <b>Watershed Management - OWOW</b>                             |
| <b>130 – 145</b>   | <b>Prop 84 Program Management (All Rounds)</b>                 |
| <b>397</b>         | <b>Energy – Water DAC Grant Project</b>                        |
| <b>398</b>         | <b>Proposition 1 - DACI</b>                                    |
| <b>504</b>         | <b>Prop 84 Round I &amp; II Capital Projects (Passthrough)</b> |
| <b>504-00</b>      | <b>Prop 84 Drought Capital Projects</b>                        |
| <b>504-04</b>      | <b>Prop 84 SARCCUP &amp; Other Projects</b>                    |

# OWOW Funds - Revenues



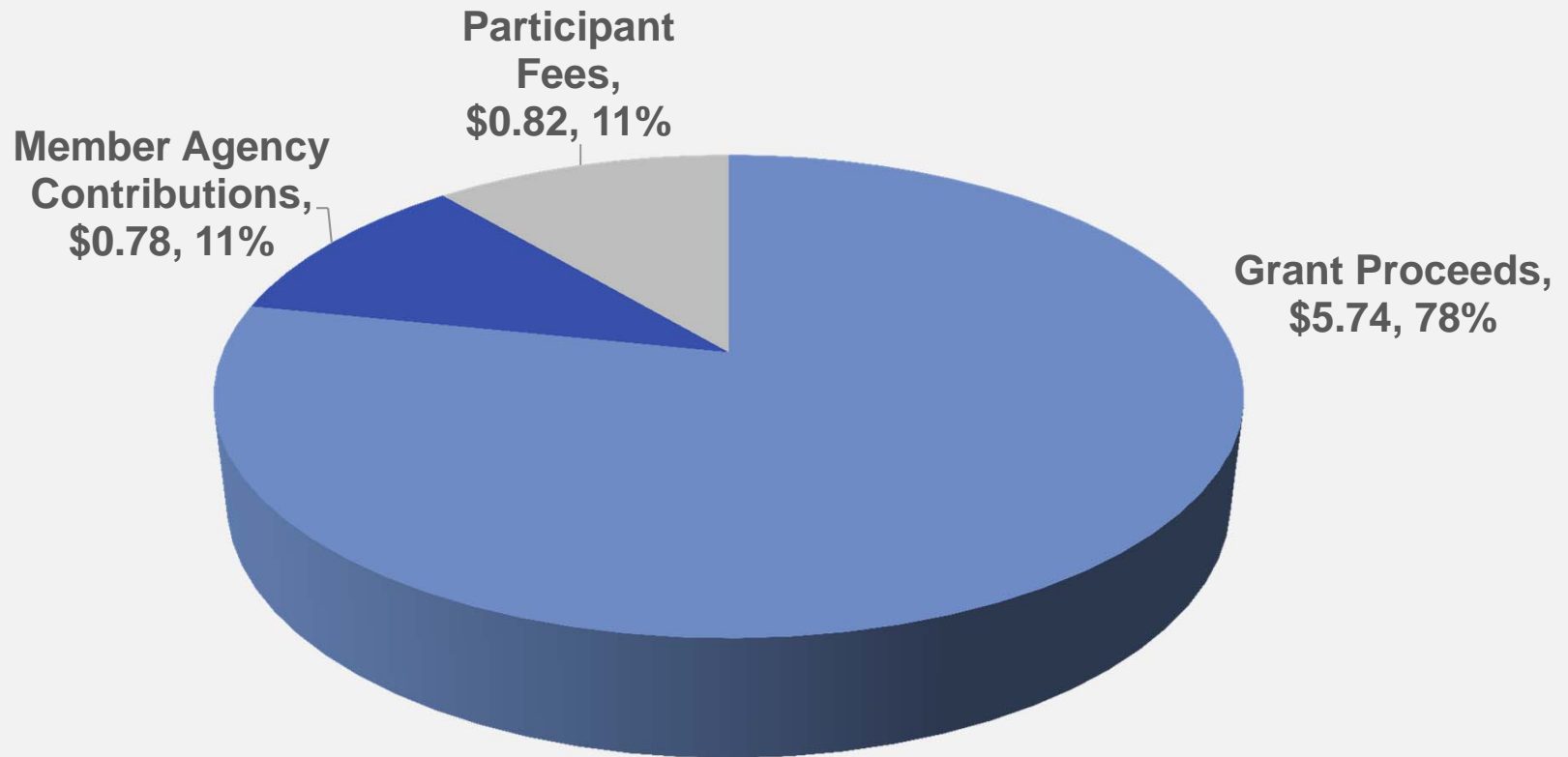
**FYE 2018**

**Revenues \$7.34 M**



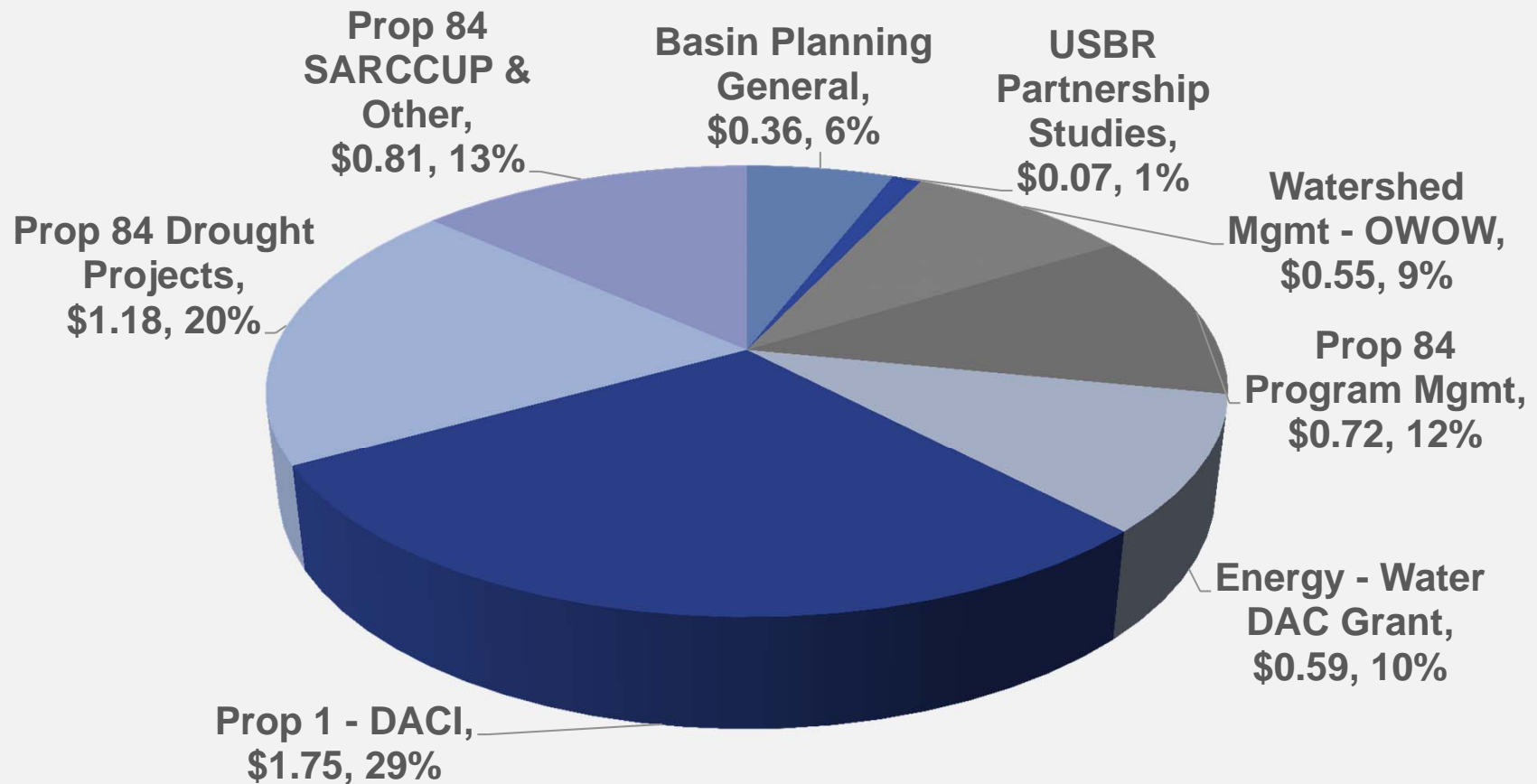
**FYE 2018**

**Revenues \$7.34 M**



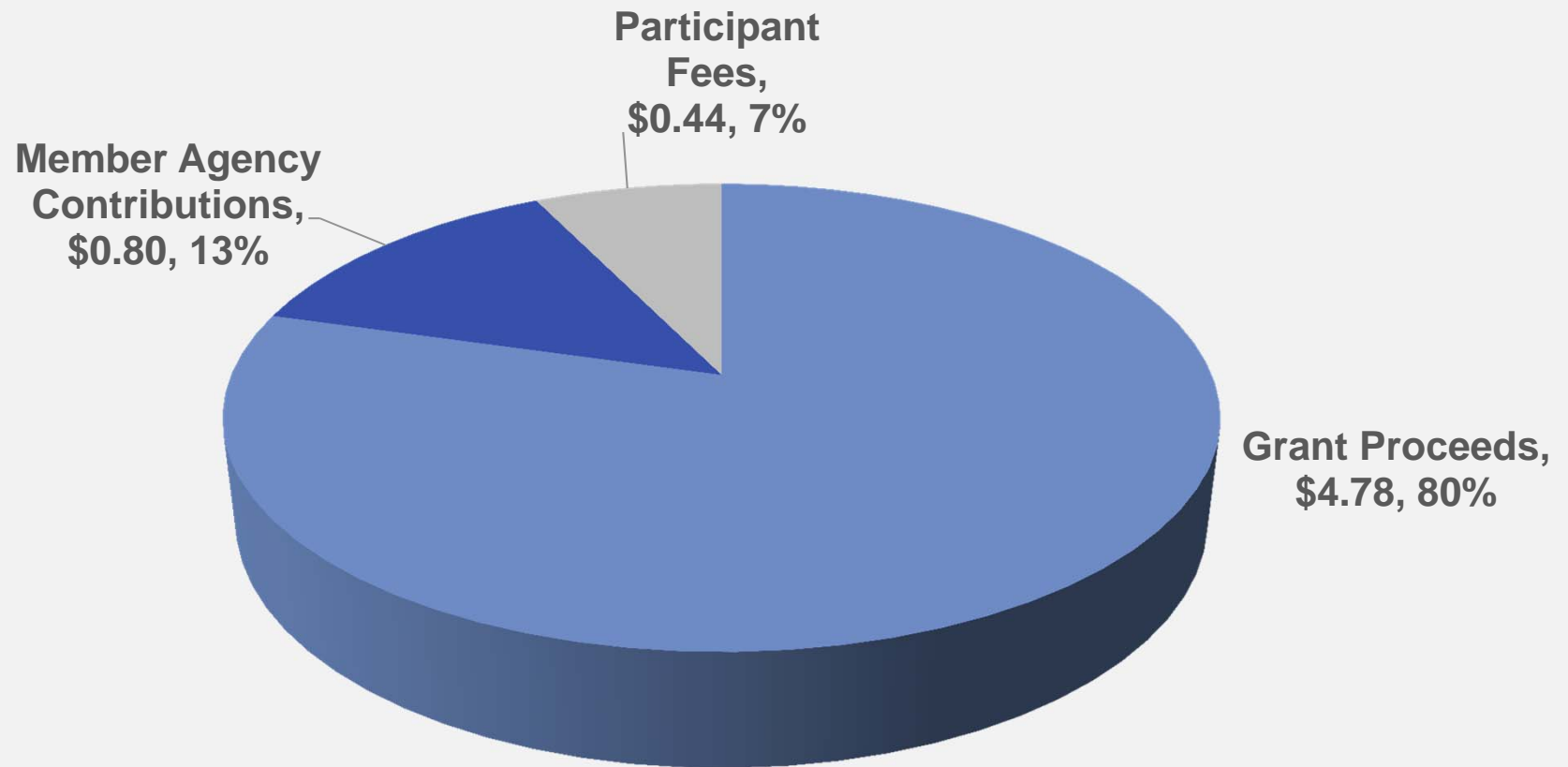
**FYE 2019**

**Revenues \$6.02 M**



**FYE 2019**

**Revenues \$6.02 M**







# Member Agency Contributions

| Fund                        | FYE 2017         | FYE 2018         | FYE 2019         |
|-----------------------------|------------------|------------------|------------------|
| Basin Planning General      | \$350,000        | \$356,000        | \$356,000        |
| USBR Partnership Studies    | 20,000           | 20,000           | 20,000           |
| Watershed Management - OWOW | 300,000          | 400,000          | 425,000          |
| <b>Total</b>                | <b>\$670,000</b> | <b>\$776,000</b> | <b>\$801,000</b> |



# Grant Proceeds

| Fund                                    | FYE 2017           | FYE 2018           | FYE 2019           |
|---|--------------------|--------------------|--------------------|
| USBR Partnership Studies                | \$50,000           | \$50,000           | \$50,000           |
| Watershed Management - OWOW             | 0                  | 127,000            | 123,000            |
| Prop 84 Program Management (all rounds) | 1,062,225          | 686,522            | 718,154            |
| Energy – Water DAC Grant Project        | 941,539            | 1,300,000          | 586,816            |
| Proposition 1 – DACI                    | 0                  | 2,003,206          | 1,747,121          |
| Prop 84 Drought Capital Projects        | 2,243,172          | 1,265,683          | 1,182,042          |
| Prop 84 SARCCUP & Other Projects        | 0                  | 308,885            | 370,123            |
| <b>Total</b>                            | <b>\$4,296,936</b> | <b>\$5,741,297</b> | <b>\$4,777,256</b> |



# Participant Fees

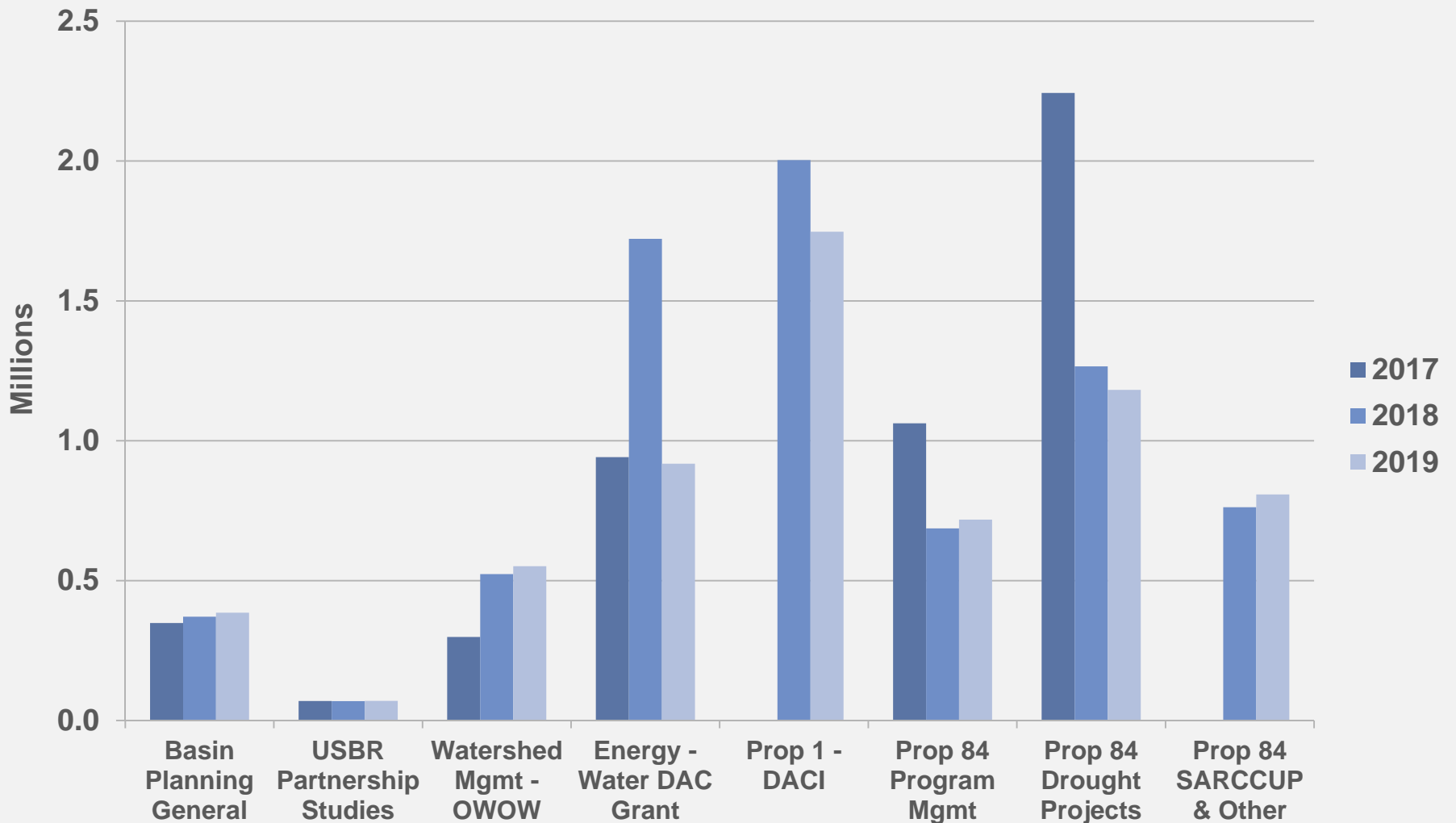
| Fund                             | FYE 2017   | FYE 2018         | FYE 2019         |
|----------------------------------|------------|------------------|------------------|
| Energy – Water DAC Grant Project | \$0        | \$365,000        | \$0              |
| Prop 84 SARCCUP & Other Projects | 0          | 453,612          | 437,722          |
| <b>Total</b>                     | <b>\$0</b> | <b>\$818,612</b> | <b>\$437,722</b> |



# Prop 84 Projects (passthrough)

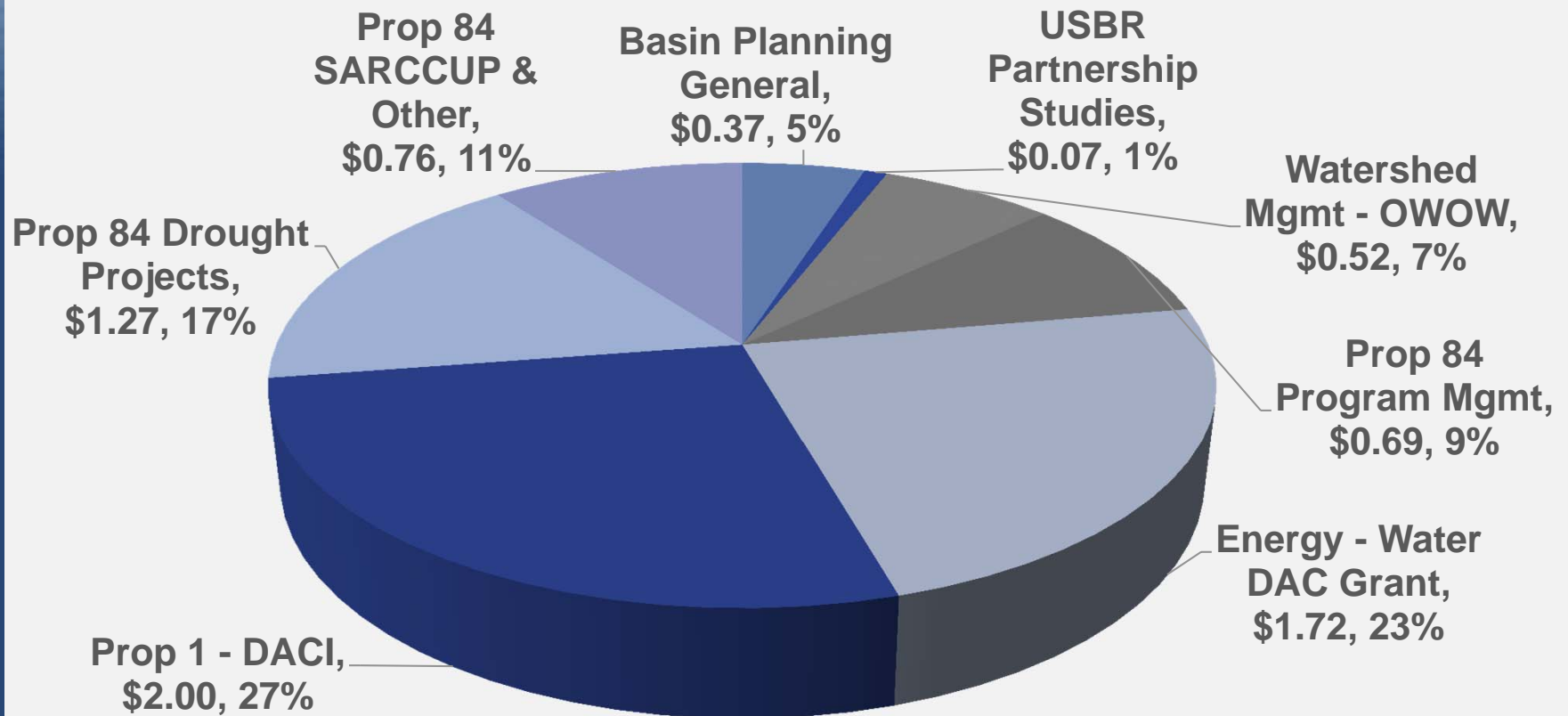
| Fund                            | FYE 2017           | FYE 2018            | FYE 2019            |
|---------------------------------|--------------------|---------------------|---------------------|
| Prop 84 Projects – Round I      | \$750,000          | \$750,000           | \$0                 |
| Prop 84 Projects – Round II     | 4,008,806          | 6,780,247           | 2,075,000           |
| Prop 84 Project – Drought Round | 1,622,500          | 4,133,341           | 100,000             |
| Prop 84 – Final Round (SARCCUP) | 0                  | 9,416,637           | 10,612,335          |
| <b>Total</b>                    | <b>\$6,381,306</b> | <b>\$21,080,225</b> | <b>\$12,787,335</b> |

# OWOW Fund - Expenses



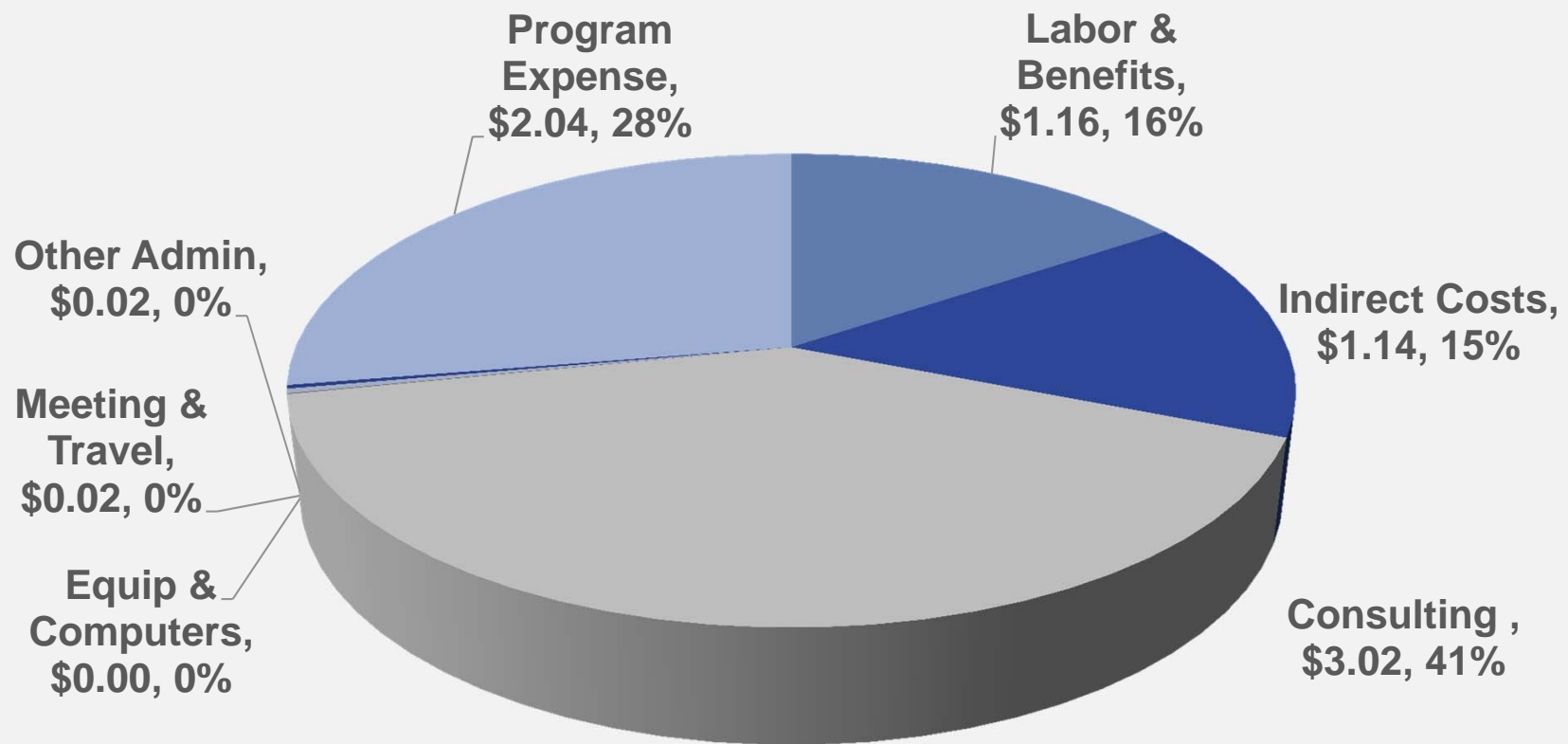
**FYE 2018**

**Expenses \$7.40 M**



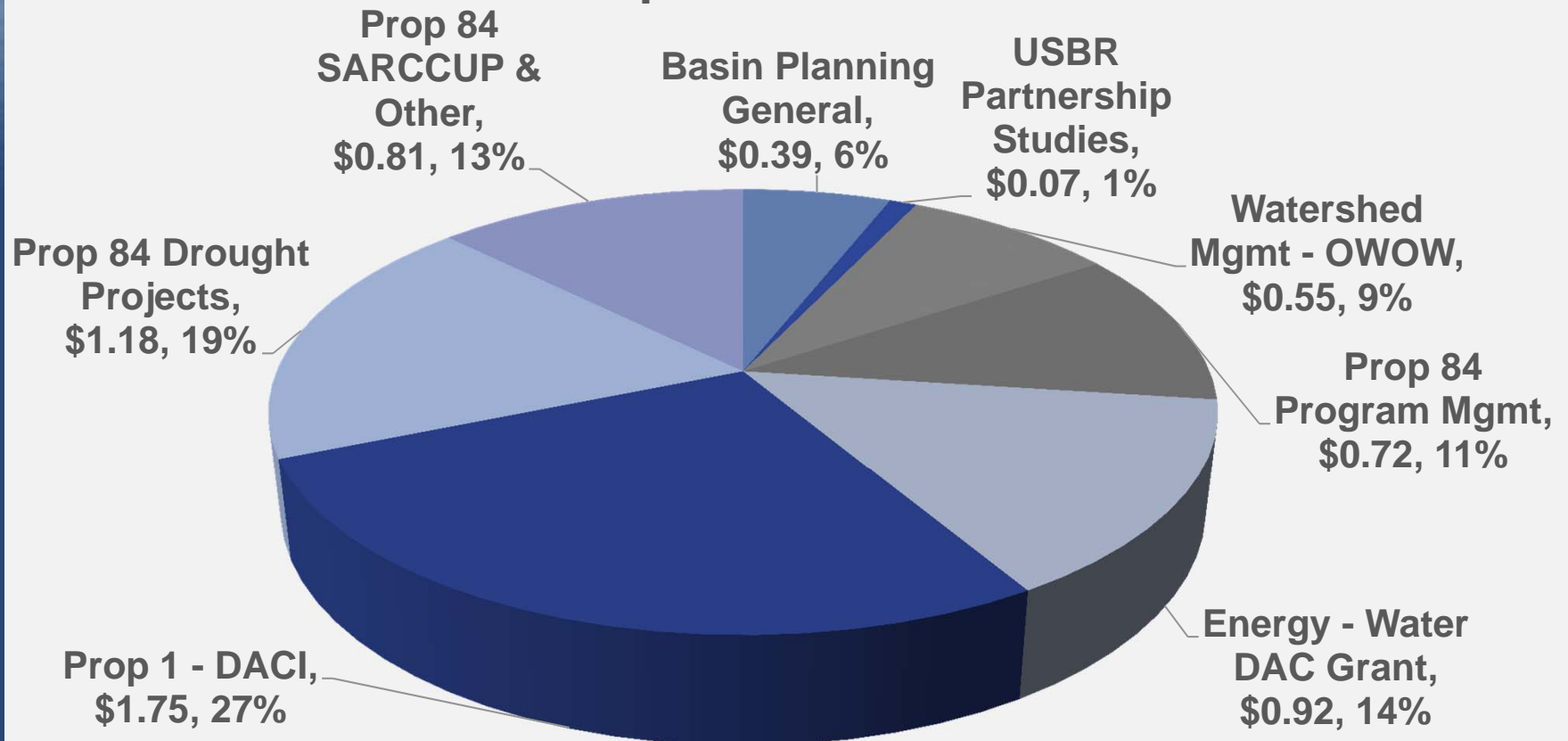
**FYE 2018**

**Expenses \$7.40 M**



**FYE 2019**

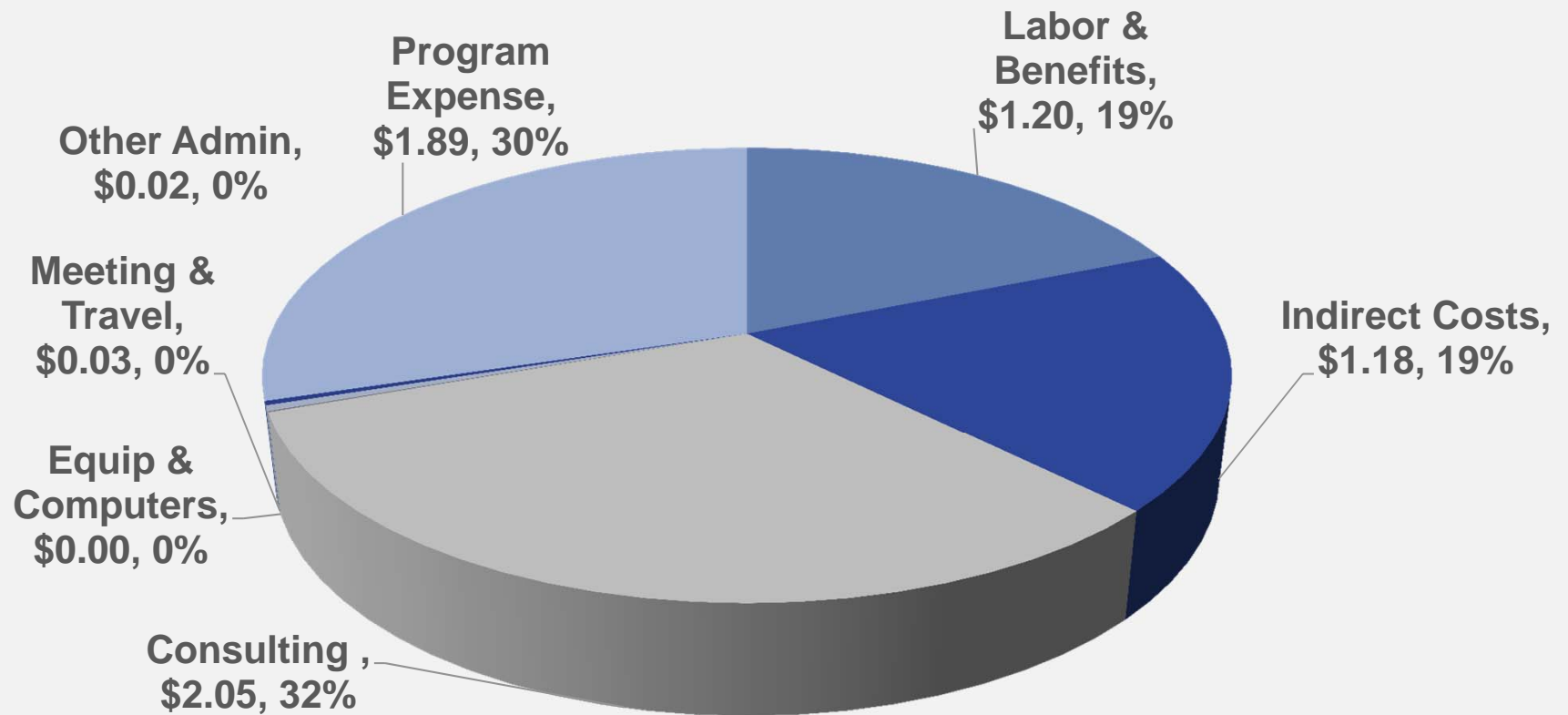
**Expenses \$6.38 M**





**FYE 2019**

**Expenses \$6.38 M**





# Expenses

| Fund                                    | FYE 2017           | FYE 2018           | FYE 2019           |
|---|--------------------|--------------------|--------------------|
| Basin Planning General                  | \$348,350          | \$371,009          | \$385,131          |
| USBR Partnership Studies                | 69,853             | 69,178             | 70,365             |
| Watershed Management – OWOW             | 298,725            | 523,362            | 551,346            |
| Prop 84 Program Management (all rounds) | 1,062,225          | 686,522            | 718,154            |
| Energy – Water DAC Grant Project        | 941,539            | 1,721,860          | 918,104            |
| Proposition 1 – DACI                    | 0                  | 2,003,206          | 1,747,121          |
| Prop 84 Drought Capital Projects        | 2,243,172          | 1,265,683          | 1,182,042          |
| Prop 84 SARCCUP & Other Projects        | 0                  | 762,496            | 807,844            |
| <b>Total</b>                            | <b>\$4,963,864</b> | <b>\$7,403,317</b> | <b>\$6,380,106</b> |



# Fund Balance FYE 2018

| Fund                             | Projected Fund Balance 06/30/17 | Revenues           | Expenses           | Fund Balance 06/30/18 |
|----------------------------------|---------------------------------|--------------------|--------------------|-----------------------|
| Basin Planning General           | \$45,039                        | \$356,000          | \$371,009          | \$30,029              |
| USBR Partnership Studies         | 22,817                          | 70,000             | 69,178             | 23,639                |
| Watershed Management - OWOW      | 1,060                           | 527,000            | 523,362            | 4,698                 |
| Prop 84 Program Management (all) | 0                               | 686,522            | 686,522            | 0                     |
| Energy – Water DAC Grant Project | 388,341                         | 1,665,000          | 1,721,860          | 331,481               |
| Proposition 1 - DACI             | 0                               | 2,003,206          | 2,003,206          | 0                     |
| Prop 84 Drought Capital Projects | 0                               | 1,265,683          | 1,265,683          | 0                     |
| Prop 84 SARCCUP & Other Projects | 0                               | 762,496            | 762,496            | 0                     |
| <b>Total</b>                     | <b>\$457,257</b>                | <b>\$7,335,908</b> | <b>\$7,403,317</b> | <b>\$389,847</b>      |



# Fund Balance FYE 2019

| Fund                             | Projected Fund Balance 06/30/18 | Revenues           | Expenses           | Fund Balance 06/30/19 |
|----------------------------------|---------------------------------|--------------------|--------------------|-----------------------|
| Basin Planning General           | \$30,029                        | \$356,000          | \$385,131          | \$898                 |
| USBR Partnership Studies         | 23,639                          | 70,000             | 70,365             | 23,274                |
| Watershed Management - OWOW      | 4,698                           | 548,000            | 551,346            | 1,352                 |
| Prop 84 Program Management (all) | 0                               | 718,154            | 718,154            | 0                     |
| Energy – Water DAC Grant Project | 331,481                         | 586,816            | 918,104            | 193                   |
| Proposition 1 – DACI             | 0                               | 1,747,121          | 1,747,121          | 0                     |
| Prop 84 Drought Capital Projects | 0                               | 1,182,042          | 1,182,042          | 0                     |
| Prop 84 SARCCUP & Other Projects | 0                               | 807,844            | 807,844            | 0                     |
| <b>Total</b>                     | <b>\$389,847</b>                | <b>\$6,015,977</b> | <b>\$6,380,106</b> | <b>\$25,718</b>       |



# Indirect Cost Allocation - OWOW

| Fund                                    | FYE 2018    | FYE 2019    |
|---|-------------|-------------|
| Basin Planning General                  | \$175,783   | \$182,757   |
| USBR Partnership Studies                | 9,402       | 9,989       |
| Watershed Management - OWOW             | 208,428     | 222,265     |
| Prop 84 Program Management (All Rounds) | 340,124     | 355,751     |
| Energy – Water DAC Grant Project        | 28,011      | 28,020      |
| Proposition 1 - DACI                    | 137,902     | 154,036     |
| Prop 84 Drought Capital Projects        | 154,453     | 115,478     |
| Prop 84 SARCCUP & Other Projects        | 82,496      | 114,557     |
| Total                                   | \$1,136,600 | \$1,182,852 |
| % of Total Indirect Costs               | 38.52%      | 37.89%      |

A close-up photograph of a silver fountain pen nib resting on a document. The document features a line graph with a blue line showing an upward trend. The graph has a vertical axis labeled '0000' and a horizontal axis with months 'Feb.', 'Apr.', and 'Jun.' visible. The word 'BUDGET' is partially visible in the background.

# Roundtables Funds Budget



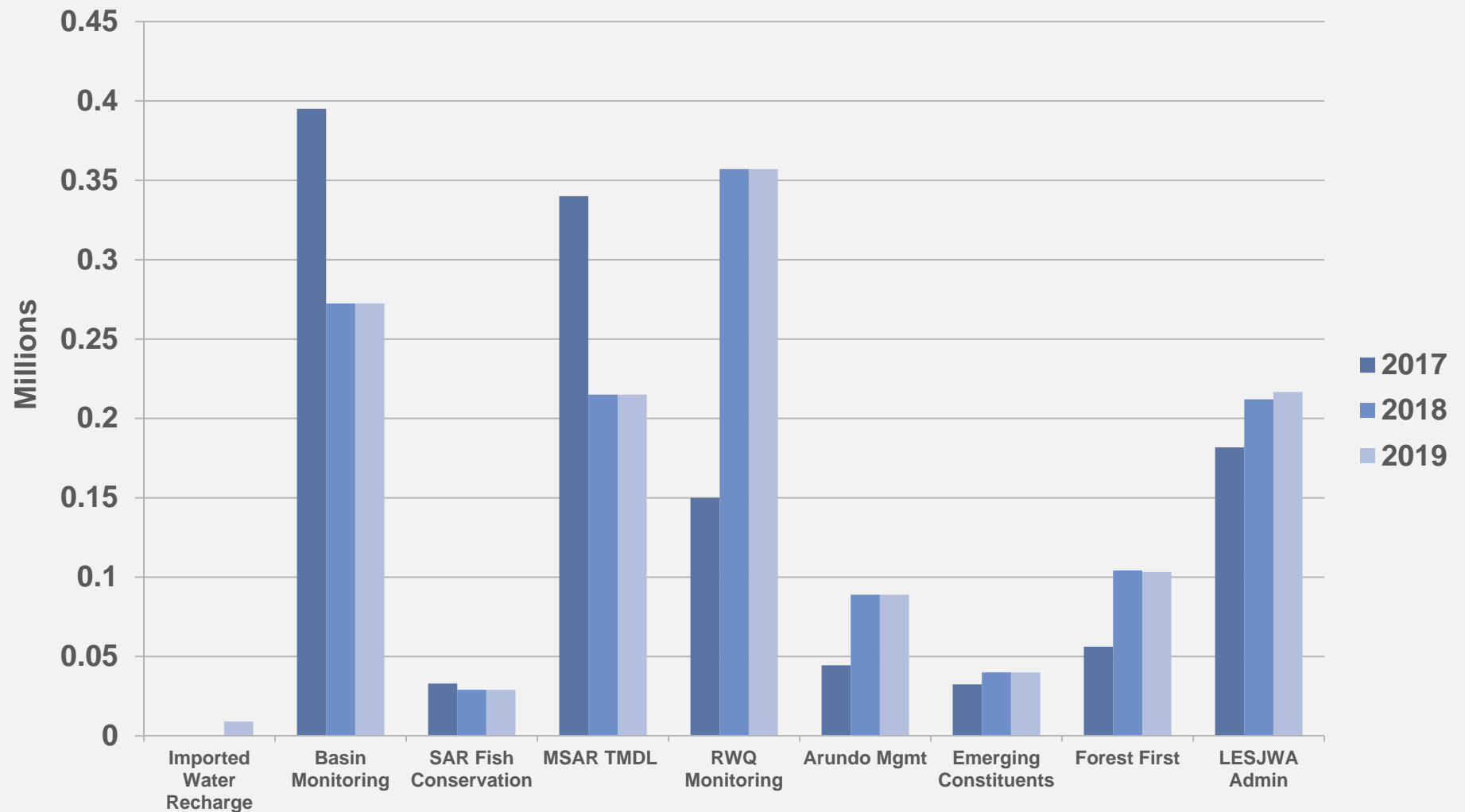
**SAWPA  
ROUNDTABLES**



# Roundtables Funds

| <b>Fund Number</b> | <b>Fund Title</b>                                   |
|--------------------|---|
| <b>372</b>         | <b>Imported Water Recharge Workgroup</b>            |
| <b>374</b>         | <b>Basin Monitoring Program Task Force</b>          |
| <b>381</b>         | <b>Santa Ana River Fish Conservation</b>            |
| <b>384-01</b>      | <b>Middle SAR TMDL Task Force</b>                   |
| <b>386</b>         | <b>Regional Water Quality Monitoring Task Force</b> |
| <b>387</b>         | <b>Arundo Management &amp; Habitat Restoration</b>  |
| <b>392</b>         | <b>Emerging Constituents Task Force</b>             |
| <b>396</b>         | <b>Forest First</b>                                 |
| <b>477</b>         | <b>LESJWA Administration</b>                        |

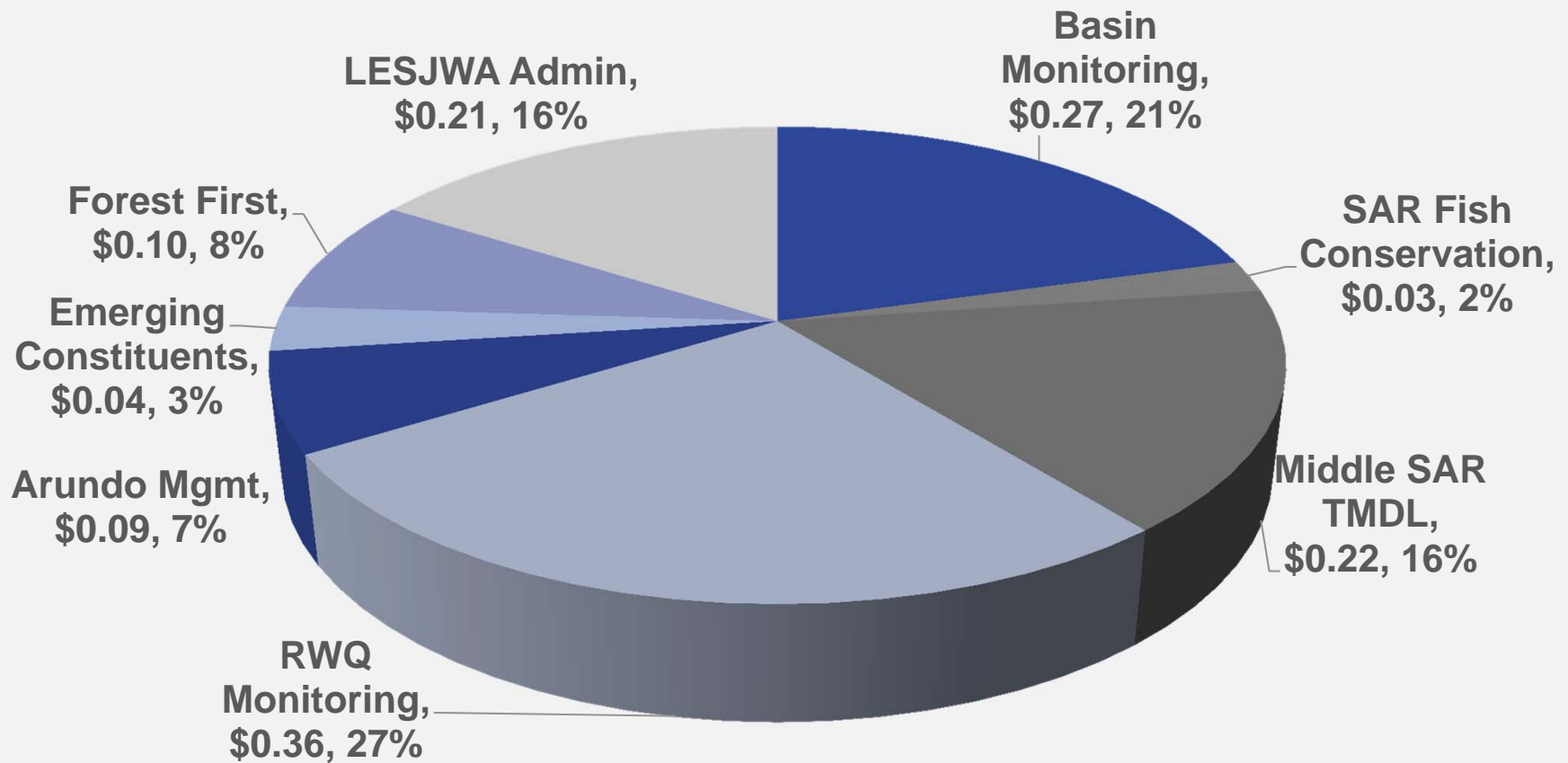
# Roundtables Funds - Revenue





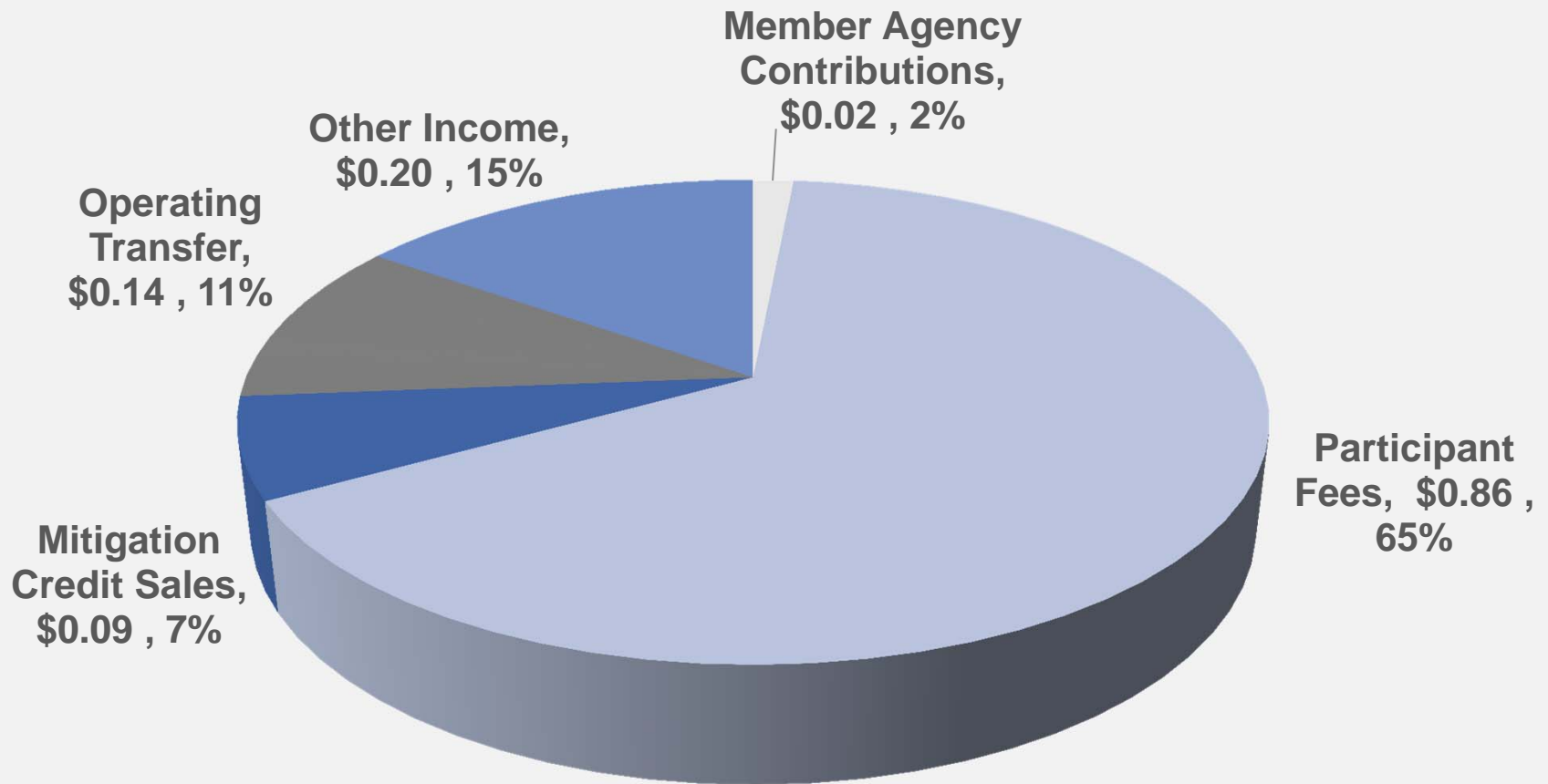
**FYE 2018**

**Revenues \$1.32 M**



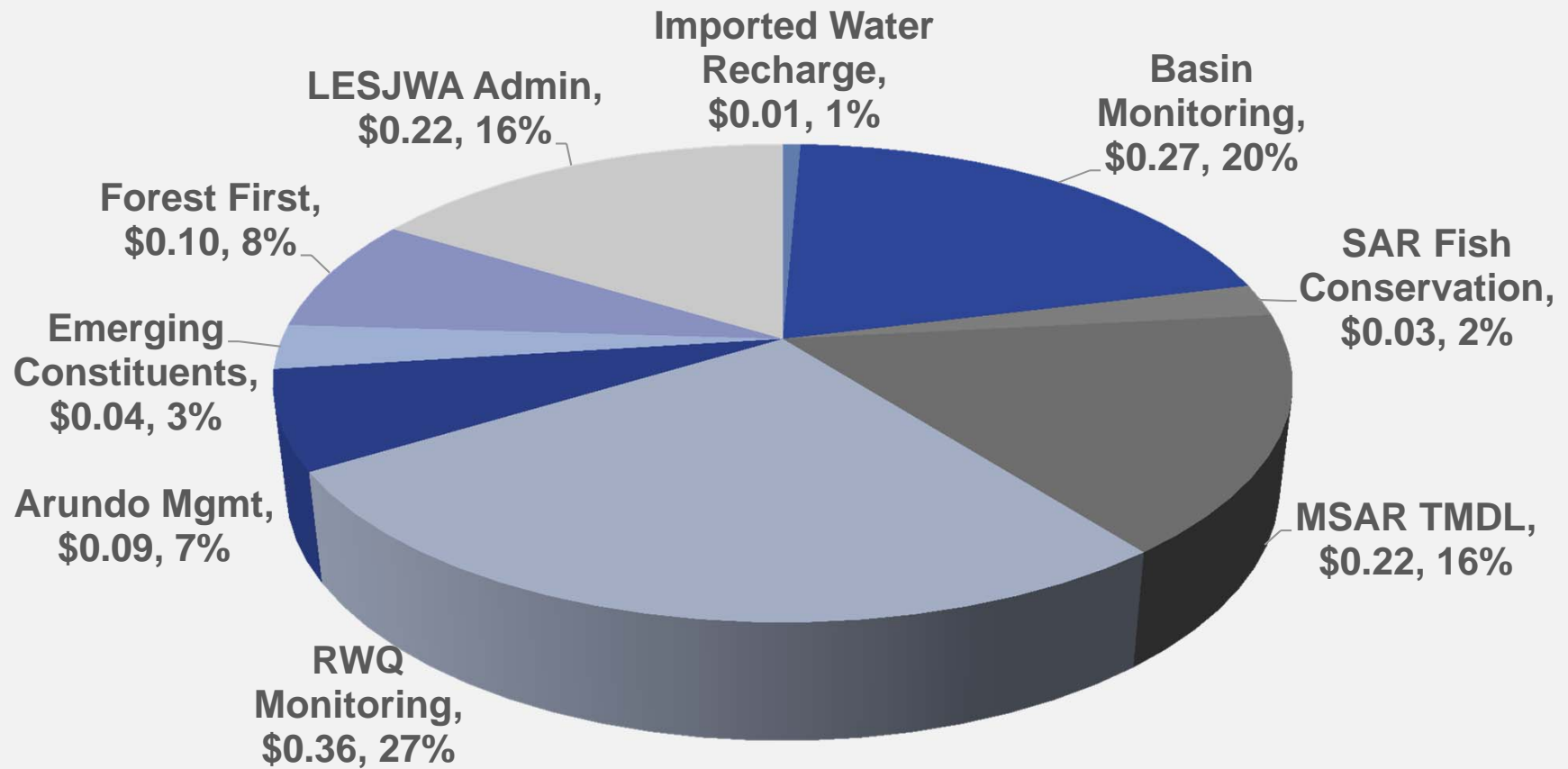
**FYE 2018**

**Revenues \$1.32 M**



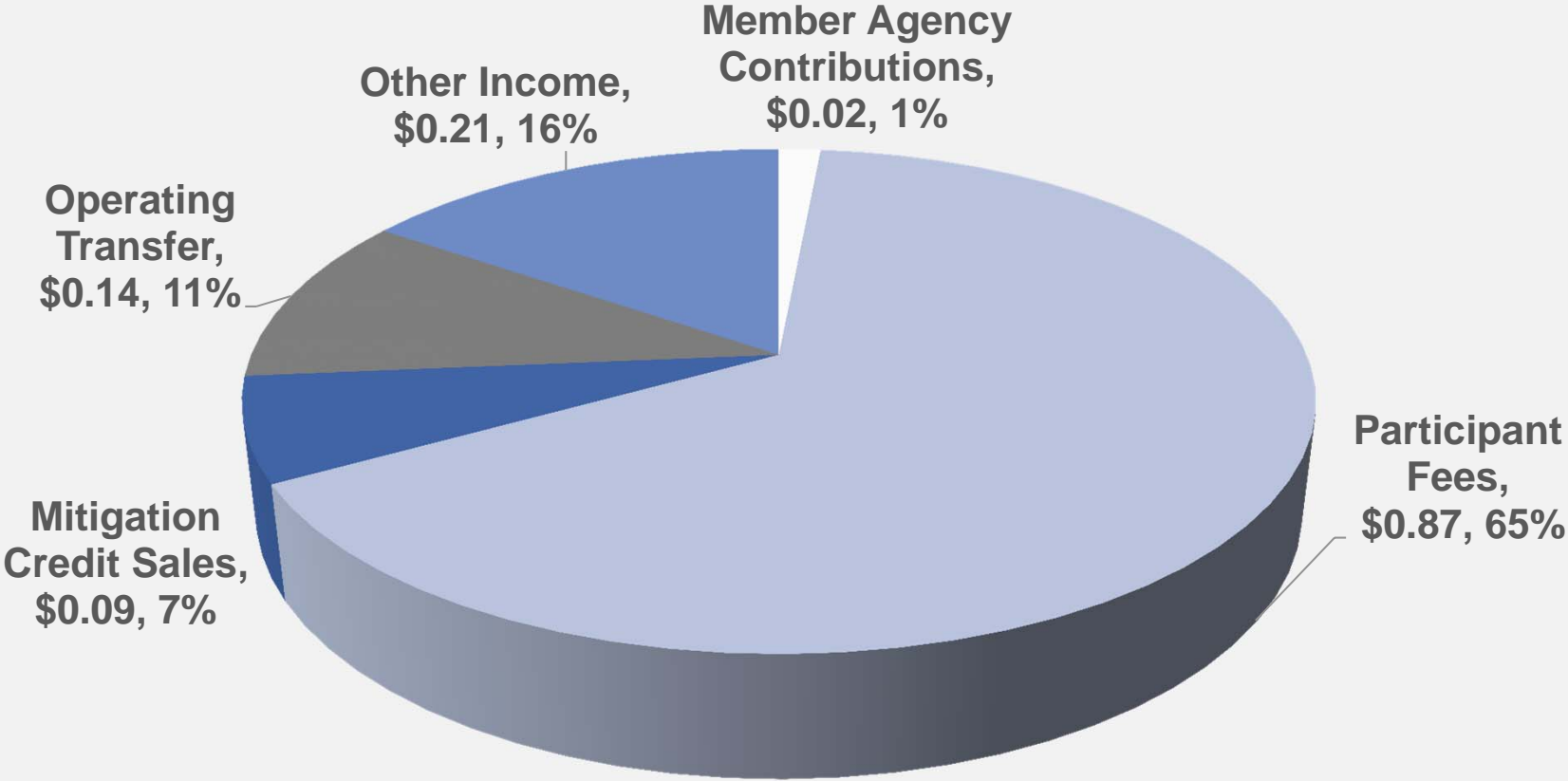
**FYE 2019**

**Revenues \$1.33 M**



**FYE 2019**

**Revenues \$1.33 M**





# Participant Fees

| Fund                        | FYE 2017         | FYE 2018         | FYE 2019         |
|-----------------------------|------------------|------------------|------------------|
| Imported Water Recharge     | \$0              | \$0              | \$9,000          |
| Basin Monitoring Program TF | 395,151          | 272,447          | 272,447          |
| SAR Fish Conservation       | 23,000           | 19,000           | 19,000           |
| Middle SAR TMDL TF          | 340,000          | 215,000          | 215,000          |
| RWQ Monitoring TF           | 100,000          | 212,796          | 212,796          |
| Emerging Constituents TF    | 32,500           | 40,000           | 40,000           |
| Forest First                | 56,227           | 104,202          | 103,308          |
| <b>Total</b>                | <b>\$946,878</b> | <b>\$863,445</b> | <b>\$871,551</b> |



# Member Agency Contributions

| Fund                     | FYE 2017        | FYE 2018        | FYE 2019        |
|--------------------------|-----------------|-----------------|-----------------|
| SAR Fish Conservation TF | \$10,000        | \$10,000        | \$10,000        |
| RWQ Monitoring TF        | 50,000          | 0               | 0               |
| LESJWA Administration    | 10,000          | 10,000          | 10,000          |
| <b>Total</b>             | <b>\$70,000</b> | <b>\$20,000</b> | <b>\$20,000</b> |



# Mitigation Credit Sales

| Fund                        | FYE 2017 | FYE 2018 | FYE 2019 |
|-----------------------------|----------|----------|----------|
| Arundo Management & Habitat | \$44,490 | \$88,980 | \$88,980 |
| Total                       | \$44,490 | \$88,980 | \$88,980 |



# Operating Transfer

| Fund              | FYE 2017 | FYE 2018  | FYE 2019  |
|-------------------|----------|-----------|-----------|
| RWQ Monitoring TF | \$0      | \$144,252 | \$144,252 |
| Total             | \$0      | \$144,252 | \$144,252 |

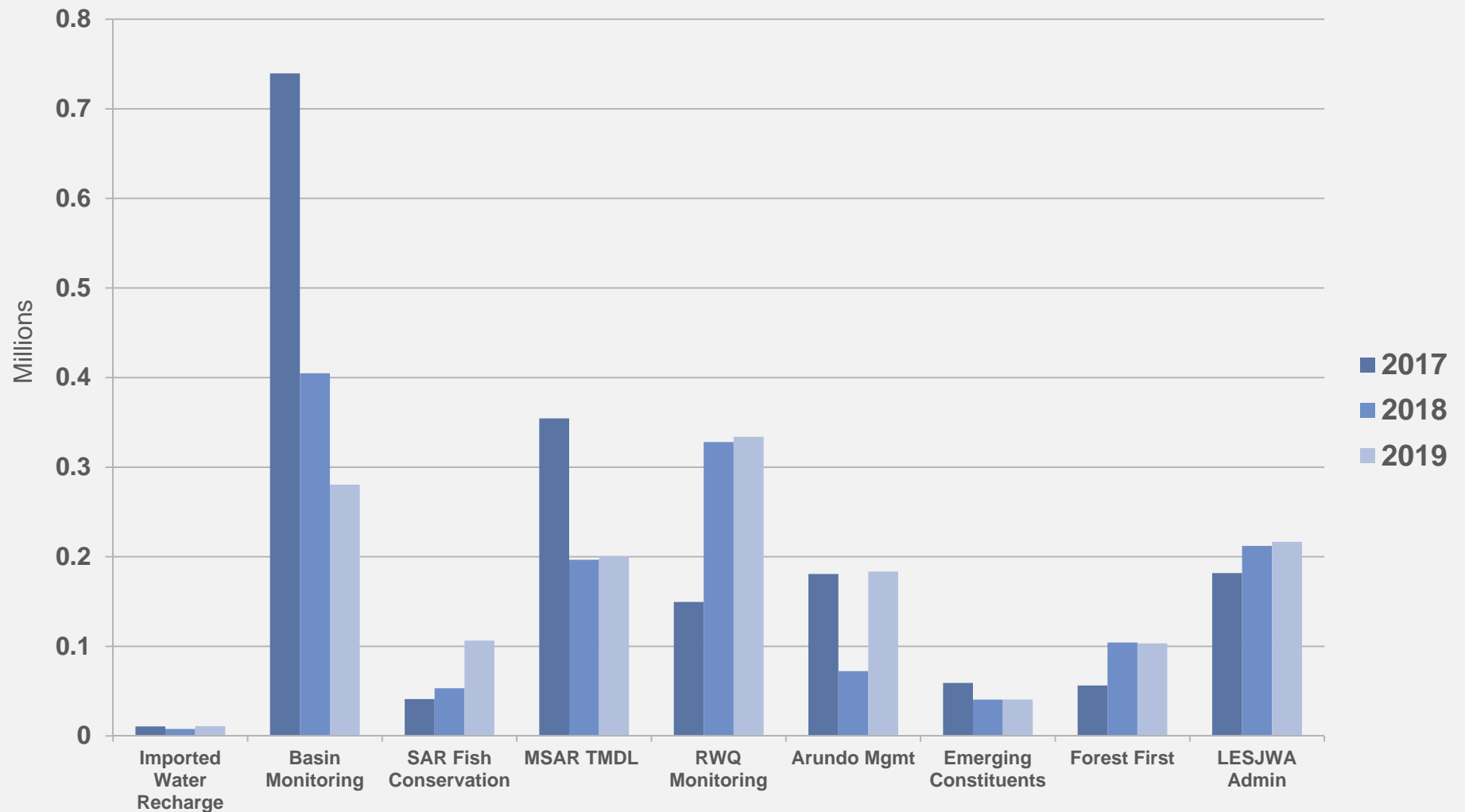




# Other Income

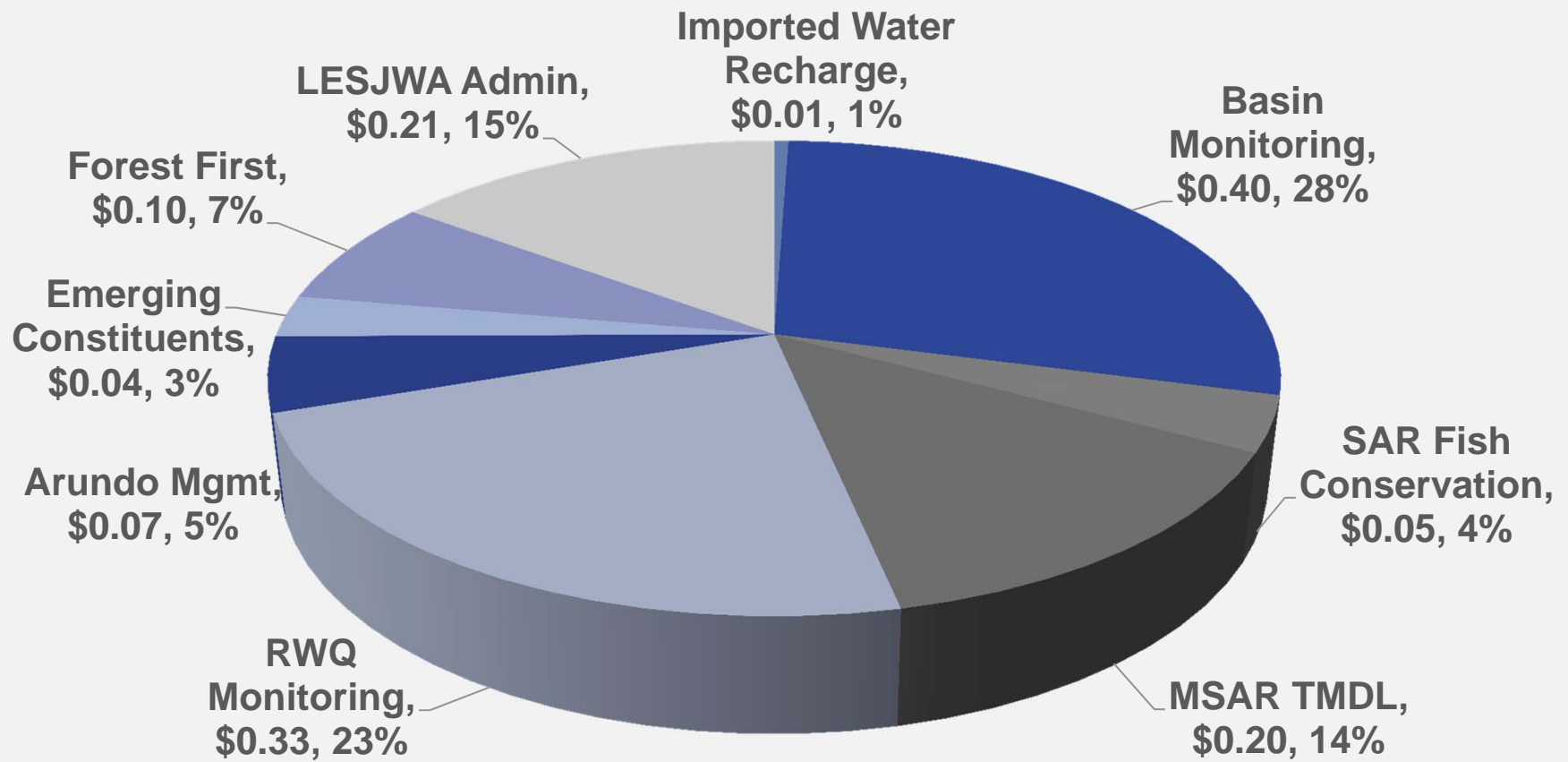
| Fund                  | FYE 2017  | FYE 2018  | FYE 2019  |
|-----------------------|-----------|-----------|-----------|
| LESJWA Administration | \$212,638 | \$202,027 | \$206,674 |
| Total                 | \$212,638 | \$202,027 | \$206,674 |

# Roundtables Funds – Expenses



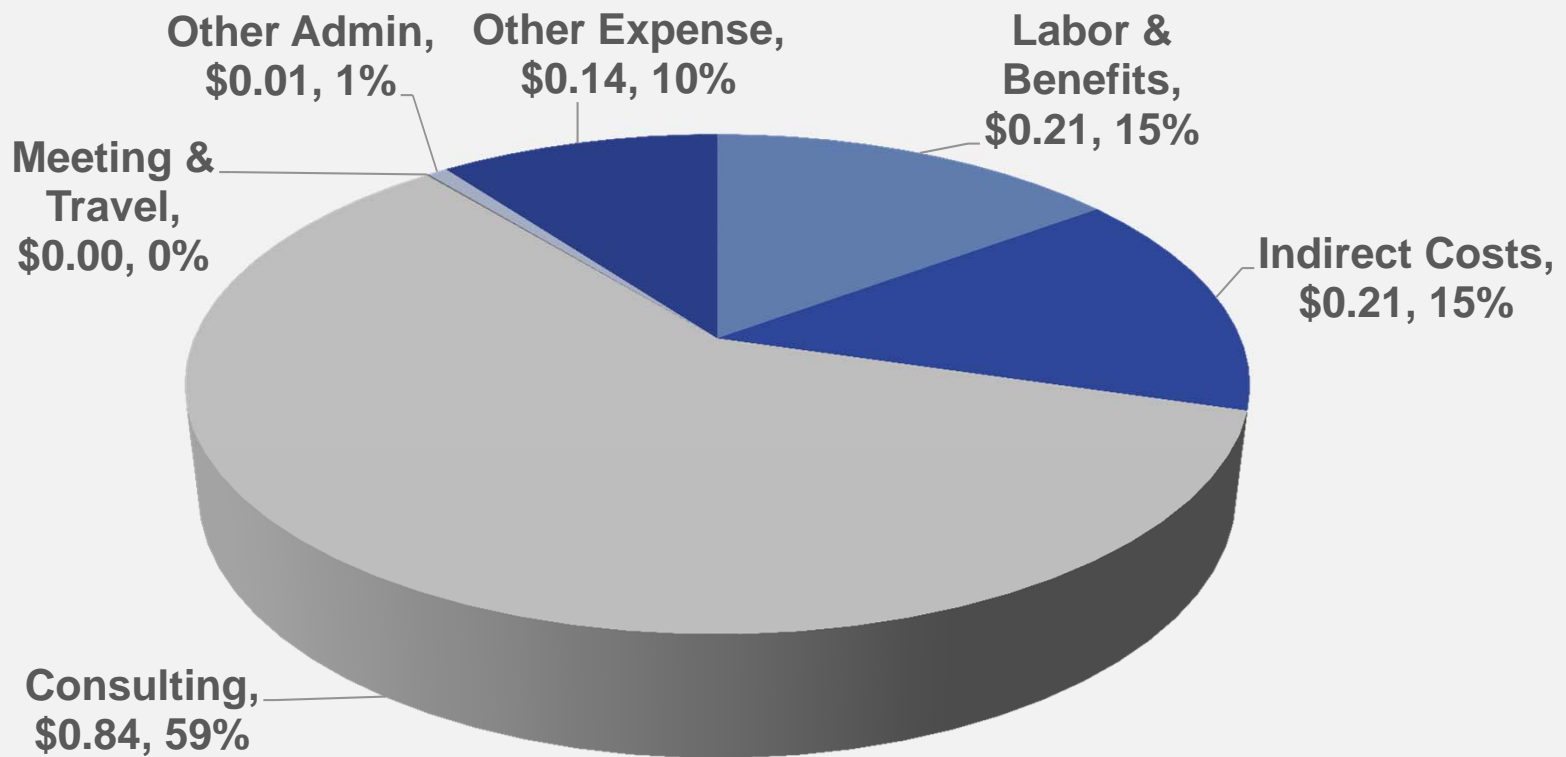
**FYE 2018**

**Expenses \$1.42 M**



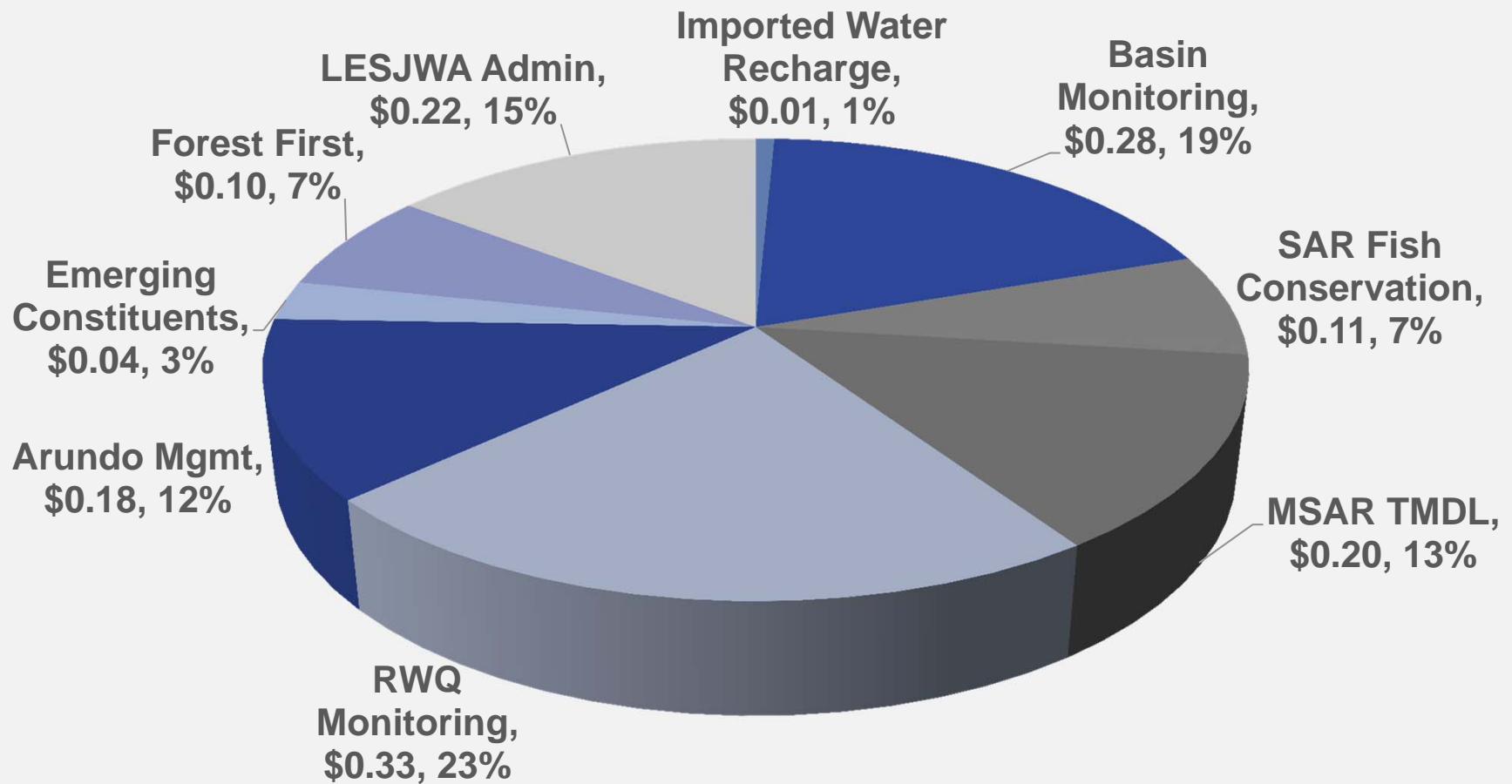
**FYE 2018**

**Expenses \$1.42 M**



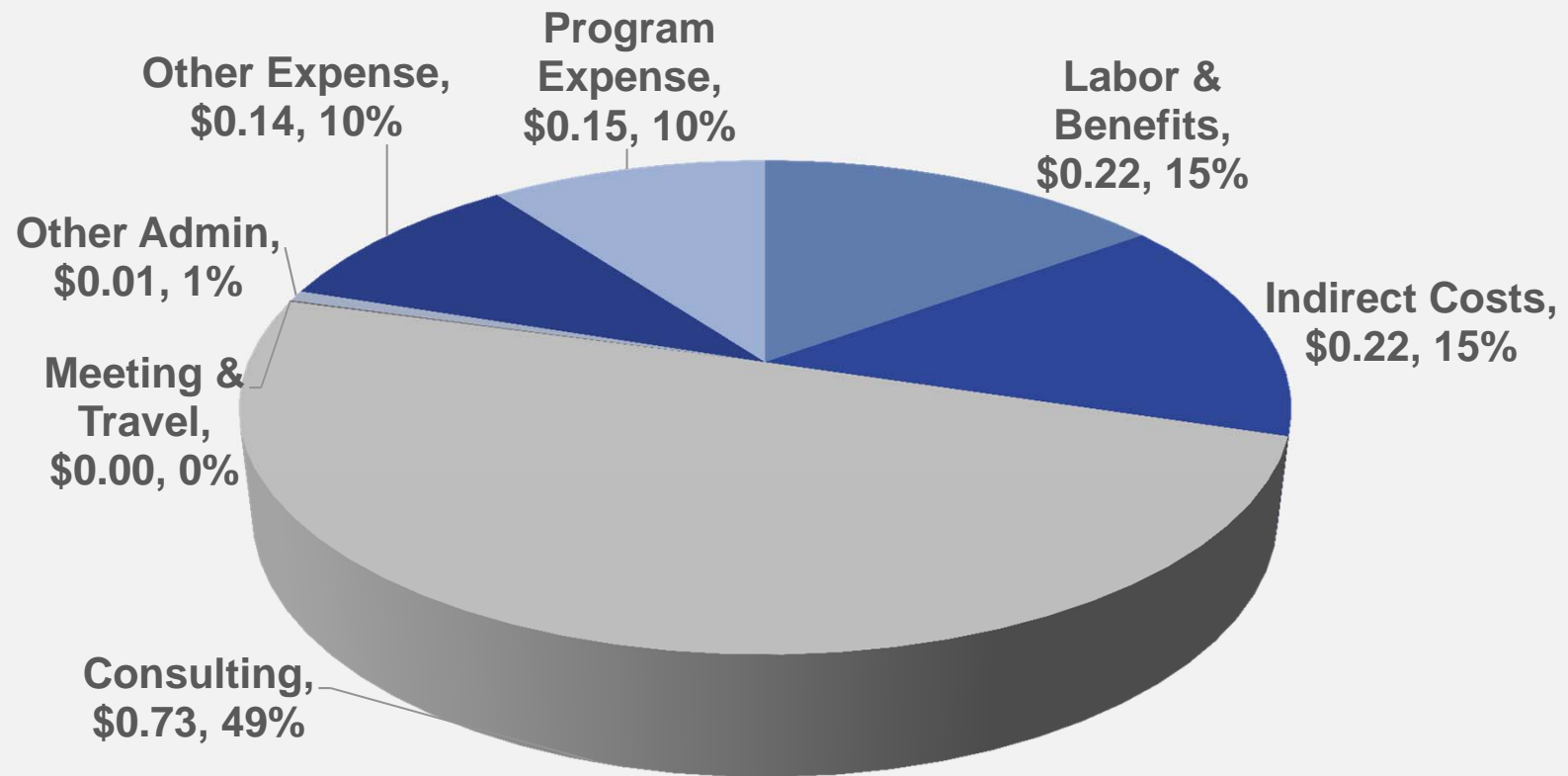
**FYE 2019**

**Expenses \$1.48 M**



**FYE 2019**

**Expenses \$1.5 M**





# Expenses

| Fund                        | FYE 2017           | FYE 2018           | FYE 2019           |
|-----------------------------|--------------------|--------------------|--------------------|
| Imported Water Recharge     | \$10,523           | \$7,698            | \$10,804           |
| Basin Monitoring Program TF | 739,511            | 404,772            | 280,534            |
| SAR Fish Conservation       | 41,030             | 53,156             | 106,303            |
| Middle SAR TMDL TF          | 354,456            | 196,554            | 200,470            |
| RWQ Monitoring TF           | 149,546            | 327,988            | 333,802            |
| Arundo Management & Habitat | 180,687            | 72,281             | 183,367            |
| Emerging Constituents TF    | 59,166             | 40,528             | 40,719             |
| Forest First                | 56,227             | 104,202            | 103,308            |
| LESJWA Administration       | 181,782            | 212,027            | 216,674            |
| <b>Total</b>                | <b>\$1,772,928</b> | <b>\$1,419,206</b> | <b>\$1,475,981</b> |



# Fund Balance FYE 2018

| Fund                                    | Projected Fund Balance 06/30/17 | Revenues           | Expenses             | Fund Balance 06/30/18 |
|---|---------------------------------|--------------------|----------------------|-----------------------|
| Imported Water Recharge Workgroup       | \$10,899                        | \$0                | (\$7,698)            | \$3,202               |
| Basin Monitoring Program Task Force     | 276,374                         | 272,447            | (404,772)            | 144,050               |
| Santa Ana River Fish Conservation       | 185,817                         | 29,000             | (53,156)             | 161,661               |
| Middle SAR TMDL Task Force              | 237,247                         | 215,000            | (196,554)            | 255,693               |
| Regional Water Quality Monitoring TF    | 22,549                          | 357,048            | (327,988)            | 51,609                |
| Arundo Management & Habitat Restoration | 961,761                         | 88,980             | (72,281)             | 978,460               |
| Emerging Constituents Task Force        | 87,913                          | 40,000             | (40,528)             | 87,385                |
| Forest First                            | 0                               | 104,202            | (104,202)            | 0                     |
| LESJWA Administration                   | 0                               | 212,027            | (212,027)            | 0                     |
| <b>Total</b>                            | <b>\$1,782,561</b>              | <b>\$1,318,704</b> | <b>(\$1,419,206)</b> | <b>\$1,682,060</b>    |





# Fund Balance FYE 2019

| Fund                                    | Projected Fund Balance 06/30/18 | Revenues           | Expenses             | Fund Balance 06/30/19 |
|---|---------------------------------|--------------------|----------------------|-----------------------|
| Imported Water Recharge Workgroup       | \$3,202                         | \$9,000            | (\$10,804)           | \$1,398               |
| Basin Monitoring Program Task Force     | 144,050                         | 272,447            | (280,534)            | 135,962               |
| Santa Ana River Fish Conservation       | 161,661                         | 29,000             | (106,303)            | 84,358                |
| Middle SAR TMDL Task Force              | 255,693                         | 215,000            | (200,470)            | 270,223               |
| Regional Water Quality Monitoring TF    | 51,609                          | 357,048            | (333,802)            | 74,855                |
| Arundo Management & Habitat Restoration | 978,460                         | 88,980             | (183,367)            | 884,072               |
| Emerging Constituents Task Force        | 87,385                          | 40,000             | (40,419)             | 86,666                |
| Forest First                            | 0                               | 103,308            | (103,308)            | 0                     |
| LESJWA Administration                   | 0                               | 216,674            | (216,674)            | 0                     |
| <b>Total</b>                            | <b>\$1,682,060</b>              | <b>\$1,331,457</b> | <b>(\$1,475,981)</b> | <b>\$1,537,535</b>    |



# Indirect Cost Allocation - Roundtables

| Fund   | FYE 2018  | FYE 2019  |
|--|-----------|-----------|
| Imported Water Recharge Workgroup            | \$3,814   | \$5,352   |
| Basin Monitoring Program Task Force          | 43,164    | 43,537    |
| Santa Ana River Fish Conservation            | 14,395    | 14,839    |
| Middle SAR TMDL Task Force                   | 13,378    | 15,316    |
| Regional Water Quality Monitoring Task Force | 10,142    | 13,021    |
| Arundo Management & Habitat Restoration      | 15,795    | 16,182    |
| Emerging Constituents Task Force             | 5,216     | 5,310     |
| Forest First                                 | 2,082     | 1,639     |
| LESJWA Administration                        | 99,892    | 102,181   |
| Total  | \$207,877 | \$217,376 |
| % of Total Indirect Costs                    | 7.04%     | 6.96%     |



# General Fund Budget



A close-up photograph of a silver fountain pen nib resting on a document. The document features a line graph with a red line showing an upward trend. The x-axis is labeled with months: 'Feb.', 'Apr.', 'Jun.', and 'Aug.'. The y-axis has numerical values, including '000000'. There is also some handwritten text in blue ink on the document, including the word 'MAY' and 'UR'.

# Budget Policy Practices

- The General Fund is used for all JPA administrative functions in support of the Commission, legislative needs, headquarter building facility and maintenance, and all other functions not specifically related directly to projects.



# Budget Policy Practices

- SAWPA will endeavor to keep the indirect cost rate constant from year to year to provide stability in costs charged to projects using SAWPA labor, and for reimbursable contracts and charges to outside agencies.



# Budget Policy Practices

- SAWPA will work to keep member agency contributions reasonable and relatively constant to provide stability for the member agencies.



# JPA Operations

## Brine Line Enterprise

Fund 240  
Brine Line Operations

Brine Line Debt Service

## Capital Projects

Fund 320  
Brine Line Protection

Fund 326  
Reach V Repairs

Fund 327  
Reach 4D Corrosion Repair

## OWOW

Fund 373  
Watershed Management

Fund 370-01  
General Basin Planning

Fund 370-02  
USBR Partnership Studies

Fund 397  
Water-Energy Grant

Fund 398  
Proposition 1 - DACI

Fund 130-145  
Prop 84 Grant Admin

Fund 504-301  
Drought Round Projects

Fund 540-401  
2015 Round SARCCUP

## Roundtable

Fund 372  
Imported Water Recharge

Fund 374  
Basin Monitoring TF

Fund 381  
SAR Fish Conservation TF

Fund 384-01  
MSAR TMDL TF

Fund 386  
RWQ Monitoring TF

Fund 387  
Arundo Mgmt & Habitat

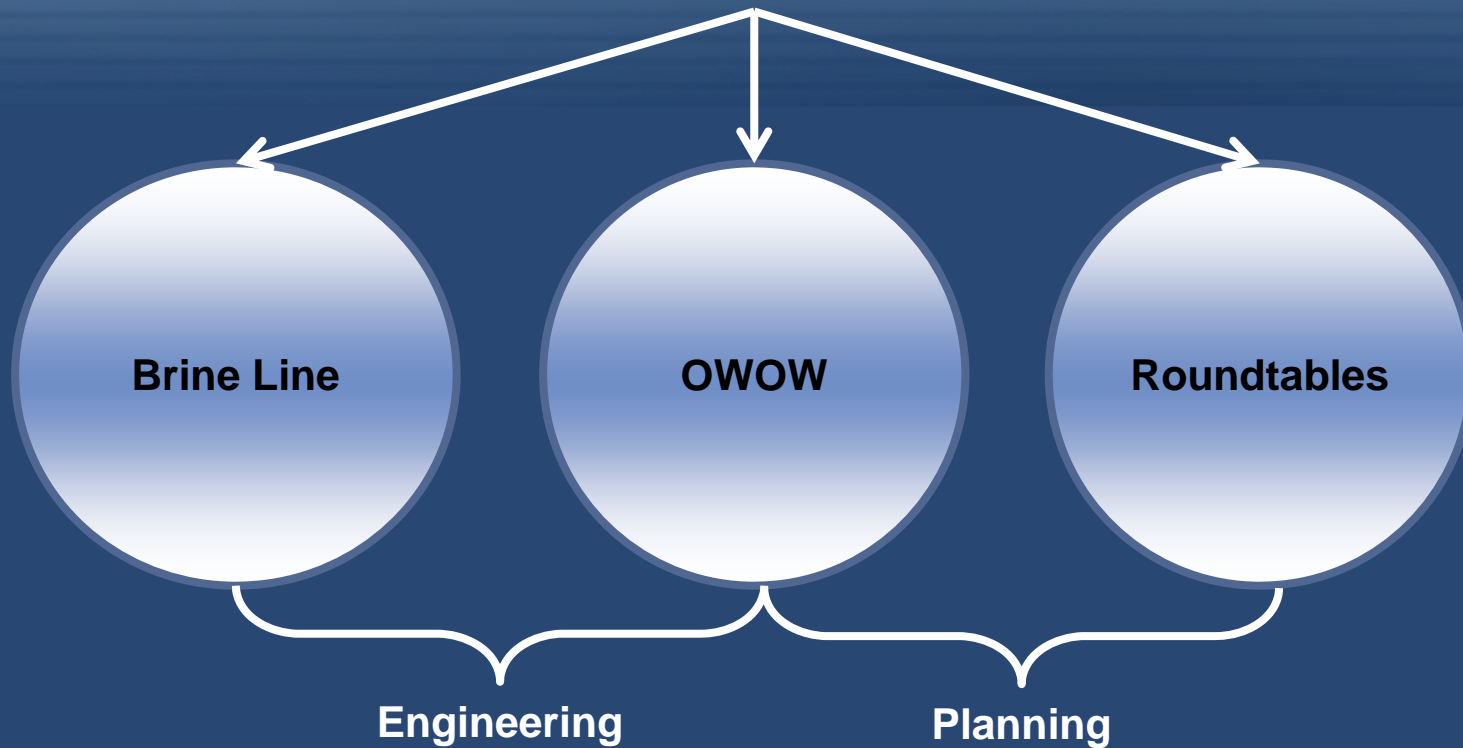
Fund 392  
Emerging Constituents TF

Fund 396  
Forest First

Fund 477  
LESJWA Administration



Administration  
Finance/Accounting  
Information Systems & Technology



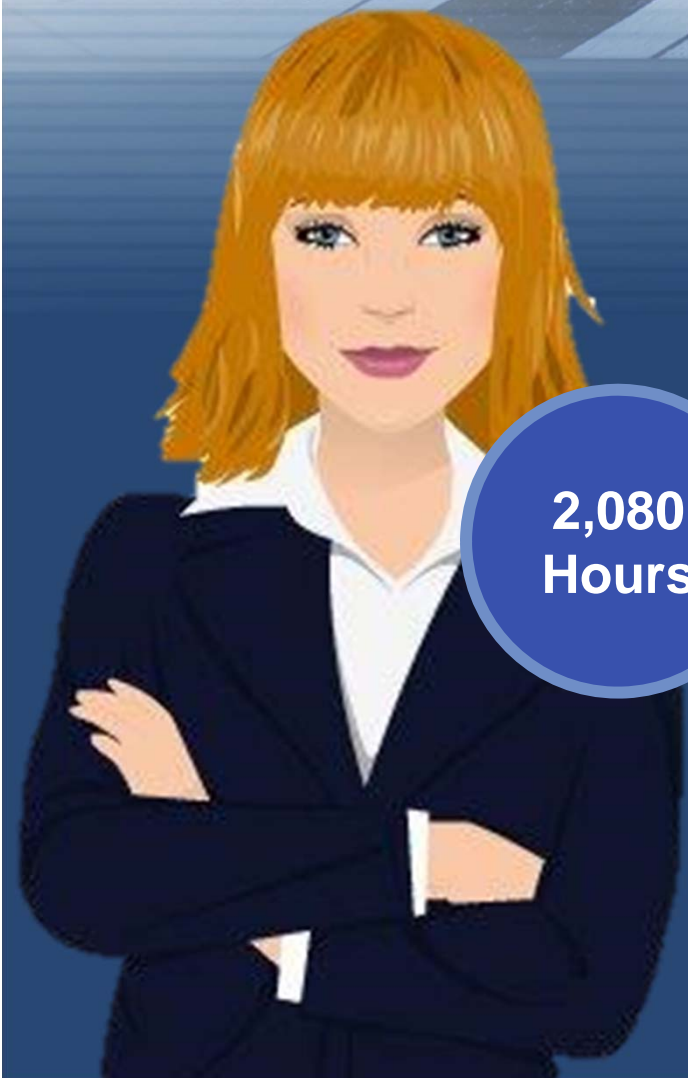




# JPA Costs



Payroll Activities

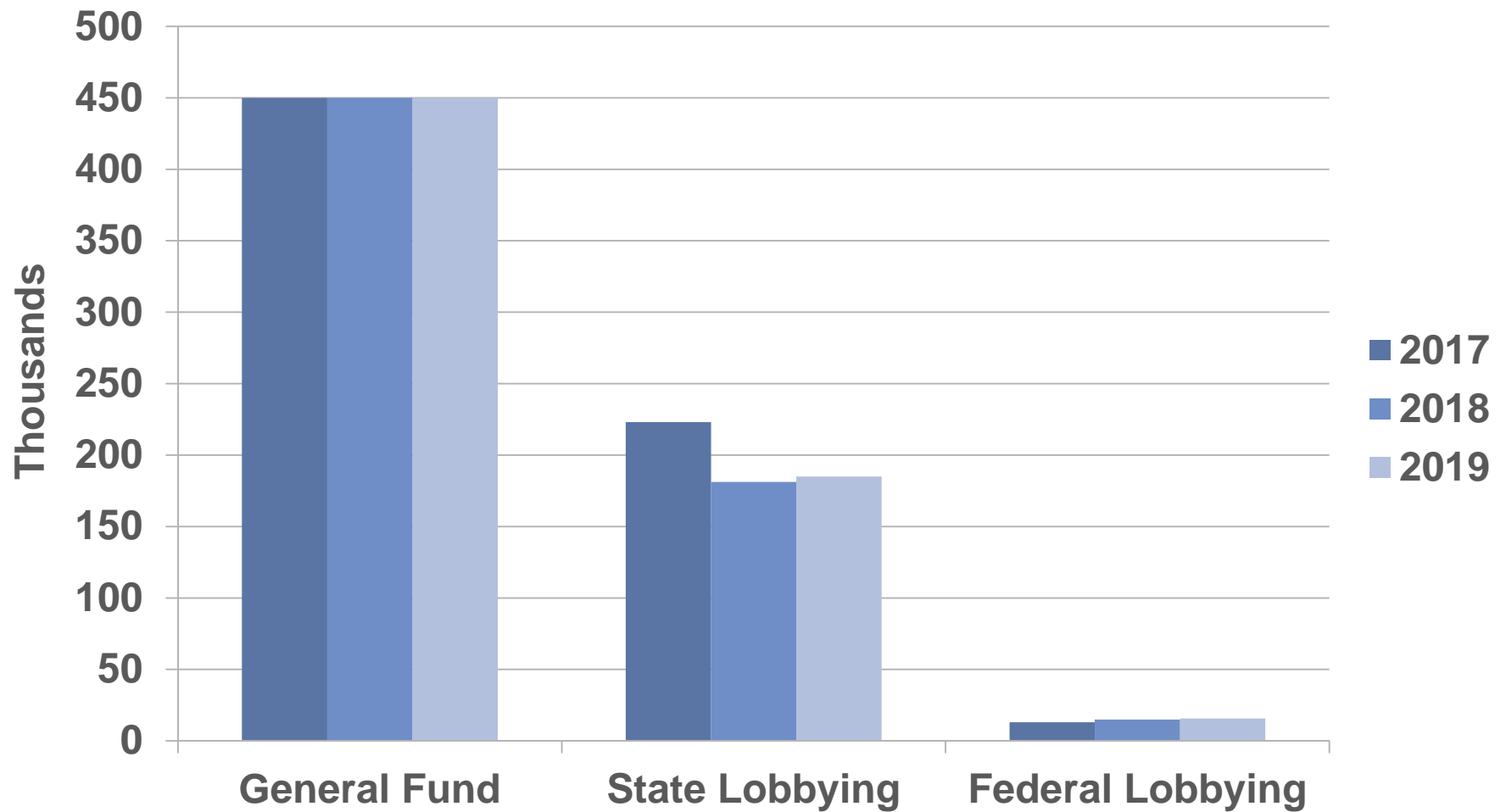


**2,080  
Hours**





# General Fund Costs






# General Fund Costs

| Fund             | FYE 2017         | FYE 2018         | FYE 2019         |
|------------------|------------------|------------------|------------------|
| General Fund     | \$450,000        | \$450,000        | \$450,000        |
| State Lobbying   | 223,005          | 181,154          | 184,980          |
| Federal Lobbying | 26,302           | 14,962           | 15,715           |
| <b>Total</b>     | <b>\$699,307</b> | <b>\$646,118</b> | <b>\$650,695</b> |



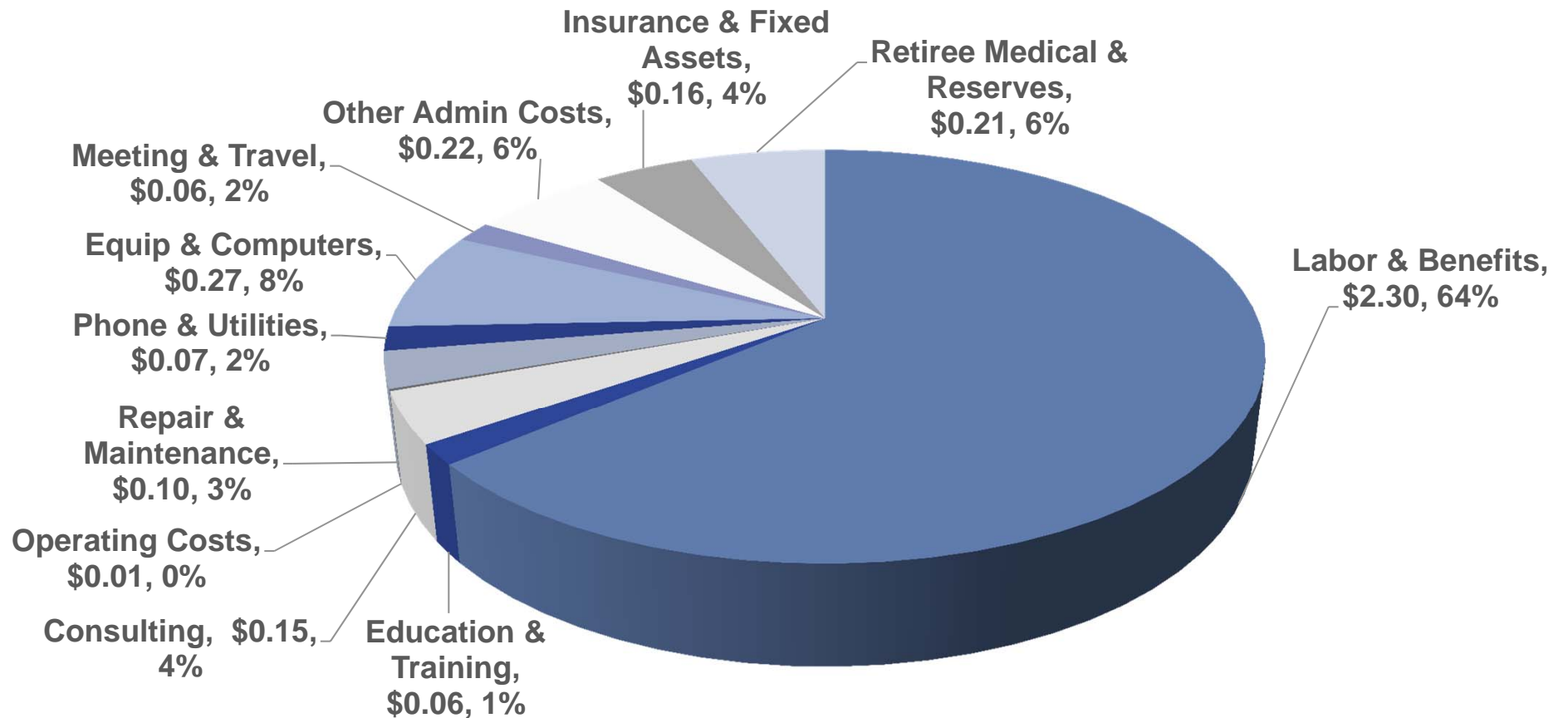
# General Fund Costs

| Fund                                   | FYE 2017    | FYE 2018    | FYE 2019    |
|--|-------------|-------------|-------------|
| Labor and Benefits                     | \$2,109,540 | \$2,095,924 | \$2,300,239 |
| Education & Training                   | 56,300      | 57,300      | 57,300      |
| Consulting & Professional Services     | 95,000      | 146,000     | 134,400     |
| Operating Costs                        | 7,500       | 5,820       | 6,090       |
| Repair & Maintenance                   | 131,085     | 103,270     | 105,540     |
| Phone & Utilities                      | 71,000      | 68,200      | 73,620      |
| Equipment & Computers                  | 212,710     | 274,800     | 232,900     |
| Meeting & Travel                       | 54,200      | 57,500      | 57,500      |
| Other Administrative Expenses          | 186,970     | 220,956     | 226,277     |
| Insurance & Fixed Assets               | 105,000     | 157,956     | 164,703     |
| Retiree Medical & Building Reserves    | 230,580     | 213,000     | 213,000     |
| Total Before Indirect Cost Allocations | \$3,259,885 | \$3,400,725 | \$3,571,569 |
| Less Indirect Cost Allocations         | (2,809,885) | (2,950,725) | (3,121,569) |
| Total General Fund Costs               | \$450,000   | \$450,000   | \$450,000   |



**FYE 2018**

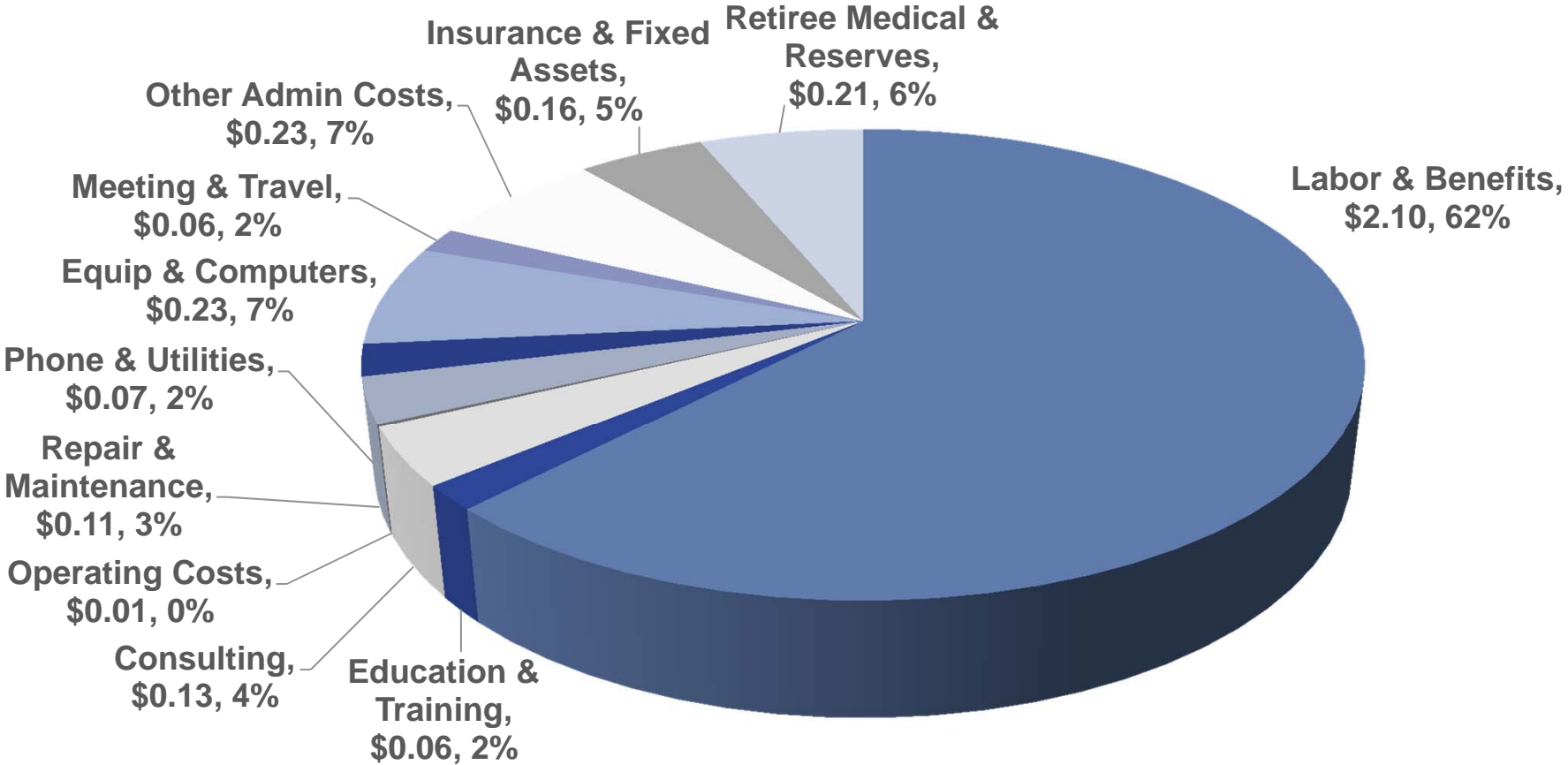
## General Fund Costs \$3.4 M





**FYE 2019**

**General Fund Costs \$3.5 M**





# Fixed Assets

| Asset                                       | FYE 2018        | FYE 2019        |
|---|-----------------|-----------------|
| Roof Repair                                 | \$20,000        | \$0             |
| Redesign/Install Irrigation System          | 12,000          | 0               |
| Repair Broken/Leaking Windows               | 6,000           | 6,000           |
| Install Utilities Conduit Under Parking Lot | 5,000           | 0               |
| Carpet Replacement                          | 0               | 20,000          |
| Redesign Office Space/Furniture             | 0               | 12,500          |
| Replace Existing A/C Units                  | 10,000          | 10,000          |
| <b>Total Fixed Asset Costs</b>              | <b>\$53,000</b> | <b>\$48,500</b> |





# Labor Assumptions Used

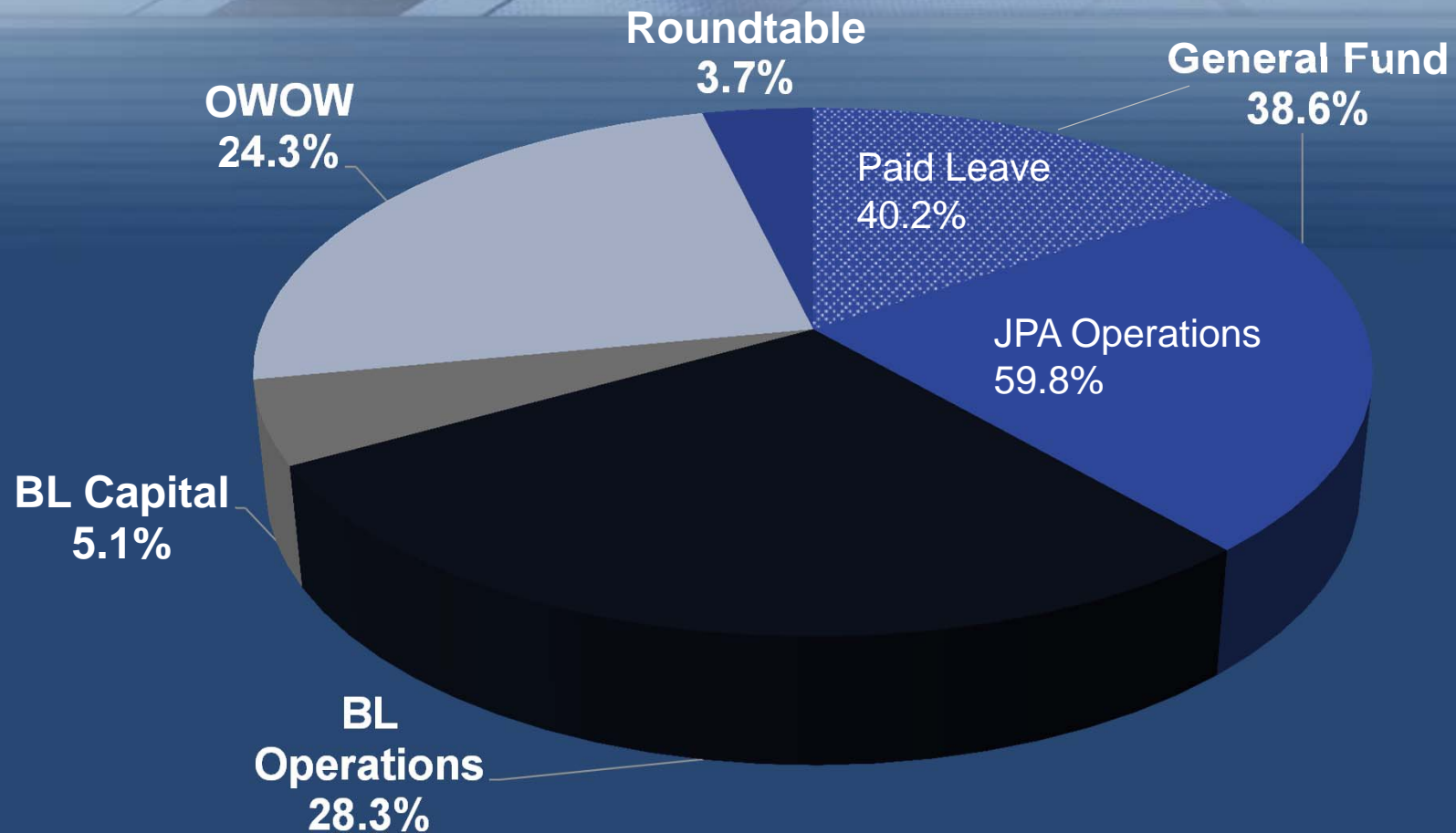
- 28 FTE
  - 26 filled and approved FTE
  - 2 unfilled budgeted positions
- 4 Interns
- Approved 4% Merit Pool (both years)
- Approved 1.25% or annual indexed COLA using the LA-Riverside-Orange County CPI index (whichever is greater)



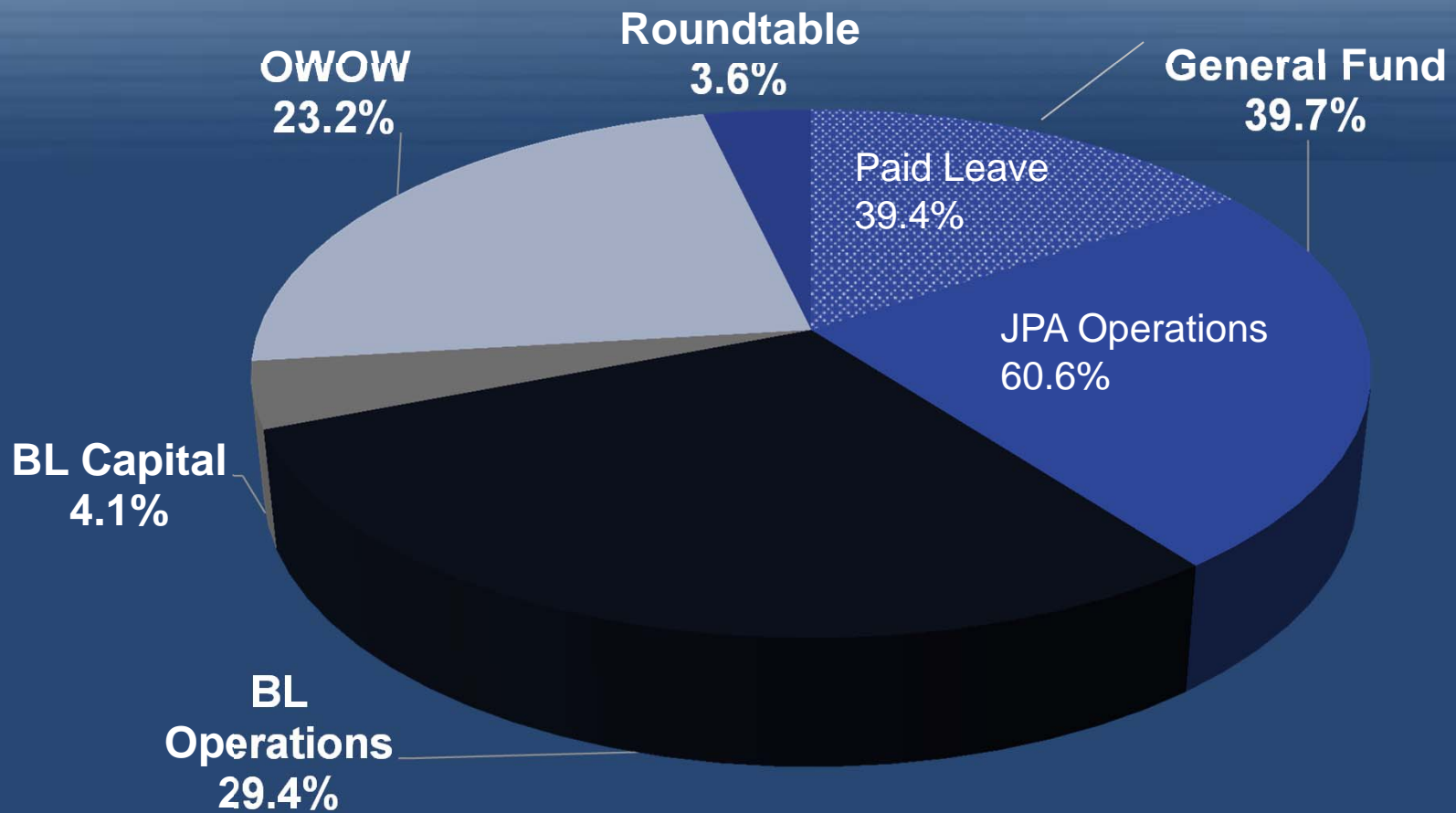
# Staff Labor Hours

| FYE                           | FYE 2018 | FYE 2019 |
|-------------------------------|----------|----------|
| Total Labor Hours (All Staff) | 62,080   | 62,080   |
| FTE (2,080)                   | 28       | 28       |
| Interns (960)                 | 4        | 4        |
| Total General Fund Hours      | 23,953   | 24,625   |
| Total FTE's for General Fund  | 11.5     | 11.8     |
| % of Total Staff Labor Hours  | 38.6%    | 39.7%    |

# Labor Hours Distribution – FYE 2018



# Labor Hours Distribution – FYE 2019





# Total Labor Hours Distribution

| Fund                      | FYE 2018      | % of Total    | FYE 2019      | % of Total    |
|---------------------------|---------------|---------------|---------------|---------------|
| General Fund              | 23,953        | 38.6%         | 24,625        | 39.7%         |
| Brine Line Operating Fund | 17,550        | 28.3%         | 18,250        | 29.4%         |
| Brine Line Capital Fund   | 3,176         | 5.1%          | 2,515         | 4.1%          |
| OWOW Funds                | 15,075        | 24.3%         | 14,429        | 23.2%         |
| Roundtable Funds          | 2,326         | 3.7%          | 2,261         | 3.6%          |
| <b>Total</b>              | <b>62,080</b> | <b>100.0%</b> | <b>62,080</b> | <b>100.0%</b> |



# Paid Leave Hours

| Hours                                  | FYE 2018 | FYE 2019 |
|--|----------|----------|
| Total Paid Leave Hours (All Staff)     | 9,630    | 9,702    |
| Total JPA Operations Hours (All Staff) | 14,323   | 14,923   |
| Total General Fund Hours               | 23,953   | 24,625   |
| % of Paid Leave Hours to General Fund  | 40.2%    | 39.4%    |

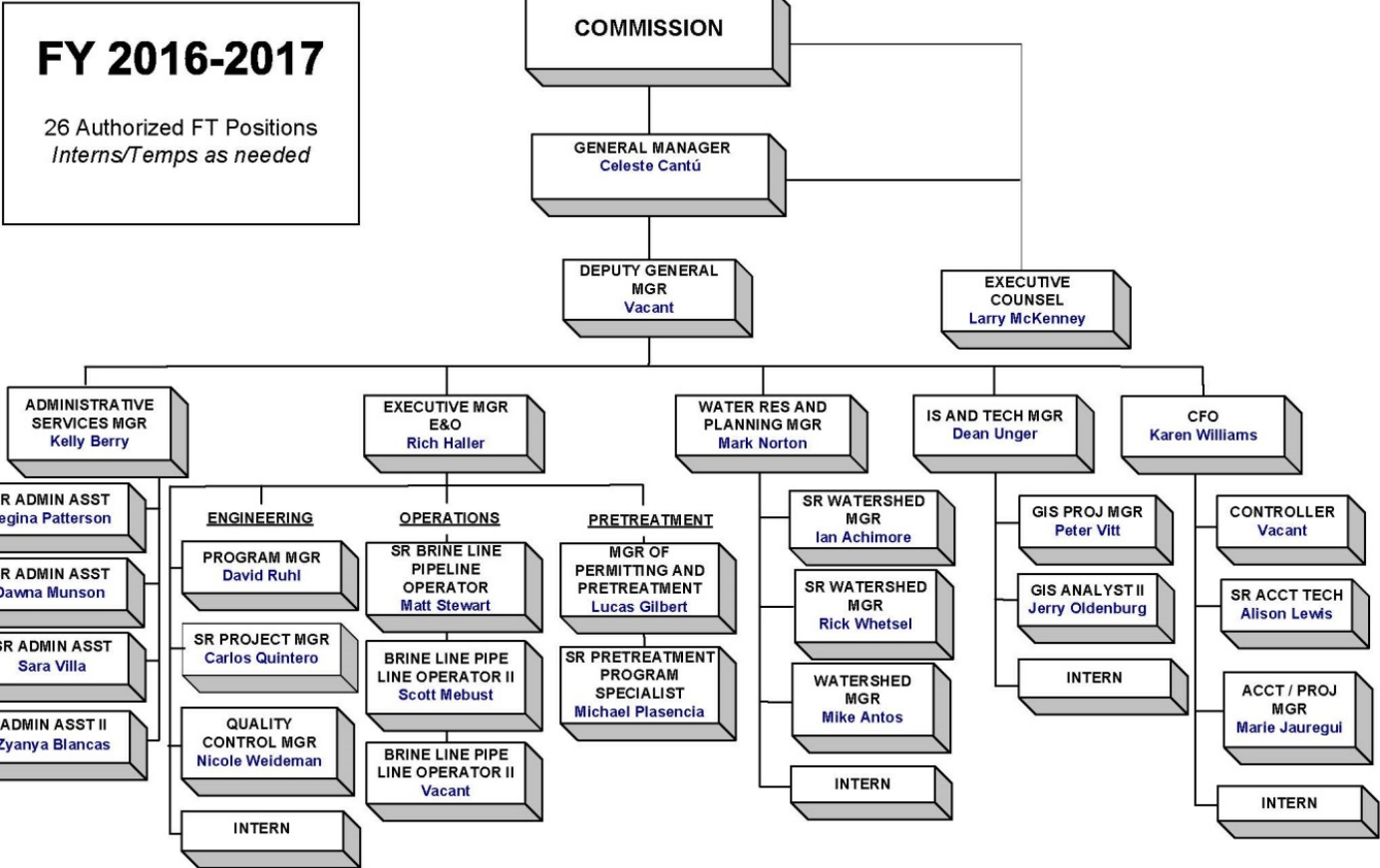


# Employee Demographics

|                | 0-5<br>Years | 6-10<br>Years | 11-15<br>Years | 16 +<br>Years | Total  |
|----------------|--------------|---------------|----------------|---------------|--------|
| Employees      | 9            | 6             | 5              | 6             | 26     |
| % of Employees | 34.6%        | 23.1%         | 19.2%          | 23.1%         | 100.0% |
| Leave Hours *  | 315          | 324 - 360     | 369 - 405      | 405           | N/A    |

# Organization Chart

## SAWPA ORGANIZATION CHART







# Positions by Department

| Department                         | FYE 2014  | FYE 2015  | FYE 2016  | FYE 2017  | FYE 2018  | FYE 2019  |
|------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Executive Management               | 2         | 2         | 2         | 2         | 2         | 2         |
| Administrative Services            | 5         | 5         | 5         | 5         | 5         | 5         |
| Finance/Accounting                 | 3         | 3         | 3         | 3         | 3         | 3         |
| Information Systems and Technology | 3         | 3         | 3         | 3         | 3         | 3         |
| Engineering & Operations           | 7         | 7         | 9         | 9         | 10        | 10        |
| Water Resources & Planning         | 3         | 3         | 4         | 4         | 5         | 5         |
| <b>Total Positions</b>             | <b>23</b> | <b>23</b> | <b>26</b> | <b>26</b> | <b>28</b> | <b>28</b> |



# Benefit Assumptions Used

- Health insurance cap based on the lowest cost plan (Kaiser family) - \$1,505.65/month
- Classic PERS 2% @ 55, PEPRA 2% @ 62
  - FYE 2018 employers rate (includes increase for lowered discount rate)
    - Classic = 10.0%
    - PEPRA = 7.5%
  - FYE 2019 employers rate (includes increase for lowered discount rate)
    - Classic = 10.9%
    - PEPRA = 8.0%
  - Employer Paid Member Contribution (EPMC)
    - FYE 2018 = 4.2%
    - FYE 2019 = 2.8%
  - GASB 45 Compliance – Annual Required Contribution (ARC)
    - FYE 2018 = \$113,000
    - FYE 2019 = \$113,000



# Total Payroll & Benefit Costs

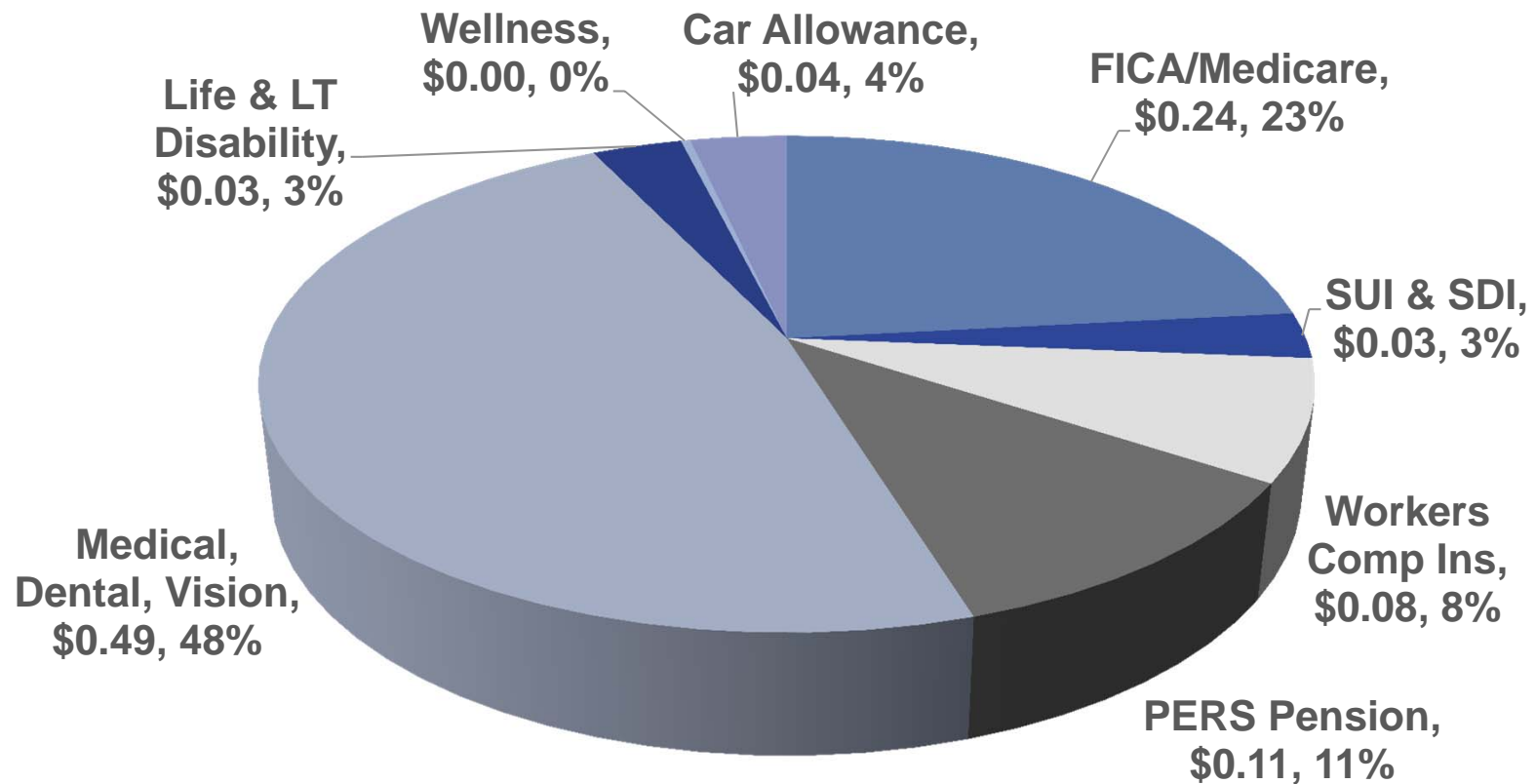
| FYE     | Benefits    | Payroll     | Total       | % Change |
|---------|-------------|-------------|-------------|----------|
| 2015    | \$1,107,707 | \$2,642,113 | \$3,749,820 | 3.7%     |
| 2016 *  | 1,228,101   | 2,912,184   | 4,140,285   | 10.4%    |
| 2017 ** | 1,441,728   | 3,323,389   | 4,765,117   | 15.1%    |
| 2018    | 1,569,289   | 3,592,414   | 5,161,703   | 8.3%     |
| 2019    | 1,686,262   | 3,859,112   | 5,545,374   | 7.4%     |

\* Hired Project Manager in February 2016

\*\* 2017 numbers are budgeted not actual, hired QC Manager in Sept 2016

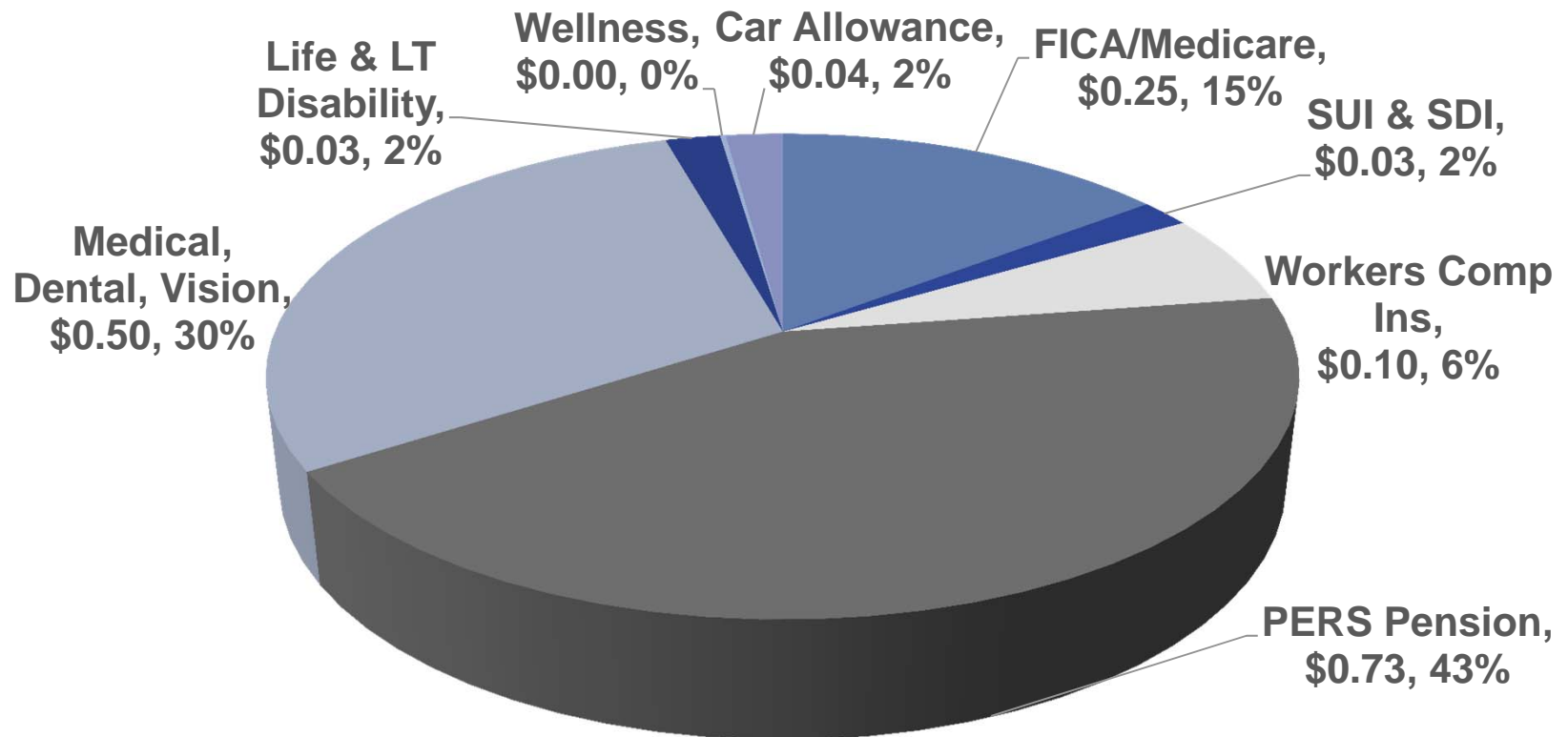
# Benefit Costs – FYE 2018

Total Benefits \$1.6 M



# Benefit Costs – FYE 2019

Total Benefits \$1.7 M





# Benefit & Indirect Cost Allocation Rates

| FYE  | Benefits | Indirect Cost | Total  |
|------|----------|---------------|--------|
| 2015 | 0.419%   | 1.494%        | 1.913% |
| 2016 | 0.422%   | 1.651%        | 2.073% |
| 2017 | 0.434%   | 1.579%        | 2.013% |
| 2018 | 0.437%   | 1.411%        | 1.848% |
| 2019 | 0.437%   | 1.411%        | 1.848% |



# Member Contributions

| FYE  | Per Member Agency | Inc/(Dcr) Over Prior Year | Total    |
|------|-------------------|---------------------------|----------|
| 2015 | \$339,090         | \$8,723                   | 2.64%    |
| 2016 | 269,559           | (69,531)                  | (20.51%) |
| 2017 | 287,861           | 18,302                    | 6.79%    |
| 2018 | 288,423           | 562                       | 0.20%    |
| 2019 | 294,339           | 5,916                     | 2.05%    |



# Member Contributions per Agency


| Activity                         | FYE 2017         | FYE 2018         | FYE 2019         |
|----------------------------------|------------------|------------------|------------------|
| General Planning                 | \$70,000         | \$71,200         | \$71,200         |
| USBR Partnership Studies         | 4,000            | 4,000            | 4,000            |
| Watershed Management (OWOW)      | 60,000           | 80,000           | 85,000           |
| SA River Fish Conservation       | 2,000            | 2,000            | 2,000            |
| Stormwater Quality Standards TF  | 10,000           | 0                | 0                |
| LESJWA Management                | 2,000            | 2,000            | 2,000            |
| State/Federal Lobbying           | 49,861           | 39,223           | 40,139           |
| General Fund                     | 90,000           | 90,000           | 90,000           |
| <b>Total Agency Contribution</b> | <b>\$287,861</b> | <b>\$288,423</b> | <b>\$294,339</b> |






# Grant/Technical Writer Position

- Salary & Benefit Cost of Grant/Technical Writer
  - FYE 2018 = \$152,411
  - FYE 2019 = \$163,526
- Cost of Consultant for Grant and Technical Writer
  - 1,400 hours per year (based on Strategic Assessment)
  - Average hourly rate based on consultant inquiry  
\$164/hour
  - Cost per year = \$229,600



# Overall Budget Impact of New Position Versus Consultant – FYE 2018

|                             | With Position | With Consultant | Difference |
|-----------------------------|---------------|-----------------|------------|
| Total Salaries              | \$3,592,414   | \$3,480,573     | \$111,841  |
| Total Benefits              | 1,569,289     | 1,528,719       | 40,570     |
| Benefit Rate                | 43.7%         | 43.9%           | (0.20%)    |
| General Fund Costs          | 3,400,725     | 3,359,314       | 41,411     |
| Total Project Labor Costs   | 2,091,516     | 2,010,862       | 80,654     |
| Indirect Rate               | 1.411         | 1.447           | (0.036%)   |
| Member Agency Contributions | \$288,423     | \$293,243       | (4,820)    |



# Overall Budget Impact of New Position Versus Consultant – FYE 2019

|                             | With Position | With Consultant | Difference |
|-----------------------------|---------------|-----------------|------------|
| Total Salaries              | \$3,859,112   | \$3,738,826     | \$120,286  |
| Total Benefits              | 1,686,262     | 1,643,022       | 43,240     |
| Benefit Rate                | 43.7%         | 43.9%           | (0.20%)    |
| General Fund Costs          | 3,571,569     | 3,529,448       | 42,121     |
| Total Project Labor Costs   | 2,212,970     | 2,128,538       | 84,432     |
| Indirect Rate               | 1.411         | 1.447           | (0.036%)   |
| Member Agency Contributions | \$294,339     | \$298,362       | (4,023)    |



# Indirect Rate Calculation – FYE 2018

|                                      | With Position | With Consultant |
|--------------------------------------|---------------|-----------------|
| General Fund Costs                   | 3,400,725     | 3,359,314       |
| Less Member Agency Contributions     | (450,000)     | (450,000)       |
| Indirect Costs for Distribution      | 2,950,725     | 2,909,314       |
| Divided by Total Project Labor Costs | 2,091,517     | 2,010,862       |
| Indirect Rate                        | 1.411         | 1.447           |



# Indirect Rate Calculation – FYE 2019

|                                      | With Position | With Consultant |
|--------------------------------------|---------------|-----------------|
| General Fund Costs                   | 3,571,569     | 3,529,448       |
| Less Member Agency Contributions     | (450,000)     | (450,000)       |
| Indirect Costs for Distribution      | 3,121,569     | 3,079,448       |
| Divided by Total Project Labor Costs | 2,212,970     | 2,128,538       |
| Indirect Rate                        | 1.411         | 1.447           |



# CalPERS Retirement UAL

**Unfunded Accrued Liability (UAL) at 06/30/17 = \$2,713,583**

| <b>Payment Date</b> | <b>30 year Amortization</b> | <b>20 year Amortization</b> | <b>15 year Amortization</b> |
|---------------------|-----------------------------|-----------------------------|-----------------------------|
| 06/30/17            | \$140,237                   | \$204,890                   | \$248,753                   |
| 06/30/18            | 172,163                     | 211,037                     | 256,216                     |
| 06/30/19            | 205,879                     | 217,368                     | 263,902                     |
| 06/30/20            | 219,491                     | 223,889                     | 271,819                     |
| 06/30/21            | 236,631                     | 230,606                     | 279,974                     |
| 06/30/22            | 243,729                     | 237,524                     | 288,373                     |
| 06/30/23            | 251,041                     | 244,650                     | 297,024                     |

**Information is based on the 2015 PERS Valuation**

# UAL Balance at 06/30/17

| Reason for Base            | Date Established | Amortization Period | Balance 06/30/17   | Payment 2017-18  |
|----------------------------|------------------|---------------------|--------------------|------------------|
| Share of Pre-2013 Pool UAL | 06/30/13         | 20                  | \$1,002,363        | \$75,684         |
| Asset (Gain)/Loss          | 06/30/13         | 28                  | 1,510,135          | 60,907           |
| Non-Asset (Gain)/Loss      | 06/30/13         | 28                  | (14,517)           | (586)            |
| Asset (Gain)/Loss          | 06/30/14         | 29                  | (1,180,625)        | (32,258)         |
| Assumption Change          | 06/30/14         | 19                  | 728,212            | 27,078           |
| Non-Asset (Gain)/Loss      | 06/30/14         | 29                  | 1,257              | 34               |
| Asset (Gain)/Loss          | 06/30/15         | 30                  | 723,826            | 10,181           |
| Non-Asset (Gain)/Loss      | 06/30/15         | 30                  | (57,068)           | (803)            |
| <b>Total</b>               |                  |                     | <b>\$2,713,583</b> | <b>\$140,238</b> |



# UAL Balance at 06/30/17

| Reason for Base                           | Balance at 06/30/17 |
|---|---------------------|
| Projected UAL @ 06/30/17                  | \$2,713,583         |
| Change in UAL from discount rate change   | 1,066,223           |
| Asset loss for the 2016-17 fiscal year *  | 850,000             |
| UAL @ 06/30/17                            | \$4,629,806         |
| Estimated payment @ 20-year amortization  | \$335,727           |
| Increase from 2015 Valuation              | \$130,837           |
| Increase % from 2015 Valuation            | 63.9%               |
| Additional Amount Needed from Budget      | \$194,490           |
| Additional per Member Agency Contribution | \$39,098            |

\* Actual return for FY 2016-17 was 0.60% compared to 7.00%





# OPEB Unfunded Actuarial Accrued Liability

- Actuarial Valuation required every two years
- Last valuation was 07/01/15 for FYE 2016

|                                      | July 1, 2015 |
|--------------------------------------|--------------|
| Discount Rate                        | 6.73%        |
| Actuarial Accrued Liability          | \$1,531,845  |
| Actuarial Value of Assets            | (967,991)    |
| Unfunded Actuarial Accrued Liability | \$563,854    |
|                                      |              |
| Plan Participants:                   |              |
| Active                               | 9            |
| Retirees                             | 5            |
| Total Plan Participants              | 14           |



# OPEB Unfunded Actuarial Accrued Liability

- Budgeted Annual Required Contribution (ARC) for FYE 2018 and 2019 = \$113,000 per year.
- Because SAWPA pays the ARC we do not have to show the liability on the Statement of Net Assets.
- SAWPA has a Net OPEB Asset of \$478,046 as of 06/30/16.
- SAWPA uses the California Employers' Retiree Benefit Trust Fund (CERBT) to administer the plan.



**Questions?**

# Where We Have Been

Larry McKenney

SAWPA Commission Workshop

May 2, 2017

# Topics Investigated

- Use of Project Agreements
- Management of Brine Line Activities
- Commission and Committee Decision-Making
- Role of the Member Agency General Managers

# Windows in Time

- Early Years 1968 – 1980
- Project Agreements, Money, and Governance 2001 – 2002
- Governance and Strategic Direction 2006 – 2009

# 1968 – 1980: Early Years

- Planning Agency formed in 1967
- Project Authority formed in 1973
  - Overlapped about two years
- Substantially revised 1975 (current agreement)
- Governance peculiarities
- Initial Projects and Project Agreement 1 (1976)
- Snapshot in 1980 – domestic sewage question

# 2001 – 2002: Project Agreements, Money, and Governance

- Governance Concerns
  - How SAWPA worked then
  - Prop 13 and transparency and efficiency
  - Chair proposed serious changes (Amendment 4?)
  - Ad hoc Governance Committee agreed on issues and goals
- Project Committees: Power and Responsibility
  - PA 9 and PA 14
  - Resolution 353 and autonomous decisionmaking
  - Resolution 373 and Project Committee financial responsibility
- PA 15 and TVRI: A Different Story



# Amendment 4 to the JPA

- Early draft proposed substantial changes
- Proposed to separate GMs from Commission; decision went opposite
- Section 18 issues included:
  - Who could be a representative
  - “Unanimity”
- “Unanimity” was focused on budget approval
- Could not reach agreement on most suggestions
  - Unanimous vote of Committee provision was rejected
- Result:
  - Any director or GM could be the representative
  - Budget approval emphasized

# 2006 – 2009: Governance and Strategic Direction

- Letter from Eastern calling for a strategic look at SAWPA
- Chair led workshops. Issues included:
  - Fiscal viability of the brine line
  - Managing capacity
  - Business plan
  - Role of GMs
  - Orange County issues
  - Staff performance
- Technical Committee of GMs tasked with identifying issues and developing goals

# Outcomes

- Numerous Brine Line Business Changes
  - Fee for service
  - CIP improvement
- General Manager performance review
- Don McIntyre recommendations
- Celeste Cantu hired
- Committee structure and Commission meetings revamped
  - But no SARI Committee
- Amendment 5 to the JPA

# Observations

- Managing financial risk while fostering collaboration
- Efficient use of regional resources
- Setting policy, priority, and direction
- Capacity to implement
- Governing an enterprise

“18. Specific Projects. Except for preliminary studies and matters of general administration, the Agency shall function through the identification and implementation of specific projects. A project may involve all or less than all members of the Agency, provided that no member shall be involved without its approval. A separate budget and agreement of the parties shall be established for each such project, which shall determine the respective obligations, functions, and rights of the members involved and of the Agency. The initial projects of the agency are (1) construction and operation of the Santa Ana Regional Interceptor through Prado Dam, together with acquisition of and use of appropriate treatment facilities, and (2) control of water quality degradation caused by dairy wastes. Said projects shall be further defined in project agreements to be concluded between the participating members before they shall become obligated with respect thereto. To the extent that any specific project is undertaken which affects less than all members of the Agency, the Commissioners representing each of the members who will be involved in financing said project shall be and constitute a Project Committee of the Commission for purposes of administration and implementation of such project. Notwithstanding anything to the contrary in this Agreement or in any agreement establishing a Project Committee, a member participating in a Project Committee may directly appoint any member of its governing board or its general manager as its representative and/or alternate to the Project Committee. All budget and operating decisions with regard to any project shall require the unanimous consent of the members of the Project Committee or the Agency, as the case may be. Consistent with Sections 7 and 26 of this Agreement, the budget of a Project Committee shall require the approval of the governing board of every member participating in the Project Committee.”

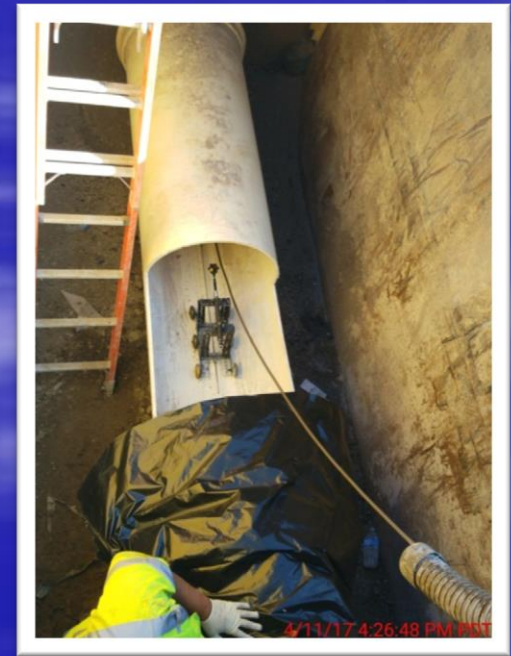
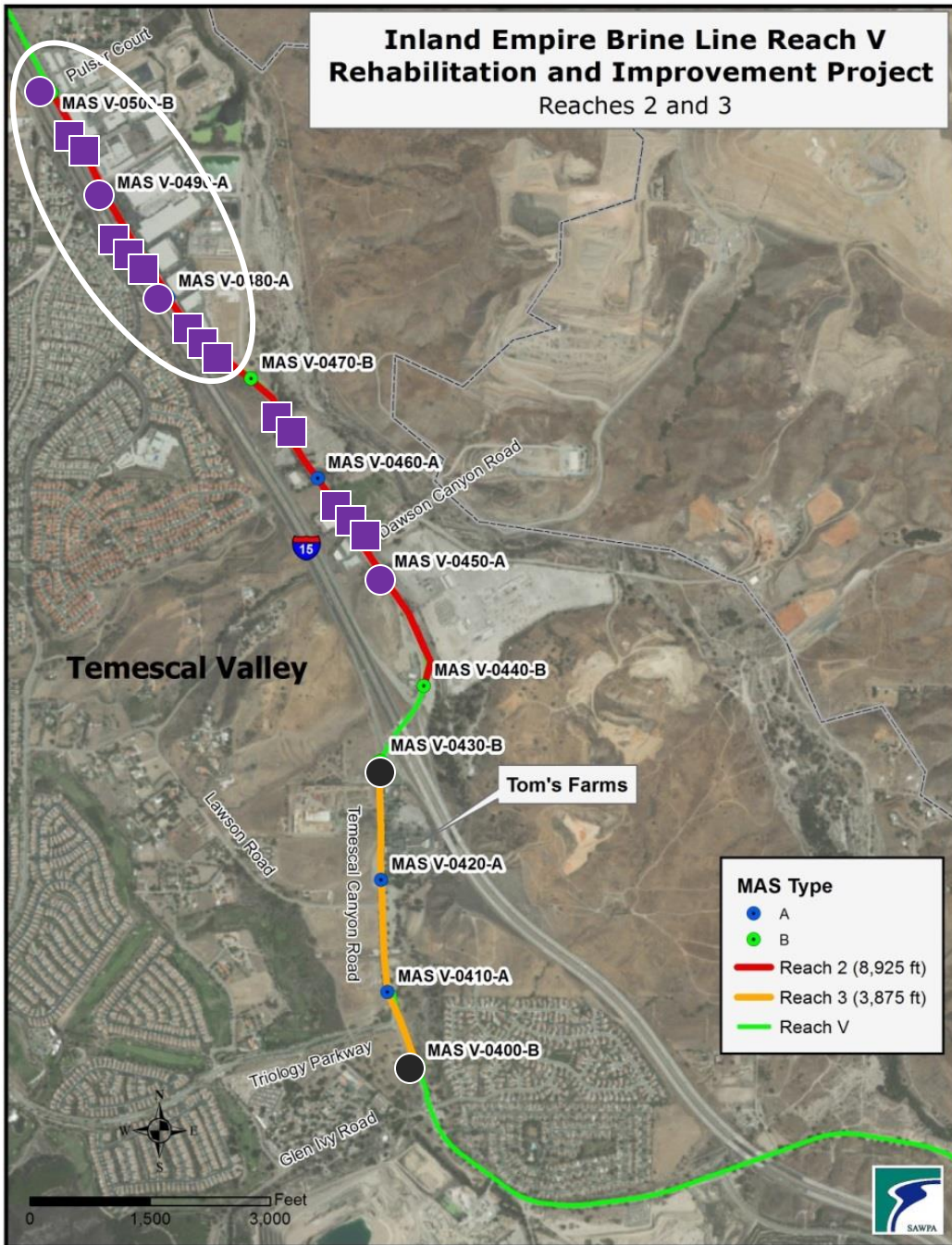
Inland Empire Brine Line  
Reach V Rehabilitation and  
Improvement Project – Phase 1

Item 7.A

May 2, 2017

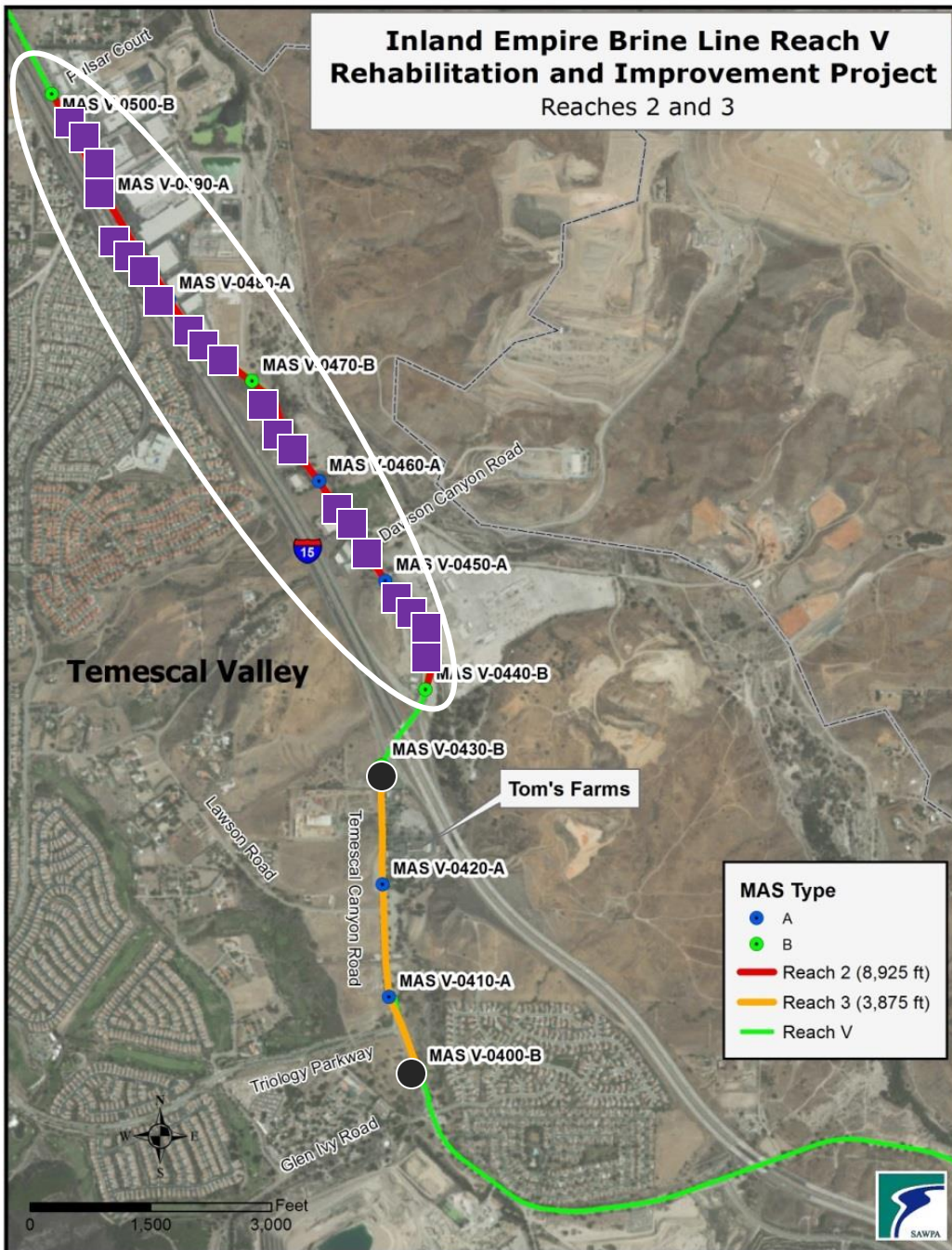
# Inland Empire Brine Line Reach V Rehabilitation and Improvement Project

Reaches 2 and 3



## Inland Empire Brine Line Reach V Rehabilitation and Improvement Project

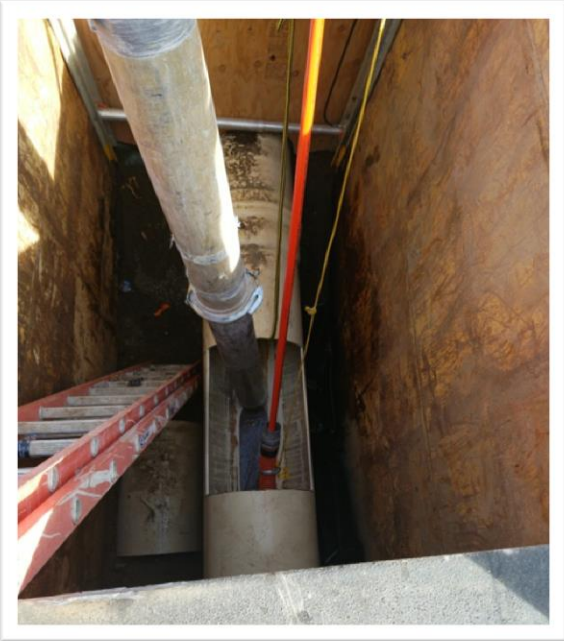
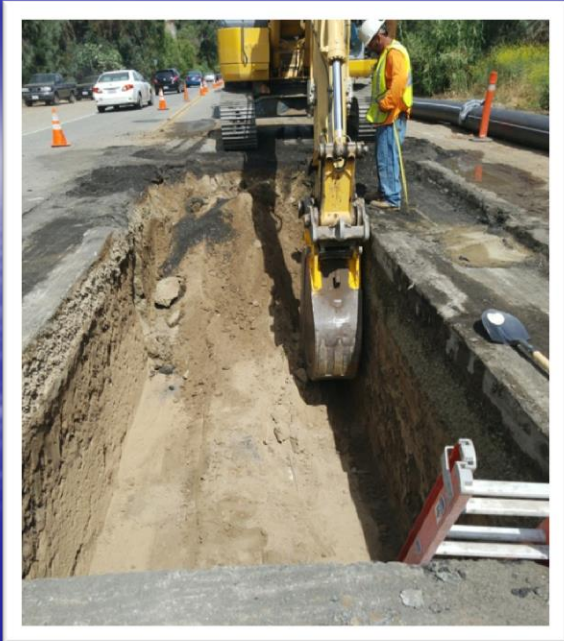
Reaches 2 and 3



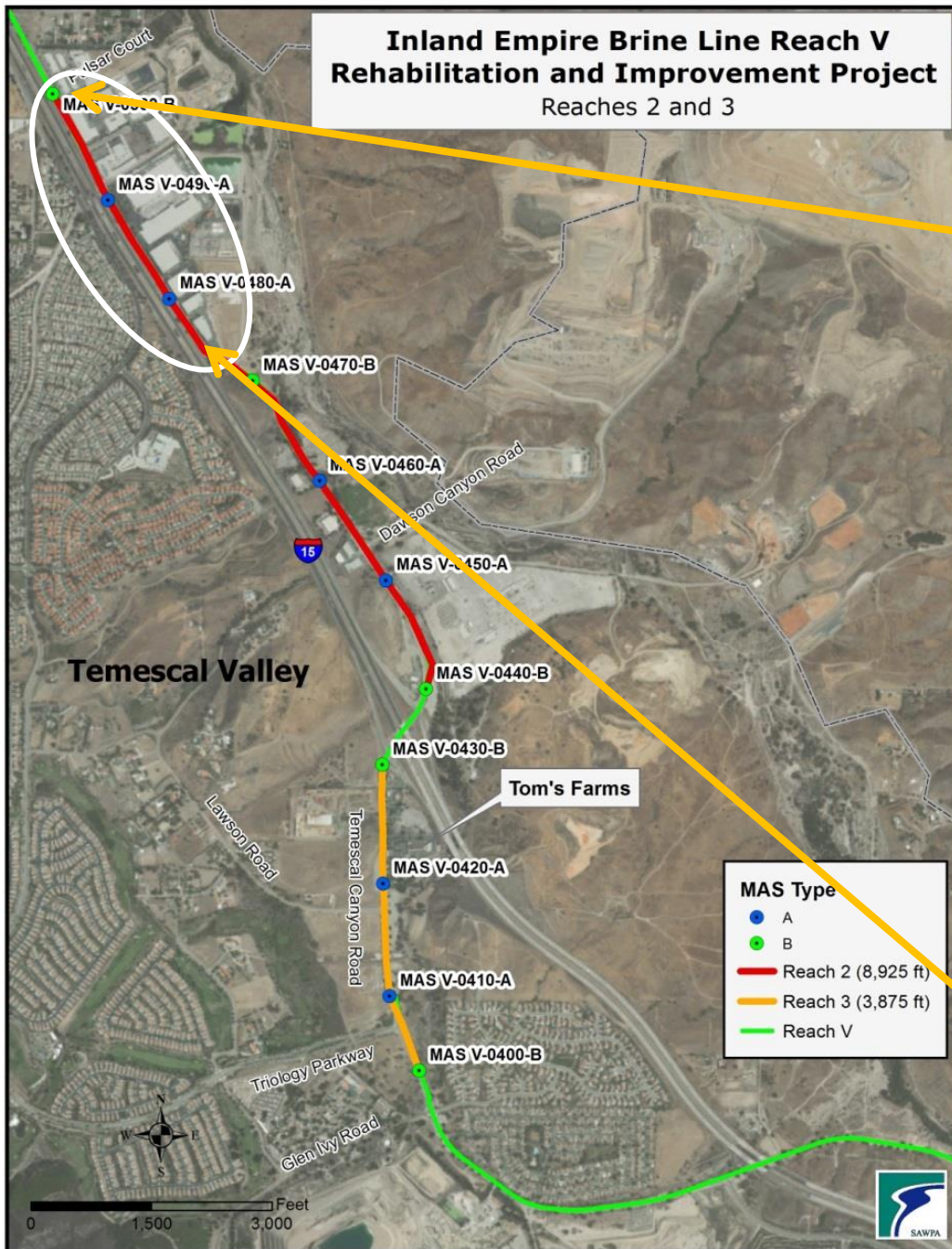
## Work Completed

- By-pass System
  - 13,200 ft (100%)
- Maintenance Access Structures ●
  - 2 (22%)
- Access Pits ■
  - 21 (57%)
- Line Cleaning ○
  - 8,925 ft. (70%)
- CCTV ○
  - 8,925 ft. (70%)
- Laser Profiling ○
  - 8,925 ft. (70%)
- CIPP Lining
  - 0.0 Ft. (0%)





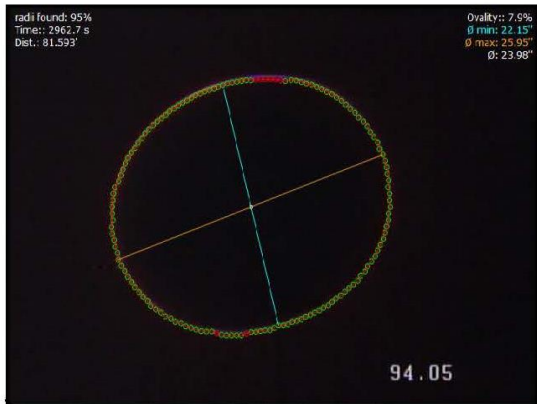
## Inland Empire Brine Line Reach V Rehabilitation and Improvement Project Reaches 2 and 3



# Ovality Results

- 1. Sta. 496+50 – 501+50
  - Range 2.5% - 9.5% / CIPP Line
- 2. Sta. 492+00 – 496+50
  - Range 2.3% - 9.4% / CIPP Line
- 3. Sta. 486+50 - 492+00
  - Range 1.3% - 11.5% / CIPP Line
- 4. Sta. 486+50 – 483+00
  - Range 1.5% - 8.0% / CIPP Line
- 5. Sta. 479+50 – 483+00
  - Range 1.4% - 3.9% / No Lining
- 6. Sta. 475+50 – 479+50
  - Range 1.3% - 9% / CIPP Line
- 7. Sta. 472+00 - 475+50
  - Range 1.0% - 7.5% / CIPP Line
- 8. Sta. 472+00 – 467+90
  - Range 1.5% - 10.4% / CIPP Line
- 9. Sta. 467+90 – 460+90
  - Range 1.6% -- 16.5%
  - Replace 70 ft of pipe (16.5%)
  - CIPP Line 630 ft of pipe (<10%)

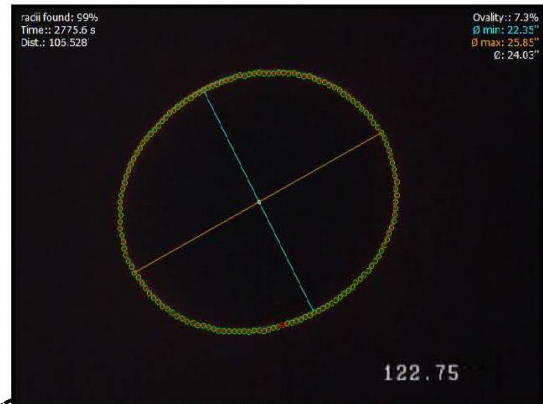




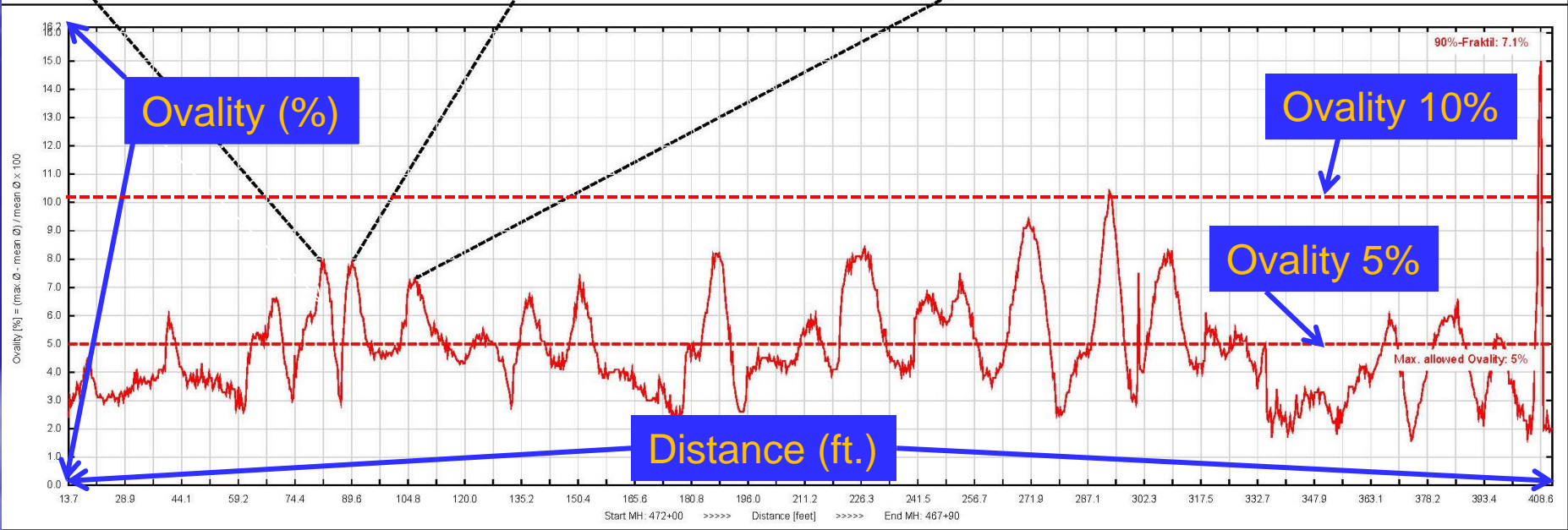
Distance: 81.591', Ovality: 7.9%



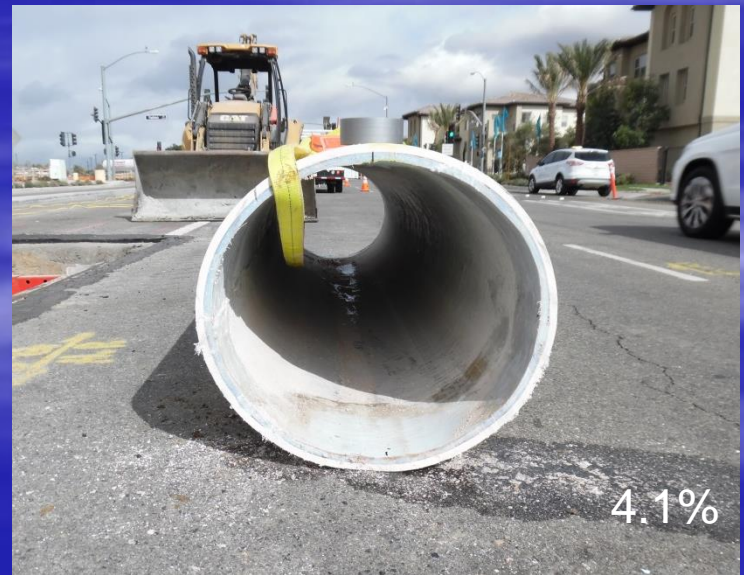
Distance: 89.793', Ovality: 7.9%

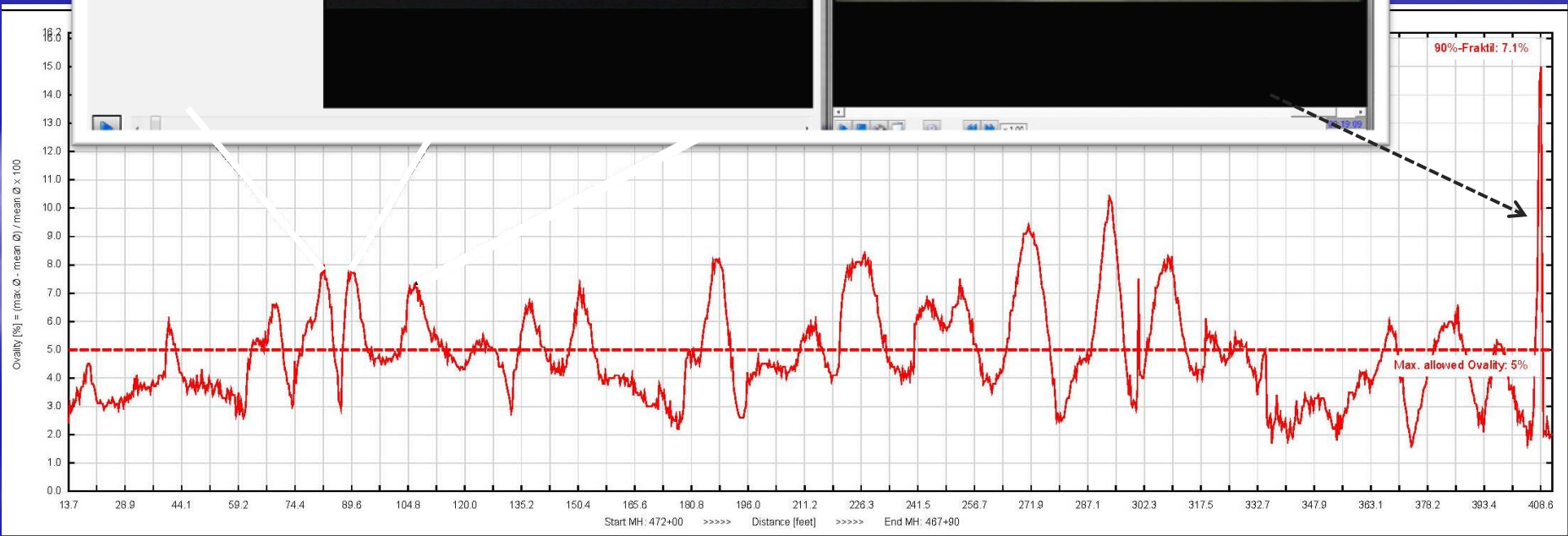


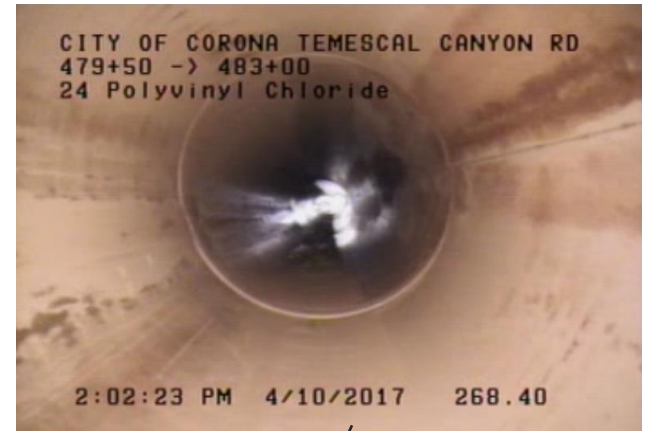
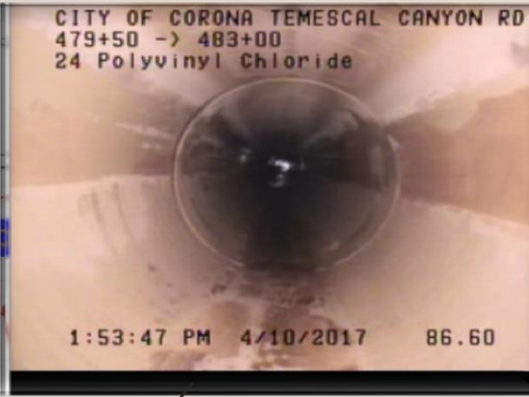
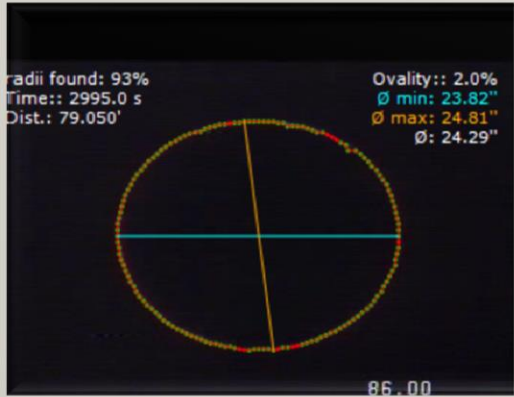
Distance: 106.526', Ovality: 7.3%



- 8. Sta. 472+00 – 467+90
  - Range 1.5% - 10.4% / CIPP Line



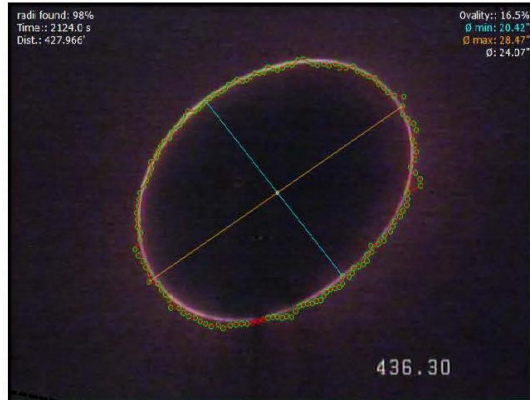




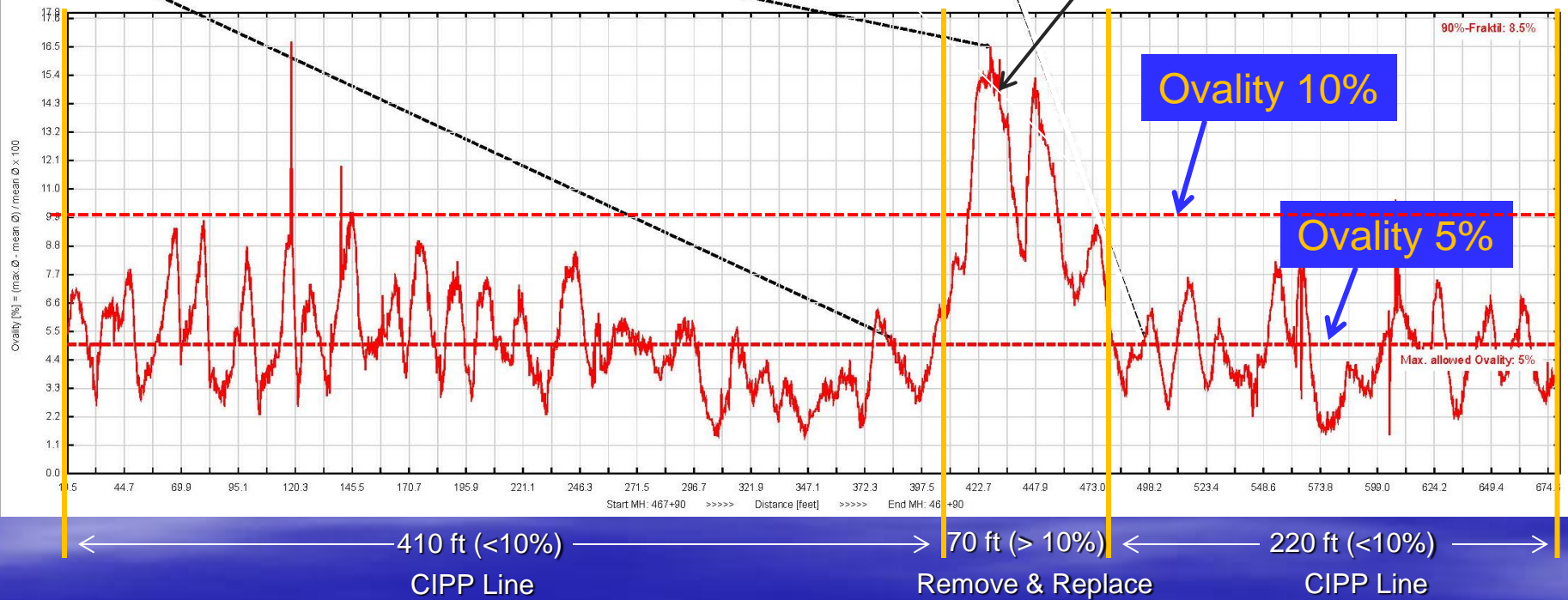
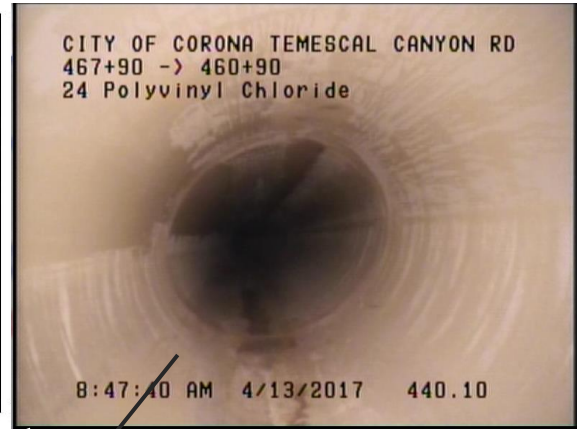
- 5. Sta. 479+50 – 483+00
  - Range 1.4% - 3.9% / No Lining



Distance: 385.315', Ovality: 5.2%



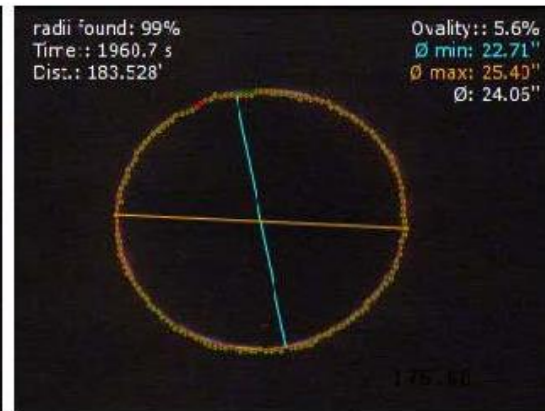
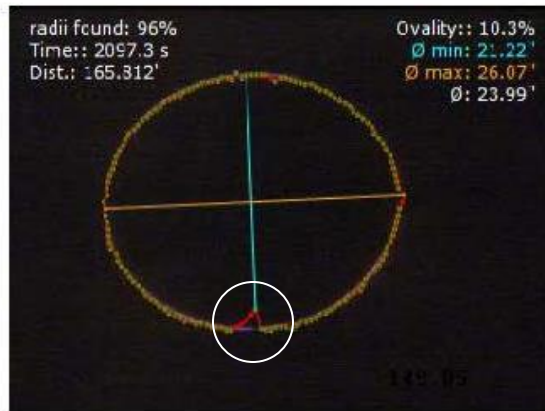
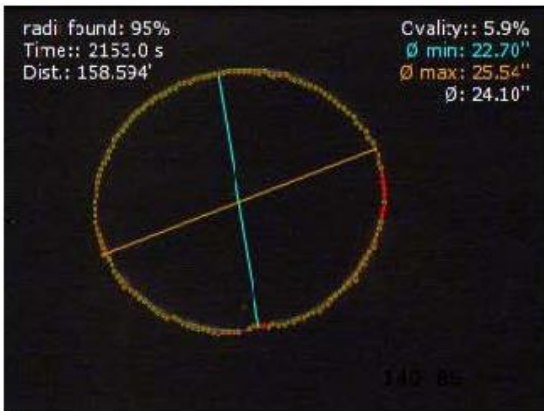
Distance: 427.966', Ovality: 16.5%



- 9. Sta. 467+90 – 460+90  
– Range 1.6% -- 16.5%

Questions?

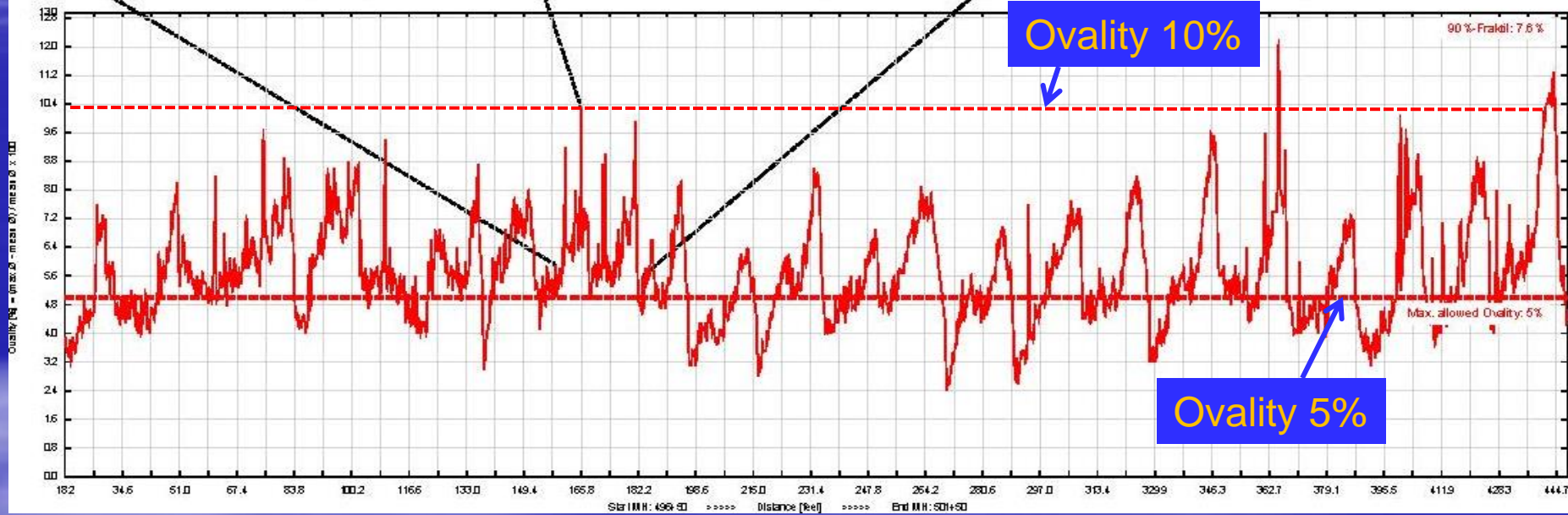




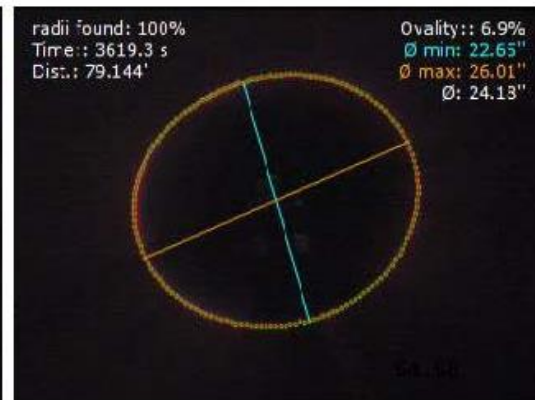
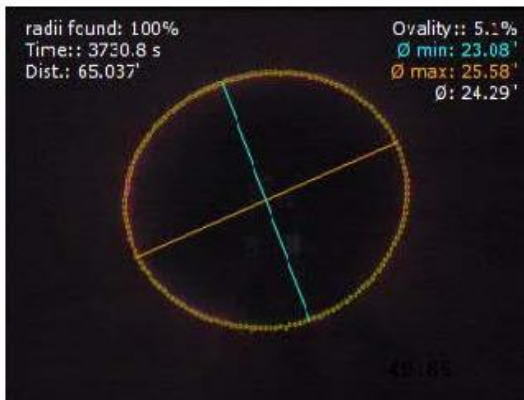
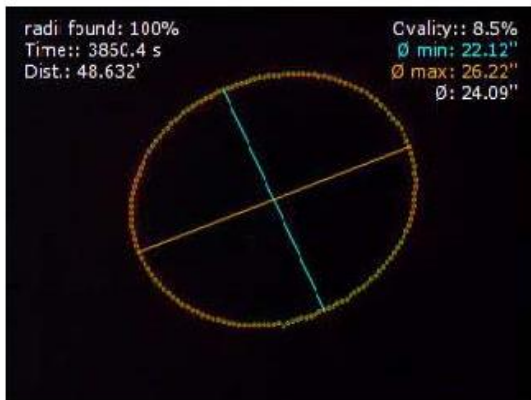
Distance: 158.593' Ovality 5.9%

Distance: 165.810' Ovality 10.3%

Distance: 183.527' Ovality 5.6%



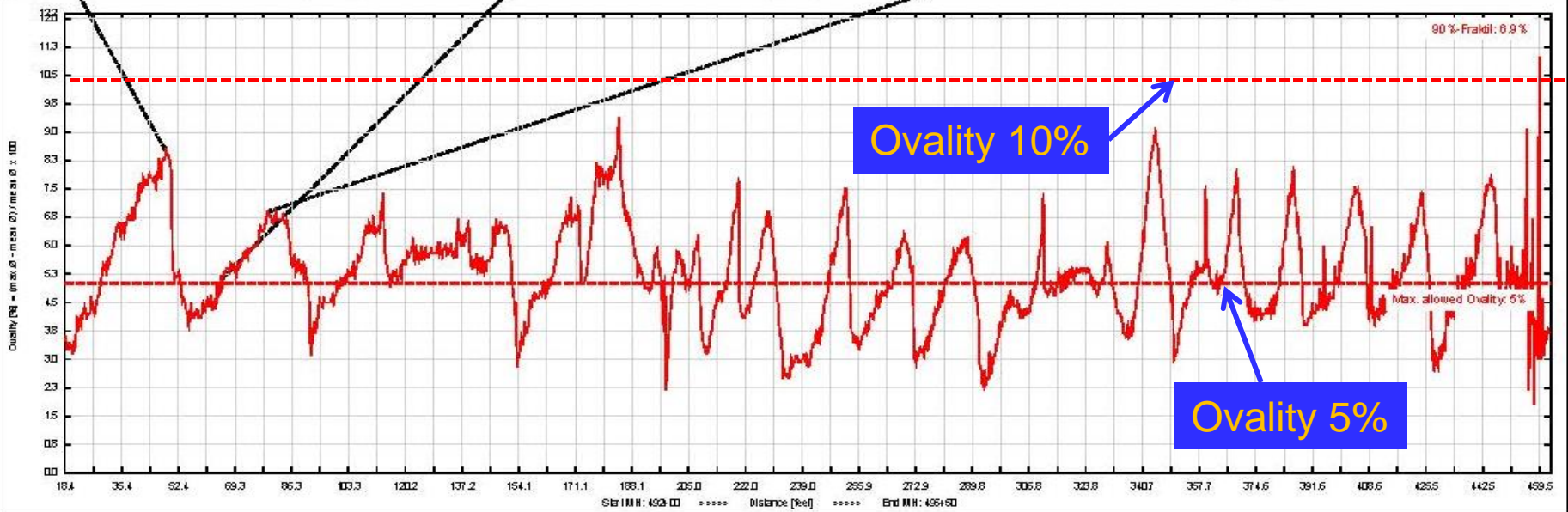
- 1. Sta. 496+50 – 501+50
  - Range 2.5% - 9.5% / CIPP Line



Distance: 48.632', Ovality: 8.5%

Distance: 65.036', Ovality: 5.1%

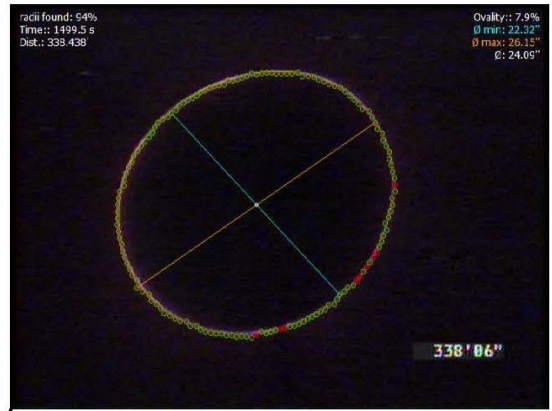
Distance: 79.144', Ovality: 6.9%



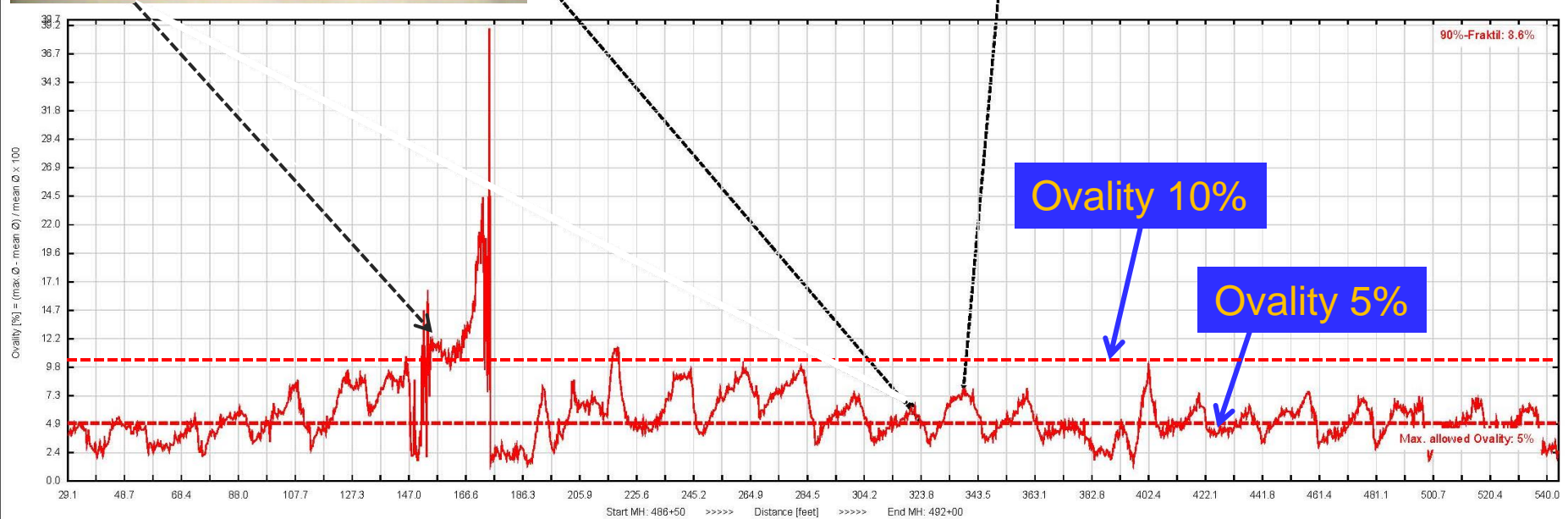
- 2. Sta. 492+00 – 496+50
  - Range 2.3% - 9.4% / CIPP Line



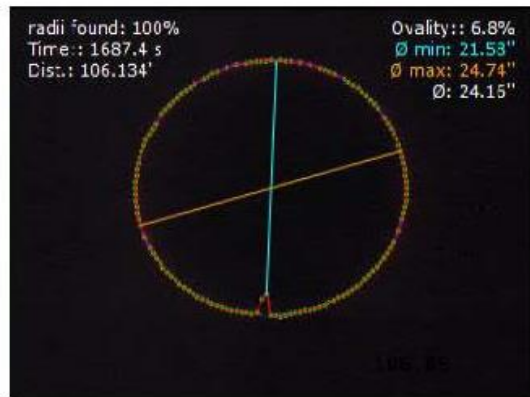
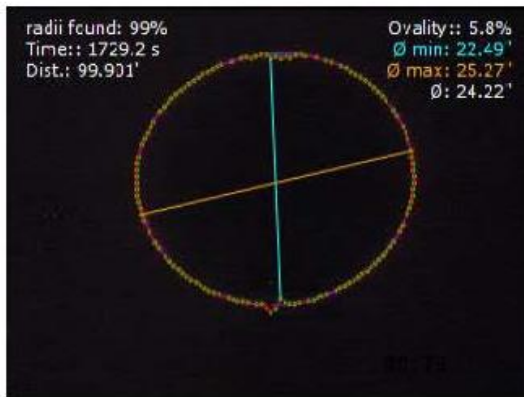
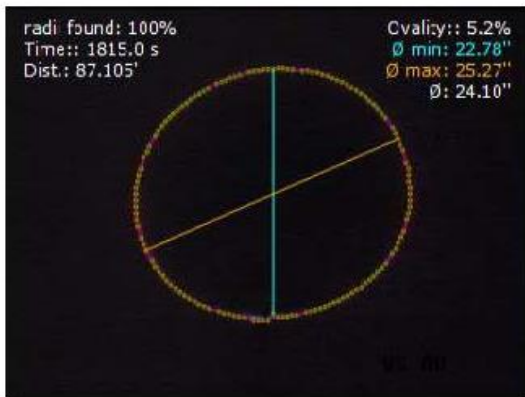
Distance: 323.999', Ovality: 5.1%



Distance: 338.435', Ovality: 7.9%



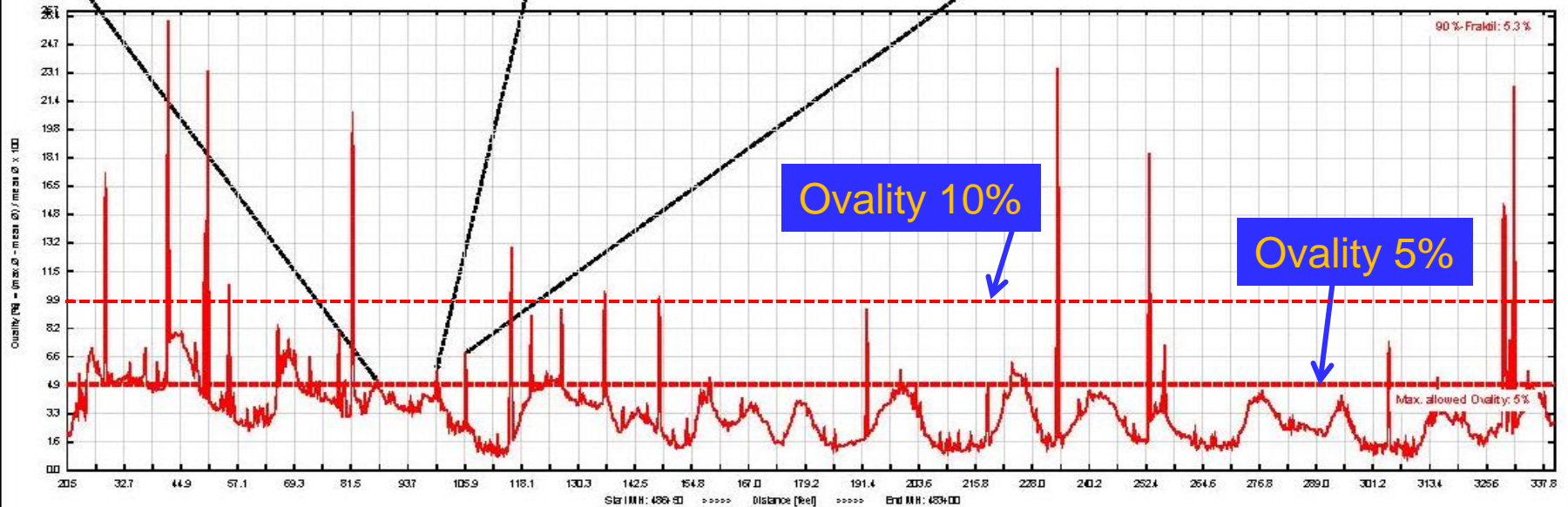
- 3. Sta. 486+50 - 492+00
  - Range 1.3% - 11.5% / CIPP Line



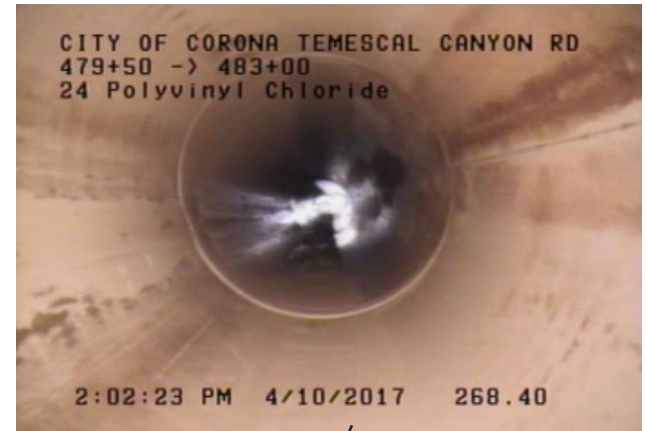
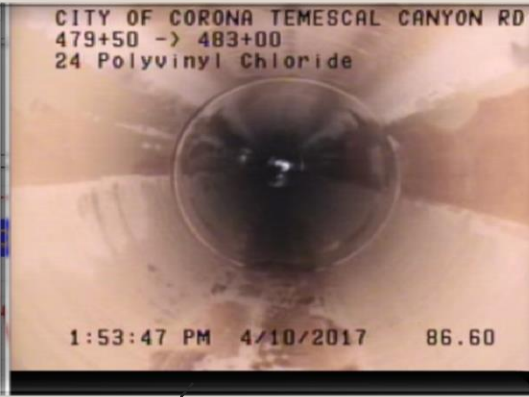
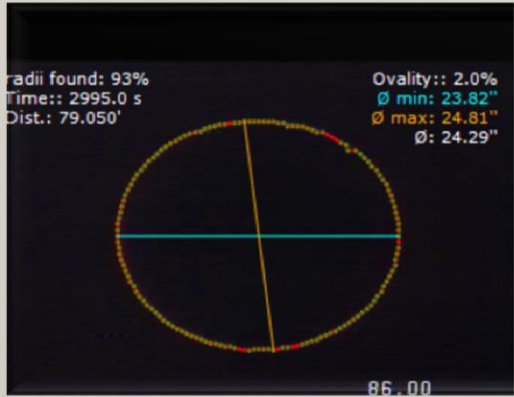
Distance: 87.103', Ovality 5.2%

Distance: 99.898', Ovality 5.8%

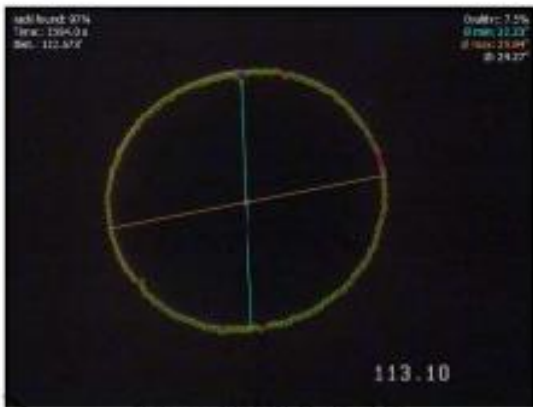
Distance: 106.132', Ovality 6.8%



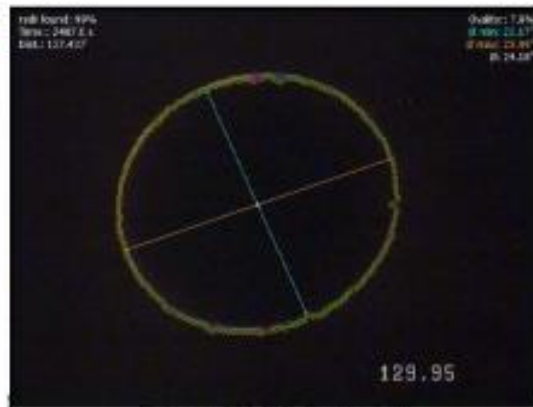
- 4. Sta. 486+50 – 483+00
  - Range 1.5% - 8.0% / CIPP Line



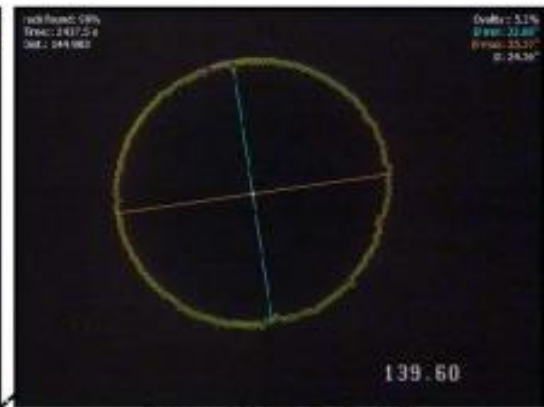
- 5. Sta. 479+50 – 483+00
  - Range 1.4% - 3.9% / No Lining



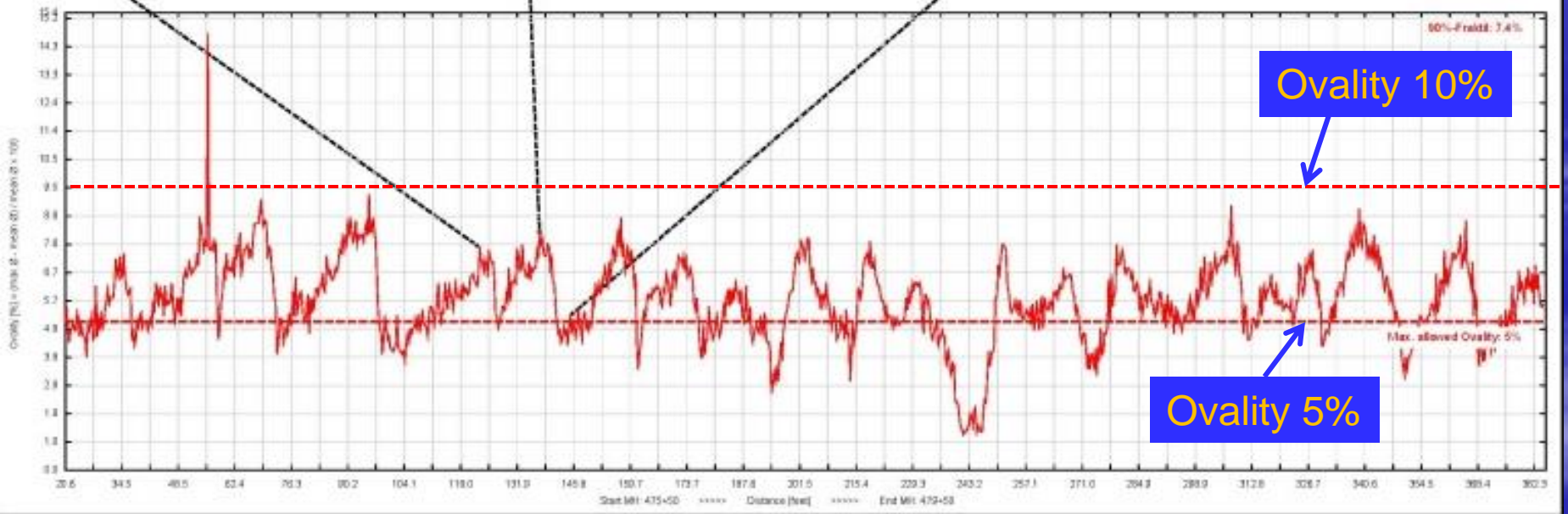
Distance: 122.671', Ovality: 7.5%



Distance: 137.434', Ovality: 7.8%



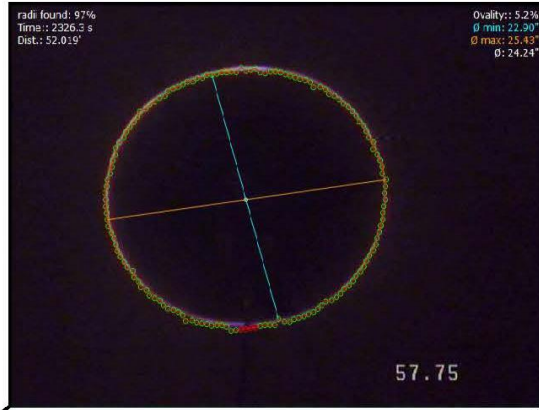
Distance: 144.880', Ovality: 5.2%



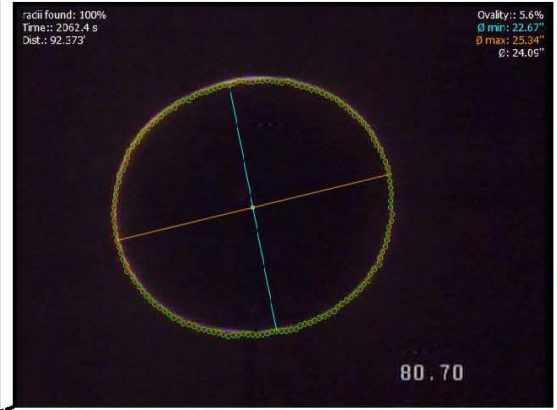
- 6. Sta. 475+50 – 479+50
  - Range 1.3% - 9% / CIPP Line



Distance: 45.784', Ovality: 6.7%



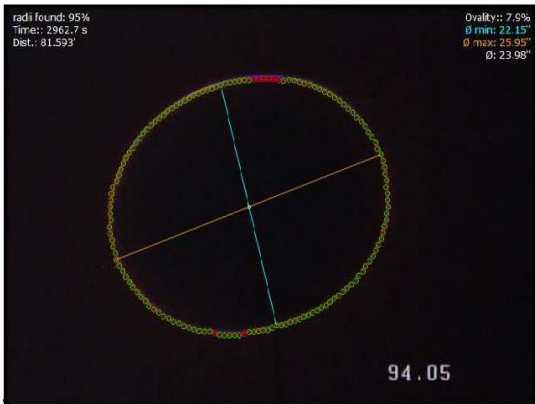
Distance: 52.018', Ovality: 5.2%



Distance: 92.372', Ovality: 5.6%



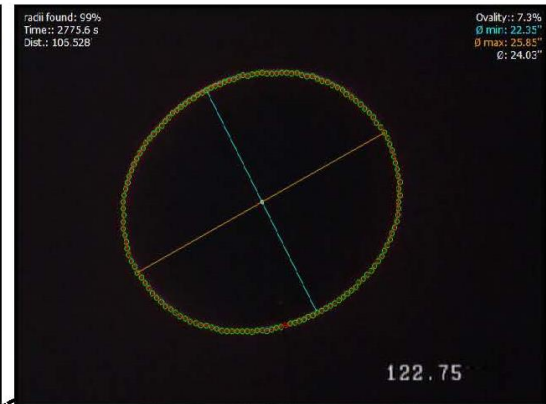
- 7. Sta. 472+00 - 475+50
  - Range 1.0% - 7.5% / CIPP Line



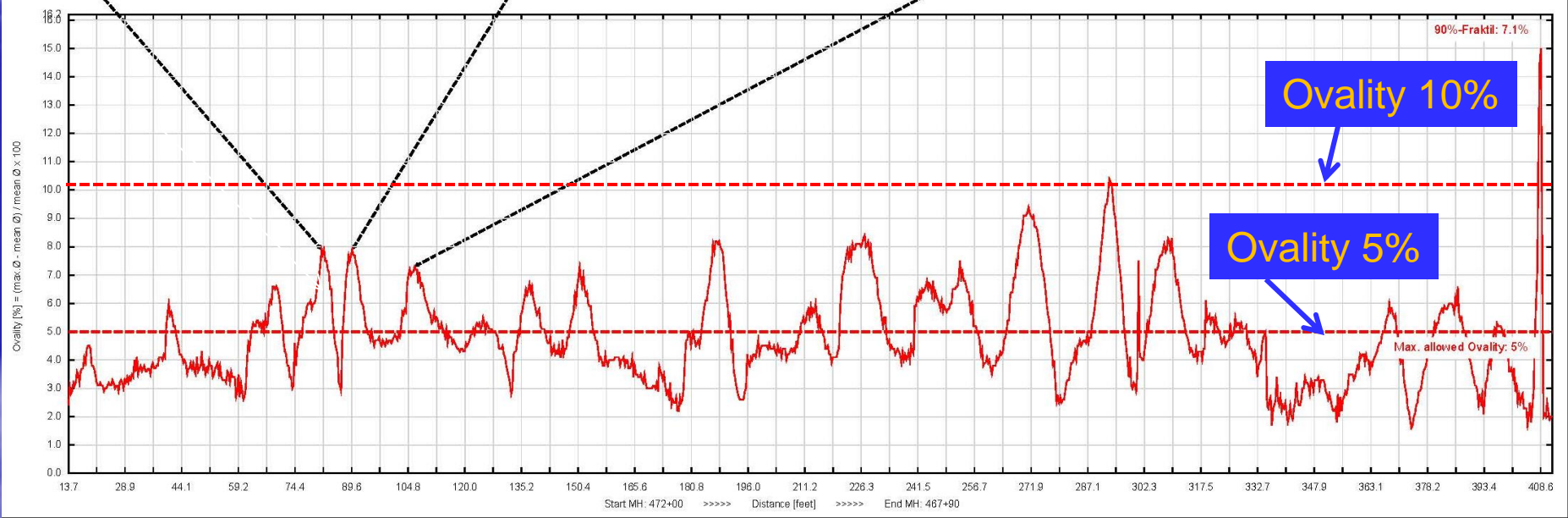
Distance: 81.591', Ovality: 7.9%



Distance: 89.793', Ovality: 7.9%



Distance: 106.526', Ovality: 7.3%

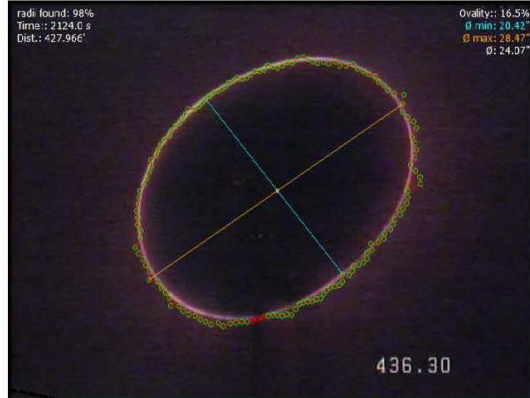


- 8. Sta. 472+00 – 467+90
  - Range 1.5% - 10.4% / CIPP Line

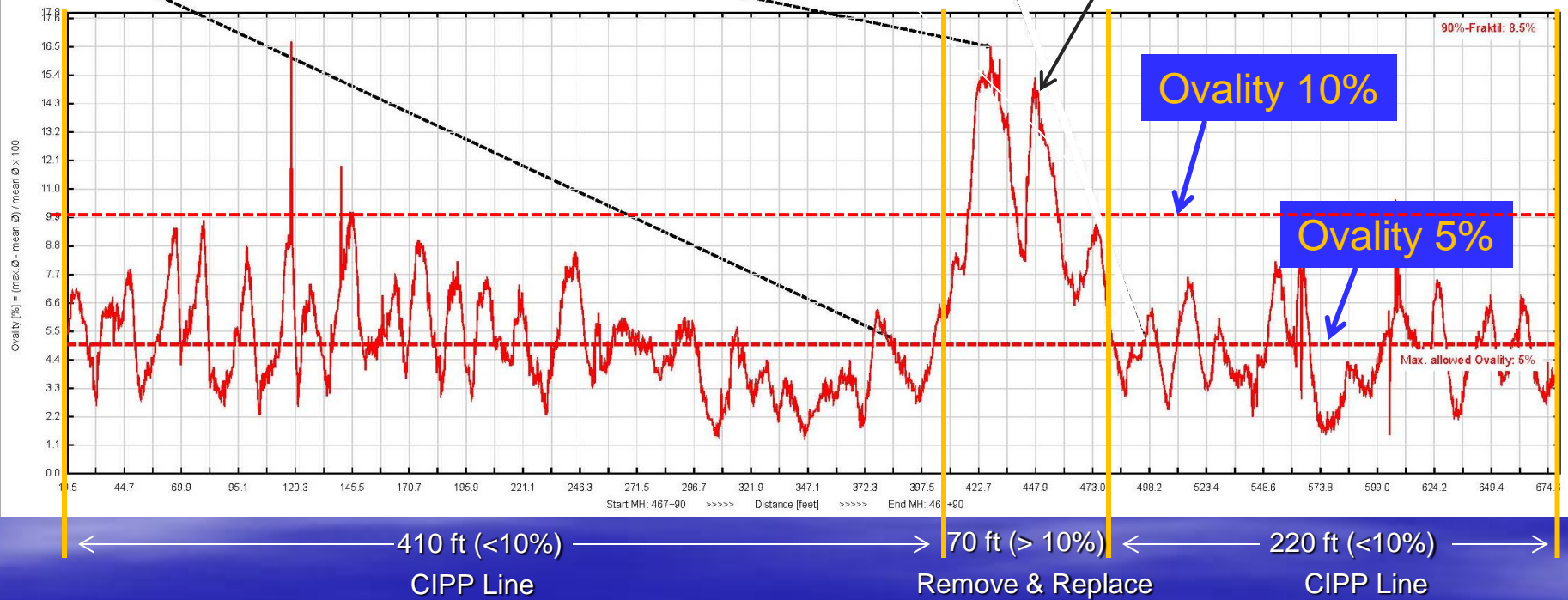
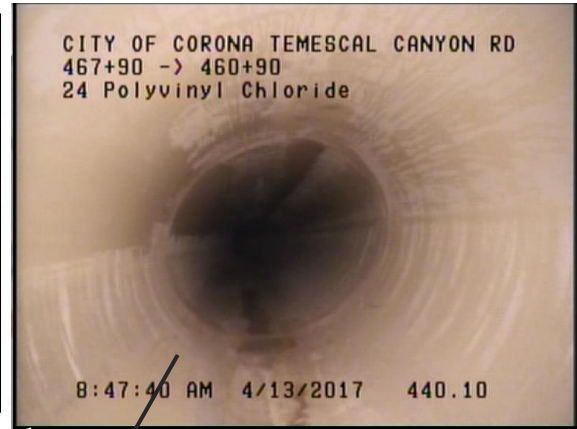




Distance: 385.315', Ovality: 5.2%



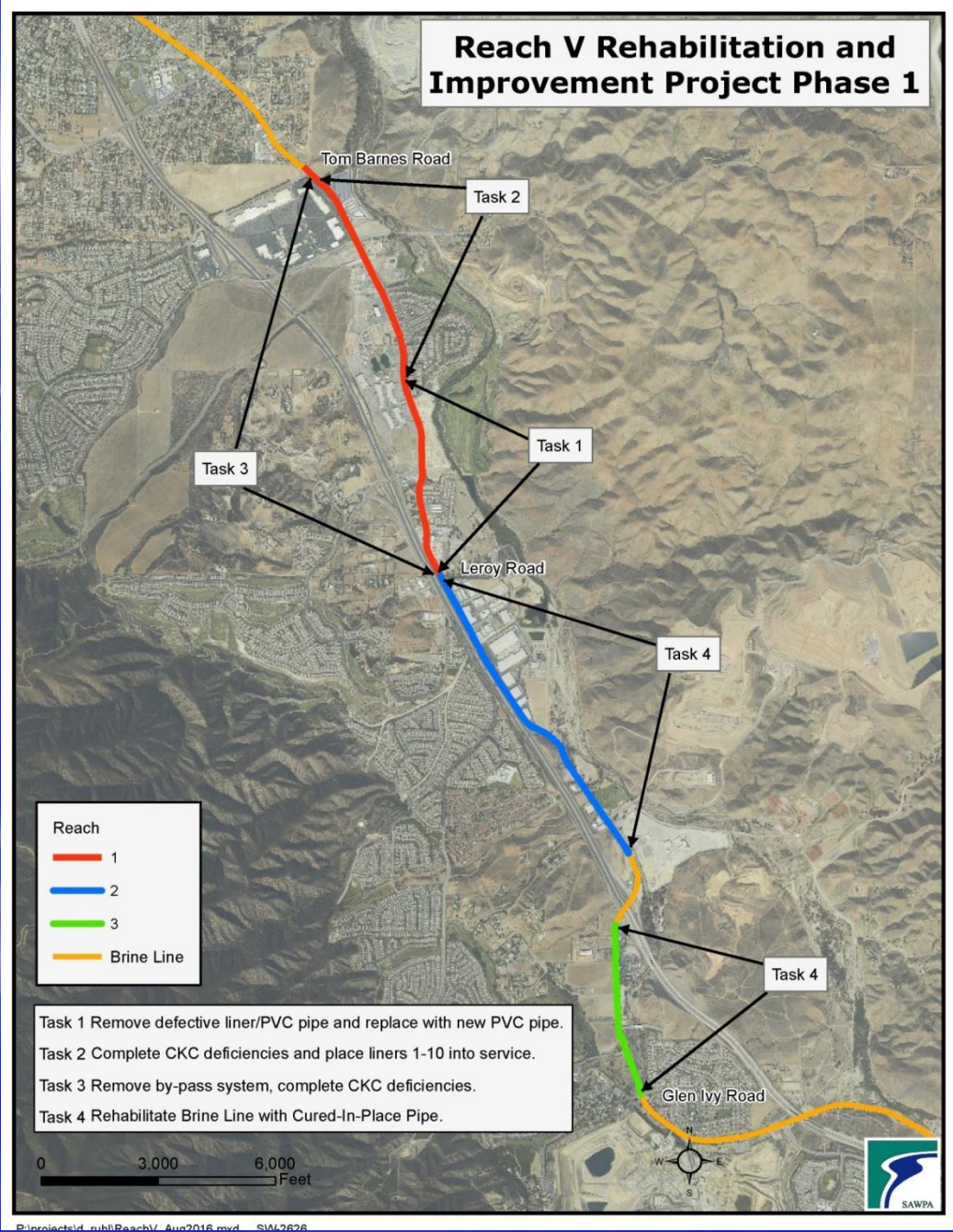
Distance: 427.966', Ovality: 16.5%



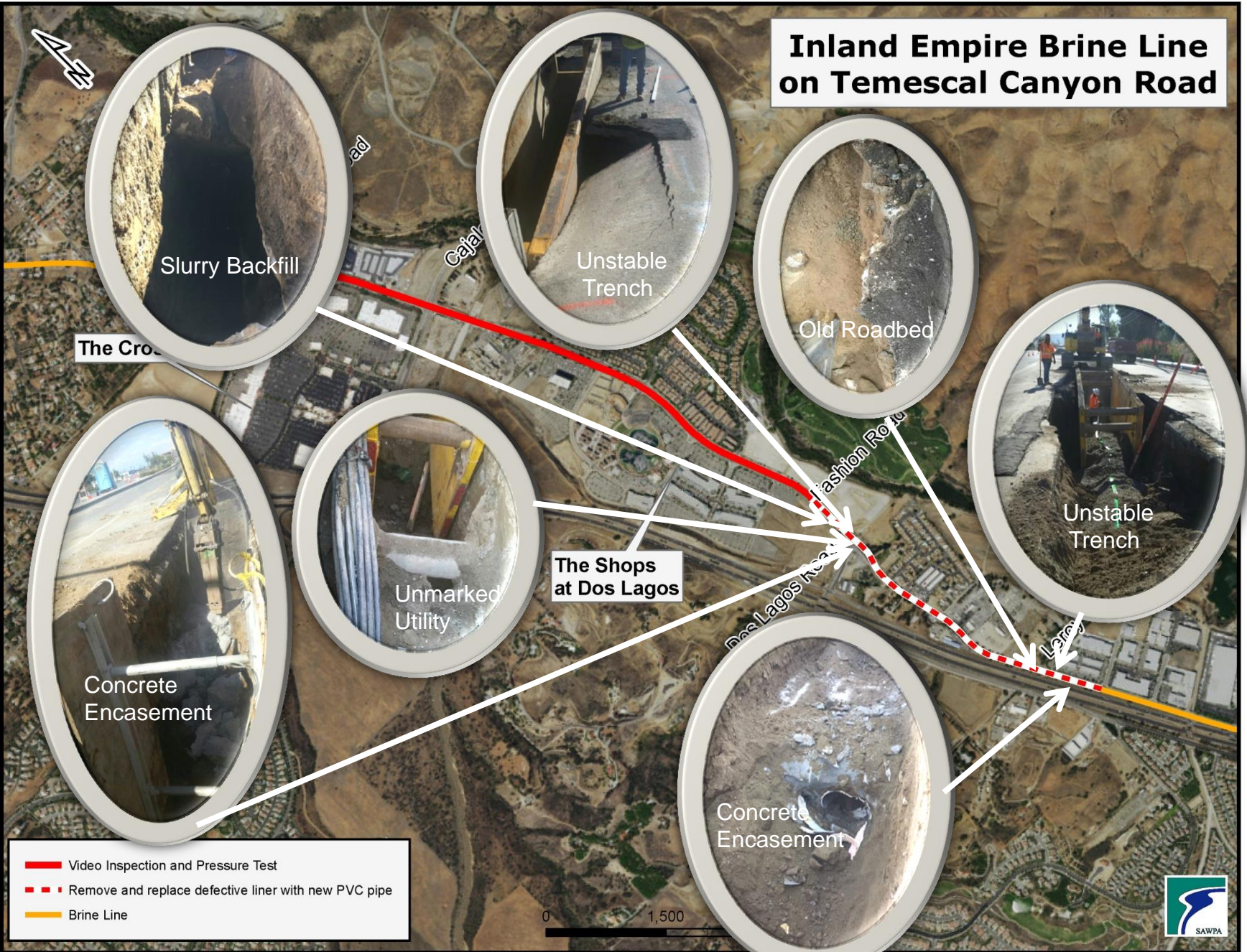
- 9. Sta. 467+90 – 460+90
  - Range 1.6% -- 16.5%

Questions?

# Reach V Rehabilitation and Improvement Project Phase 1



# Inland Empire Brine Line on Temescal Canyon Road



# Public Outreach

- Project Update Brochures
- Construction Hotline
- Construction E-mail address
- Posting to We R Temescal Valley Facebook Page
- Project Website



**PIPELINE PROJECT UPDATE**

► **WHAT'S NEW AND WHY**

The contractor upgrading the Brine Line, WEKA Inc. of Highland, CA, is operating work crews at full staffing, maximizing production and efficiency on the project. In addition, repaving a segment of Temescal Canyon Road in Corona is scheduled to start on Friday, 11/4, and continue into early next week.

► **WHAT IT MEANS TO YOU**

WEKA will replace the temporary asphalt on Temescal Canyon Road near Fashion Drive – restoring a smooth driving surface on a portion of the roadway disturbed by work on the Brine Line. Final resurfacing will follow later. Generally, construction may slow traffic between Tom Barnes Street and Leroy Drive, 9 AM to 5 PM.

► **PROCESS AND TIMELINE**

The project remains fast tracked, reducing inconvenience while ensuring high-caliber work on the pipeline. The upgrades in Corona may be finished as soon as the end of November, with other areas in Phase 1 completed in early 2017. Write to us at [construction@sawpa.org](mailto:construction@sawpa.org).

**Project Overview**

SAWPA is working to test, fortify and/or replace 5 miles of the Brine Line, an underground pipeline that conveys salty water from the Inland Empire to the Pacific Ocean. The brackish water comes from key sectors of the Inland economy, including power plants, manufacturers, and groundwater desalters that produce large volumes of drinking water.

The project calls for placing new pipes within older pipes which have lost their shape over time. With loss of shape comes increased risk of spills, and the upgrades follow a 2011 Brine Line leak that was remediated. Water from the Brine Line poses no health risk but, if left untreated, could damage the local environment.

Santa Ana Watershed Project Authority  
Inland Empire Brine Line  
11615 Sterling Avenue  
Riverside, CA 92503

Tell us what you think.  
Hotline: 951.354.4250  
Email: [construction@sawpa.org](mailto:construction@sawpa.org)  
For updates: [www.sawpa.org/brineline](http://www.sawpa.org/brineline)

# Santa Ana Watershed Project Authority

## Financial Report for the Inland Empire Brine Line Enterprise/CIP for the 2nd Quarter Ending December 31, 2016



Financial Statement Table (Partial):

| PAGE 1  |          |
|---------|----------|
| CR      |          |
| DR      |          |
| 5869.98 |          |
| 1201.00 |          |
| 2.20    |          |
| 801.07  |          |
| 81.05   |          |
| 70.11   |          |
| 264.84  | 7690.06  |
| 1202.50 |          |
| 3115.00 |          |
| 487.40  |          |
| 154.85  |          |
| 1138.40 | 38235.02 |
| 58.50   | 888.50   |
| 20.00   | 558.50   |

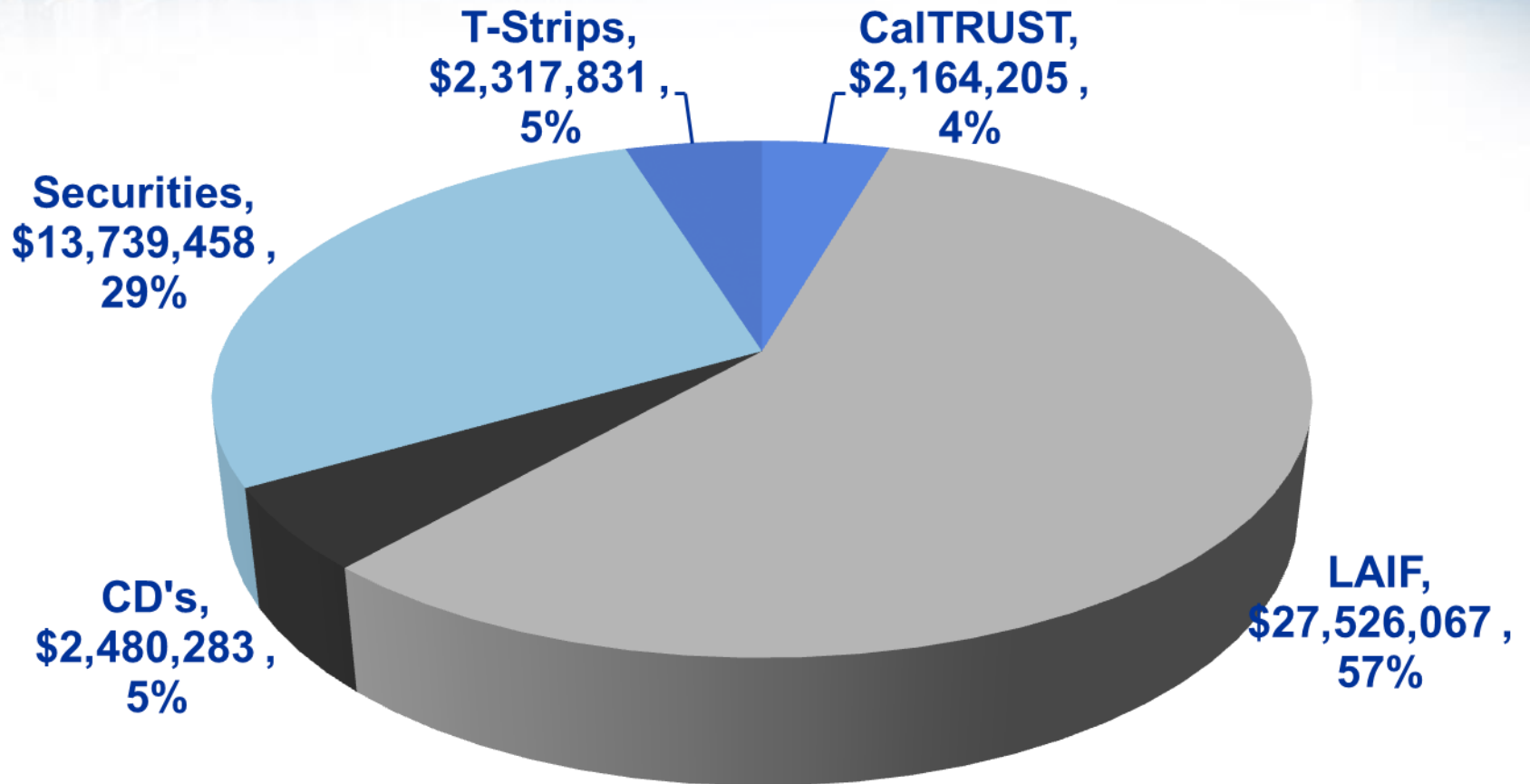
# Agenda



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

# Cash & Investments

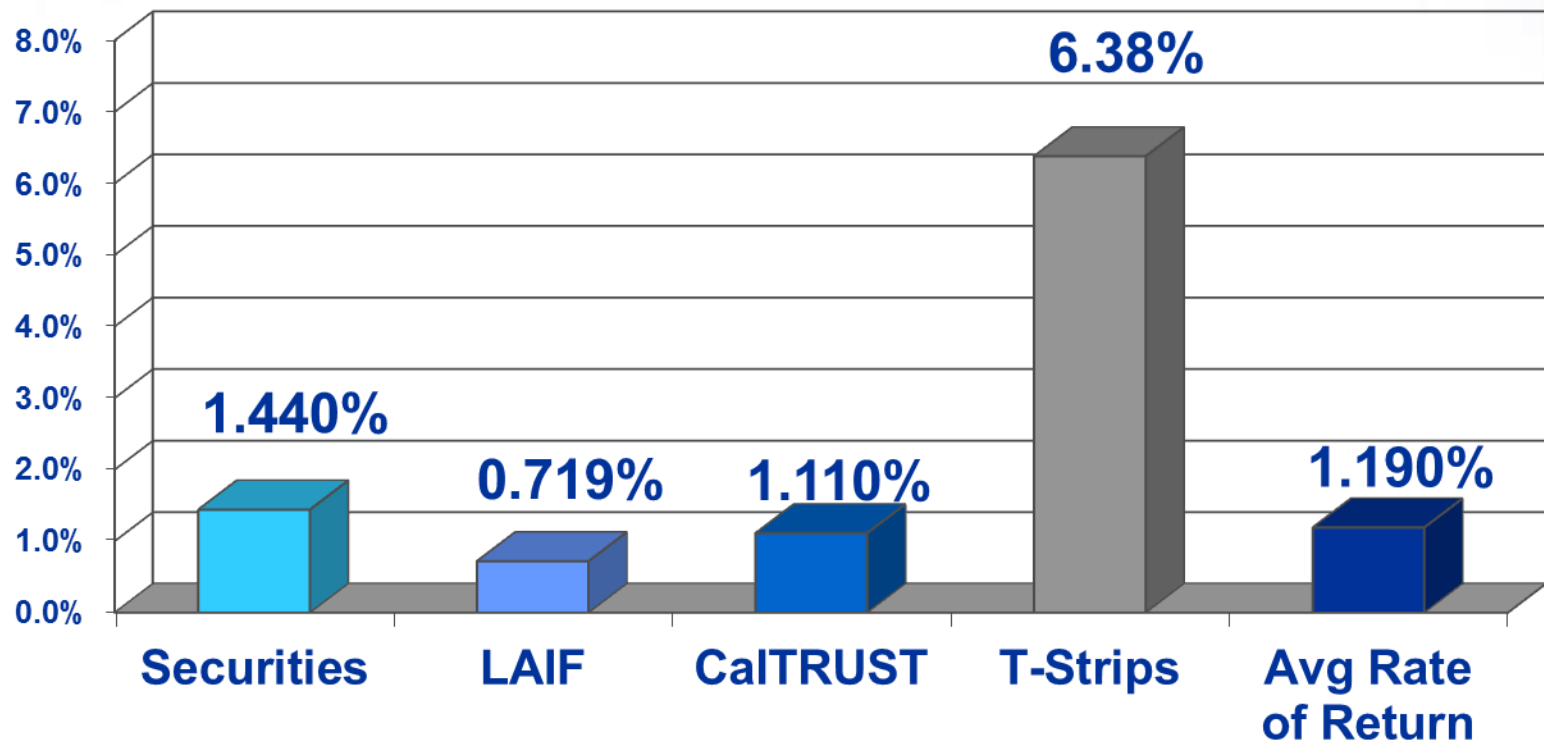
**\$48,227,844**





# Cash & Investments

## Interest Rate Analysis



# Reserve Account Balances

| <b>Reserve Account</b> | <b>Balance</b>      |
|------------------------|---------------------|
| Self Insurance         | \$3,795,922         |
| Debt Retirement        | 5,707,360           |
| Pipeline Replacement   | 17,850,481          |
| OCSD Rehabilitation    | 7,281,550           |
| Capacity Management    | 7,815,783           |
| OCSD Future Capacity   | 1,721,404           |
| Flow Imbalance Reserve | 83,563              |
| Operating Reserve      | 3,971,781           |
| <b>Total Reserves</b>  | <b>\$48,227,844</b> |

# Reserve Account Balances Trends

| Reserve                | Balance @<br>03/31/16 | Balance @<br>06/30/16 | Balance @<br>09/30/16 | Balance @<br>12/31/16 |
|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Self Insurance         | \$3,685,541           | \$3,717,788           | \$3,748,301           | \$3,795,922           |
| Debt Retirement        | 6,553,726             | 6,606,169             | 5,525,034             | 5,707,360             |
| Pipeline Replacement   | 20,915,630            | 19,919,329            | 18,908,927            | 17,850,481            |
| OCSD Rehabilitation    | 6,810,973             | 6,949,290             | 7,087,855             | 7,281,550             |
| Capacity Mgmt          | 7,170,490             | 7,197,751             | 7,198,787             | 7,815,783             |
| OCSD Future Capacity   | 1,708,128             | 1,711,499             | 1,714,869             | 1,721,404             |
| Flow Imbalance Reserve | 82,005                | 83,084                | 83,246                | 83,563                |
| Operating Reserve      | 3,291,524             | 3,790,275             | 3,885,301             | 3,971,781             |
| <b>Total</b>           | <b>\$50,218,017</b>   | <b>\$49,975,185</b>   | <b>\$48,152,320</b>   | <b>\$48,227,844</b>   |

# Transfers, Use and Contributions To/From Reserves



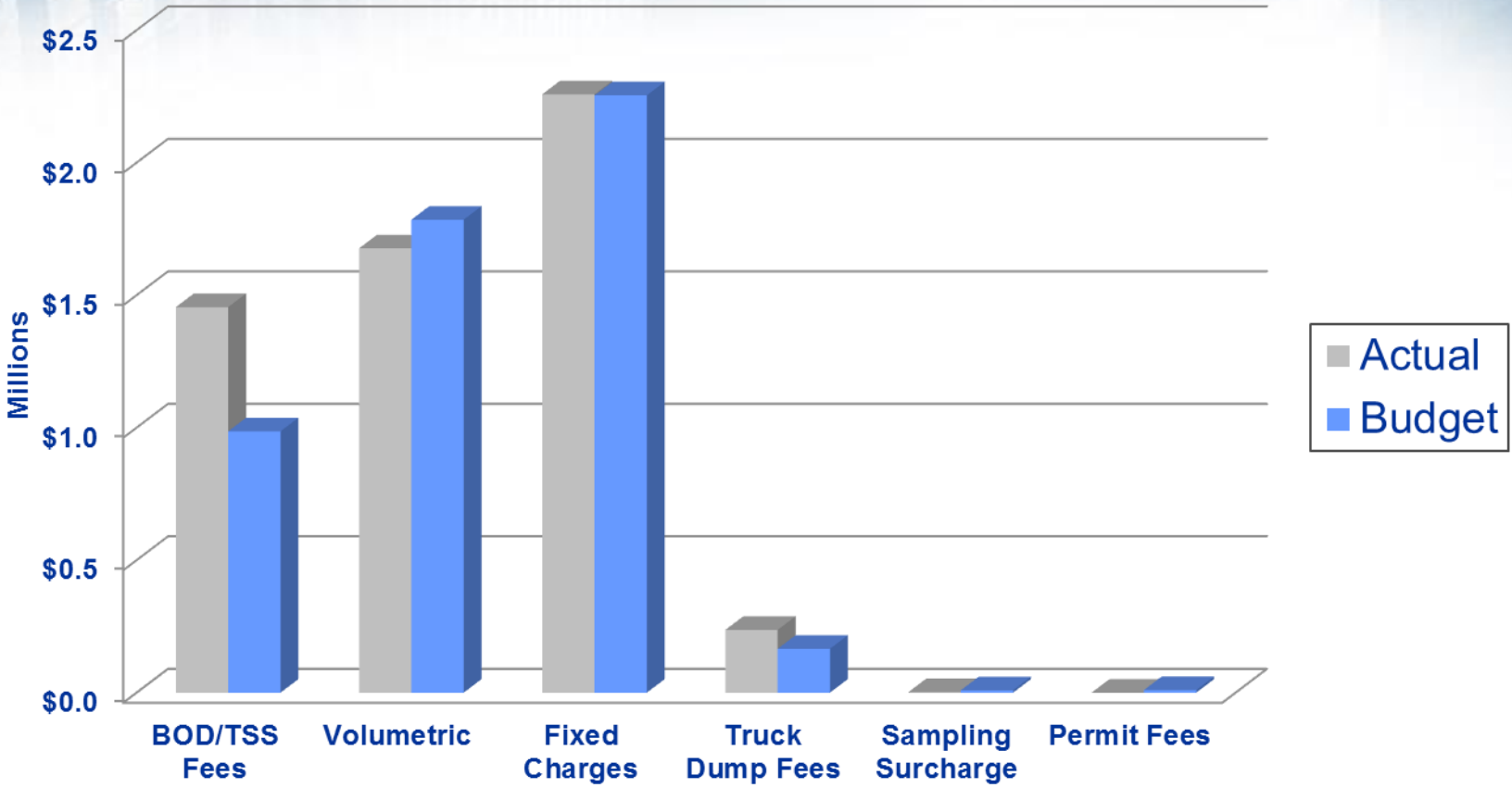
- **Pipeline Replacement Reserve**
  - Contribution of \$500,000
- **Capacity Management Reserve**
  - Contribution of \$588,894 (OCFCD loan payment)
- **OCSD Rehabilitation Reserve**
  - Contribution of \$125,003
- **Self Insurance Reserve**
  - Contribution of \$250,006
- **Debt Service Reserve**
  - Contribution of \$254,124

# Total Operating Revenues

| <b>Source</b>                   | <b>Actual</b>      | <b>Budget</b>      | <b>Variance</b><br>Positive/(Negative) |
|---------------------------------|--------------------|--------------------|--|
| BOD/TSS Fees                    | \$1,454,849        | \$986,125          | \$468,724                              |
| Volumetric Fees                 | 1,676,307          | 1,784,640          | (108,333)                              |
| Fixed Charges                   | 2,257,569          | 2,253,803          | 3,766                                  |
| Truck Discharge                 | 236,716            | 165,375            | 71,341                                 |
| Sampling Surcharge              | 2,120              | 8,750              | (6,630)                                |
| Permit Fees                     | 0                  | 9,875              | (9,875)                                |
| <b>Total Operating Revenues</b> | <b>\$5,627,560</b> | <b>\$5,208,568</b> | <b>\$418,993</b>                       |

# Operating Revenues vs. Budget

## Budget vs. Actual

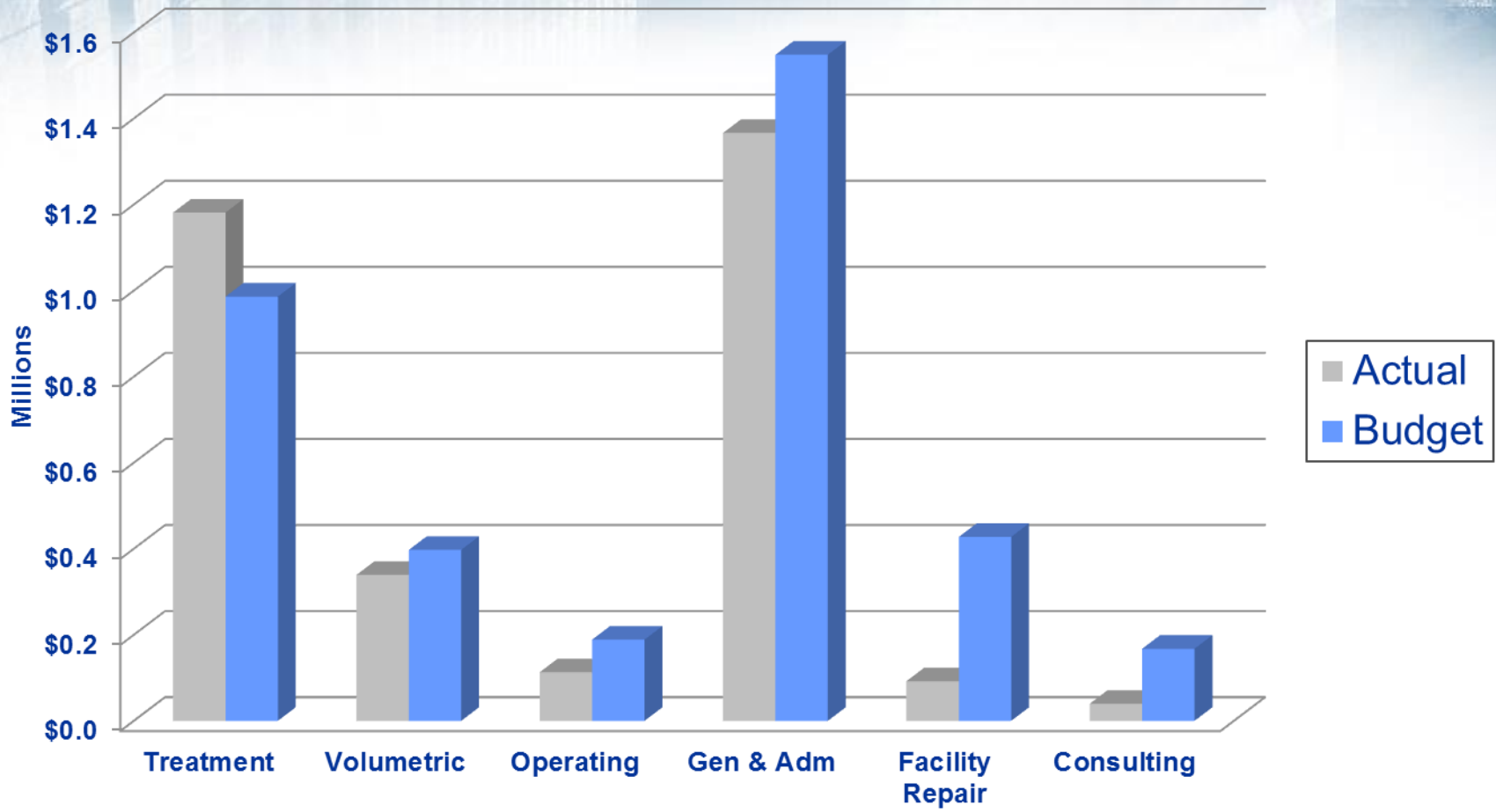


# Total Operating Expenses

| <b>Source</b>                      | <b>Actual</b>        | <b>Budget</b>        | <b>Variance<br/>Positive/(Negative)</b> |
|------------------------------------|----------------------|----------------------|---|
| Treatment Costs                    | (\$1,181,294)        | (\$986,125)          | (\$195,169)                             |
| Volumetric Costs                   | (339,108)            | (397,376)            | 58,268                                  |
| Operating Costs                    | (113,023)            | (188,751)            | 75,728                                  |
| General & Administration           | (1,366,498)          | (1,548,226)          | 181,728                                 |
| Facility Repair & Maintenance      | (92,157)             | (427,500)            | 335,343                                 |
| Consulting & Professional Services | (39,749)             | (167,500)            | 127,751                                 |
| <b>Total Operating Expenses</b>    | <b>(\$3,131,830)</b> | <b>(\$3,715,476)</b> | <b>\$583,646</b>                        |

# Operating Expenses vs. Budget

## Budget vs. Actual





# Enterprise Performance

## Flow, BOD, TSS Actual vs. OCSD Billing

|                        | SAWPA Billed | OCSD Billing | Difference |
|------------------------|--------------|--------------|------------|
| Total Flow (MG)        | 1,961.925    | 1,935.880    | (26.045)   |
| Total BOD (1,000 lbs)  | 885.078      | 788.978      | 96.10      |
| Total TSS (1,000 lbs)  | 2,757.879    | 2,479.949    | 277.93     |
| BOD cost per 1,000 lbs | \$307.00     | \$278.14     | \$28.86    |
| TSS cost per 1,000 lbs | \$429.00     | \$387.85     | \$41.15    |

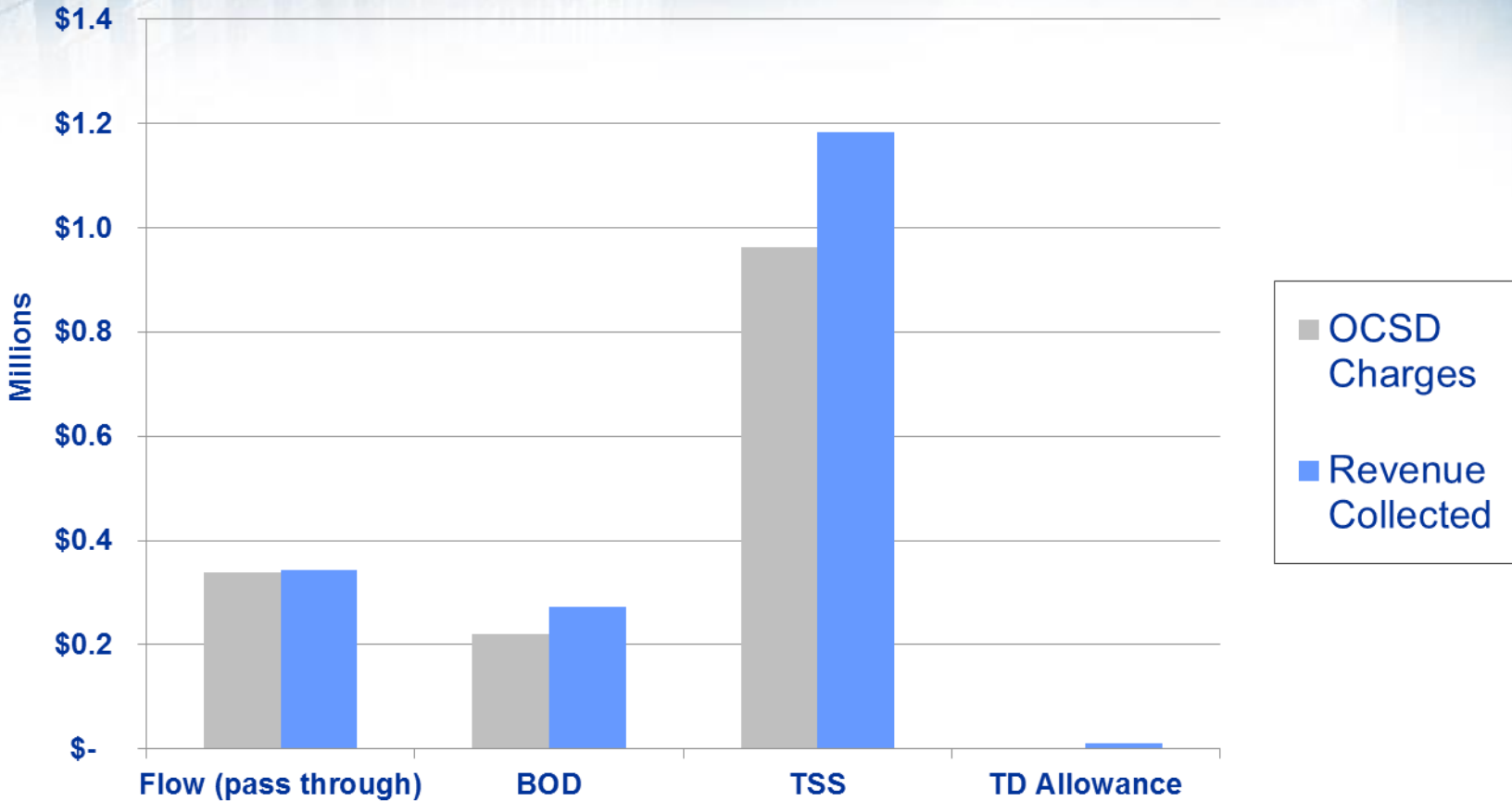
# Enterprise Performance

## OCSD Flow, BOD & TSS Charges vs. Revenue Billed

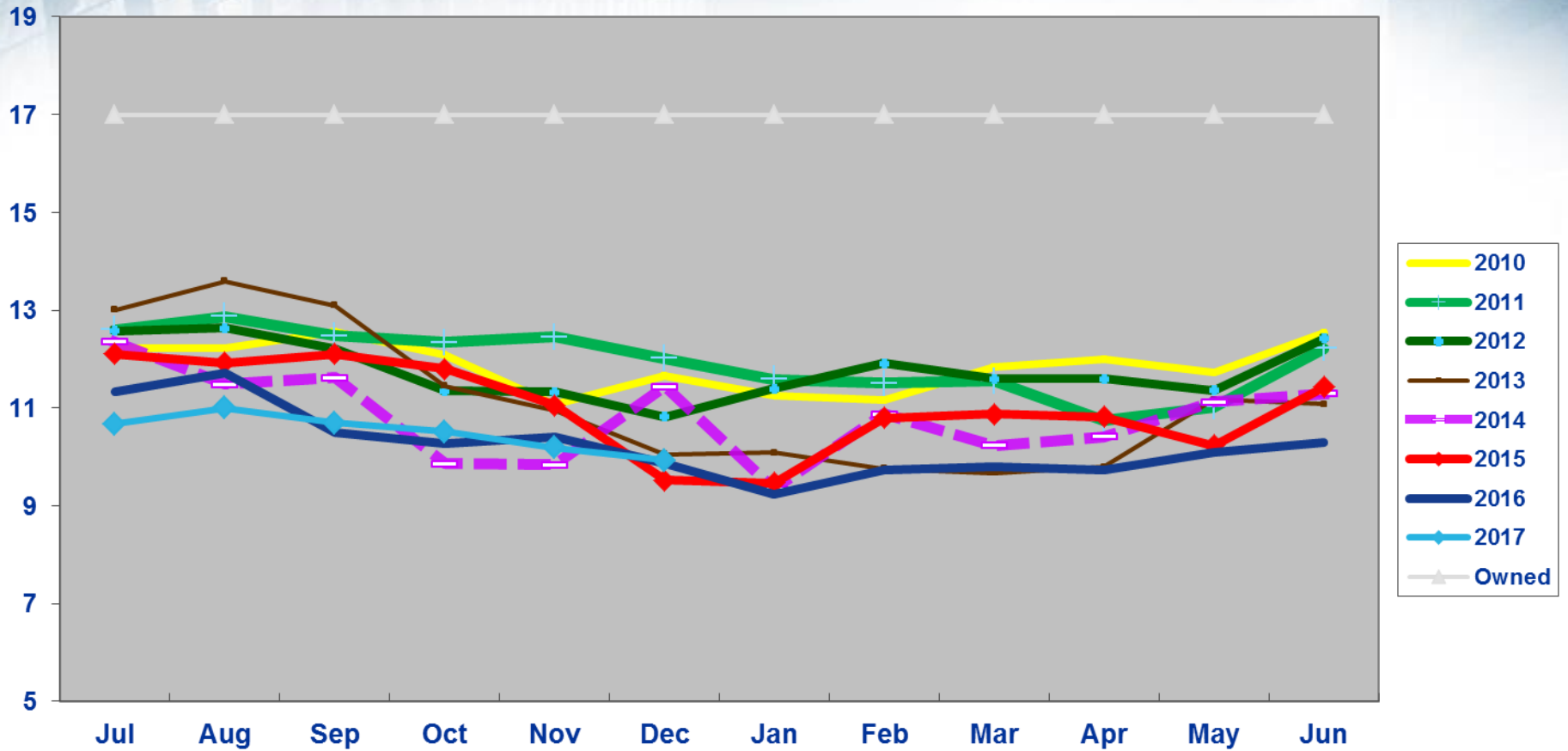
|                     | Revenue Billed | OCSD Charges | Difference |
|---------------------|----------------|--------------|------------|
| Flow (pass through) | \$343,670      | \$339,108    | \$4,562    |
| BOD                 | 271,719        | 219,446      | 52,273     |
| TSS                 | 1,183,130      | 961,848      | 221,282    |
| TD Allowance        | 12,100         | 0            | 12,100     |
| Total               | \$1,810,619    | \$1,520,402  | \$290,217  |

# Enterprise Performance

## OCSD Flow, BOD & TSS Charges vs. Revenue Collected

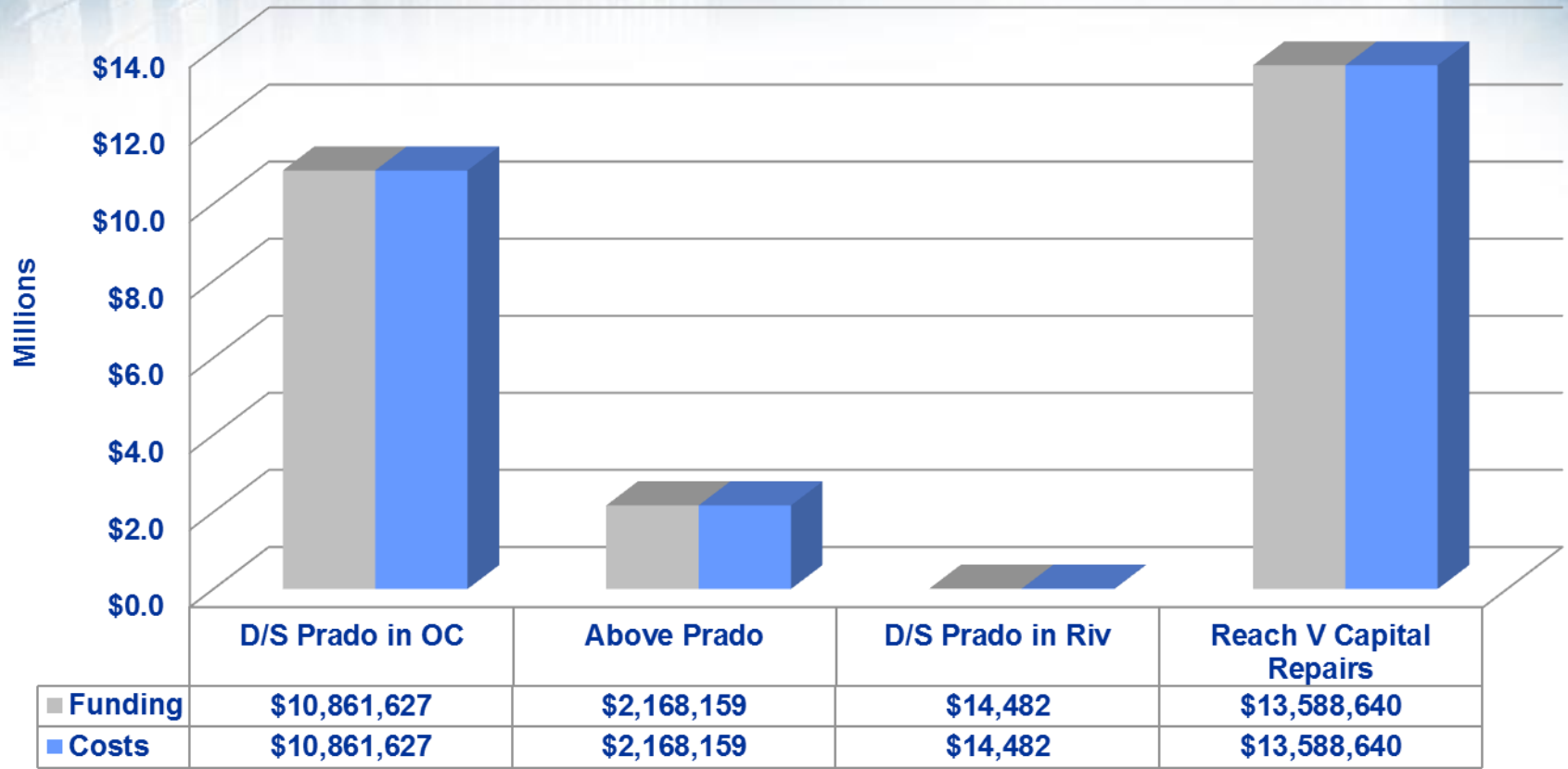


# Average Daily Flow by Month



# Capital Project Fund

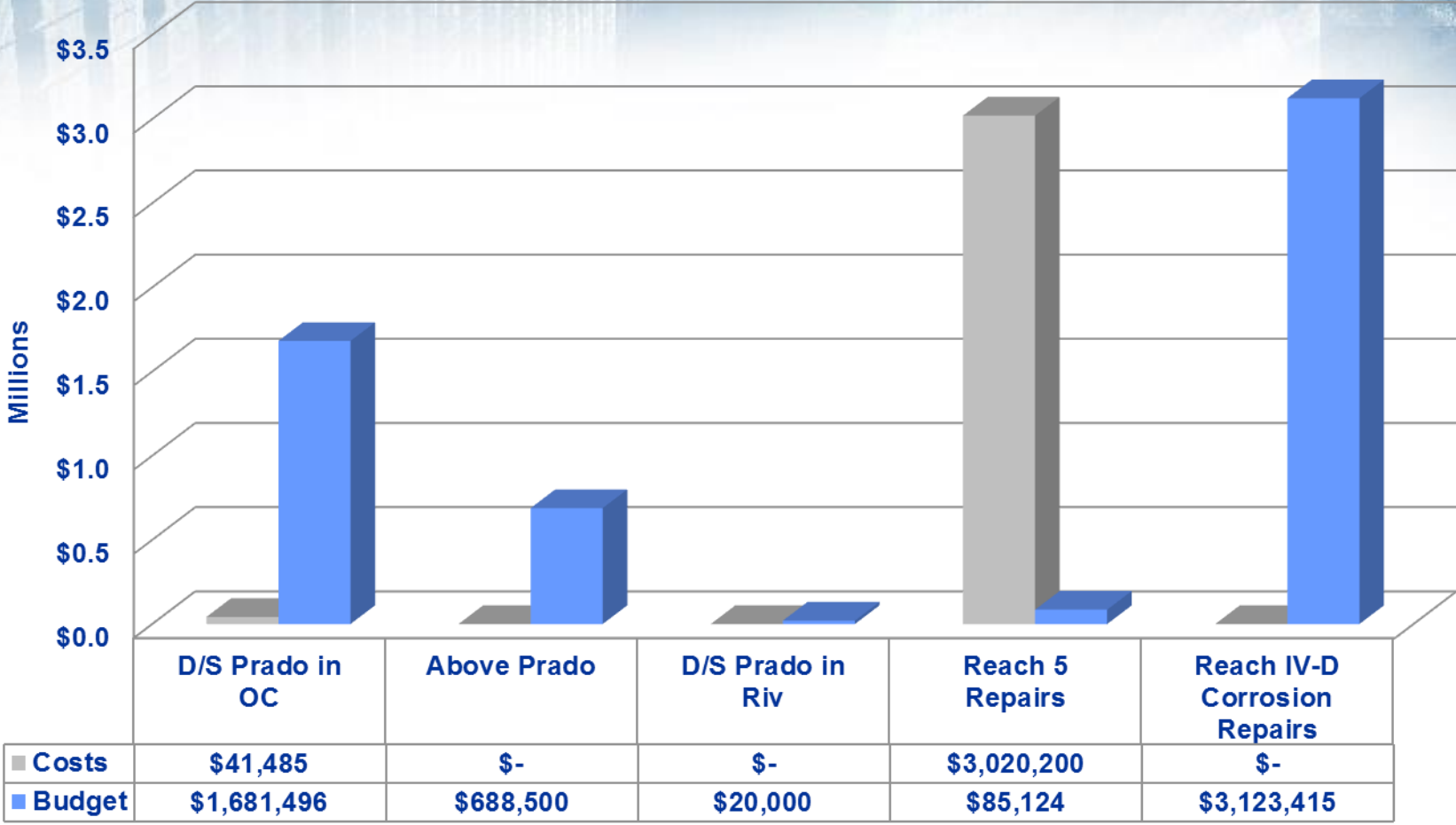
## Costs (Project to Date) vs. Funding



Funding = Reserves and SRF Loans

# Capital Project Fund

## Costs vs. Budget

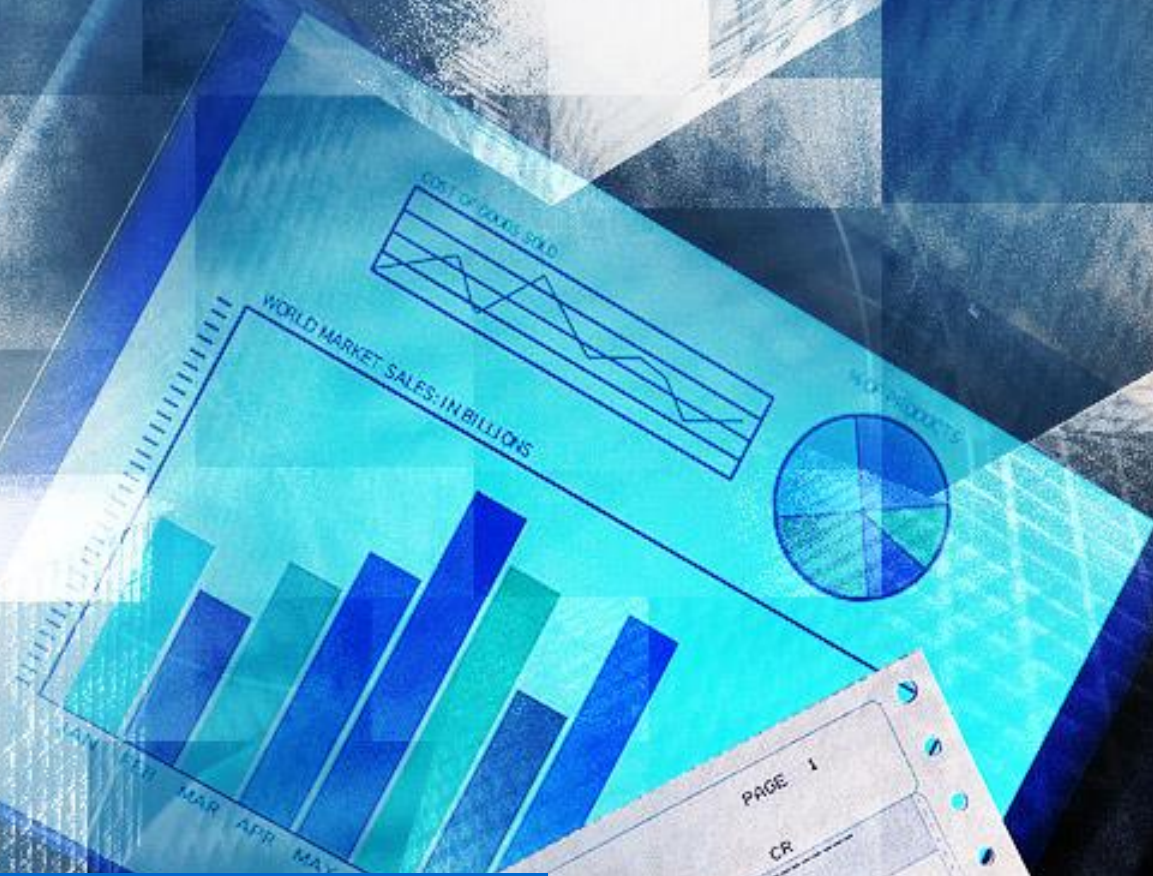


# Capital Project Fund (320)

## 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**

# Questions ?



| PAGE 1  |          |
|---------|----------|
| CR      |          |
| DR      |          |
| #       |          |
| 5869.98 |          |
| 1201.00 |          |
| 2.20    |          |
| 801.07  |          |
| 81.05   |          |
| 70.11   |          |
| 264.84  | 7690.06  |
| 1202.00 |          |
| 3115.00 |          |
| 487.40  |          |
| 124.85  |          |
| 1128.40 | 38225.02 |
| 58.50   | 888.50   |
| 20.00   | 558.50   |