



S A W P A

SANTA ANA WATERSHED PROJECT AUTHORITY

11615 Sterling Avenue, Riverside, California 92503 • (951) 354-4220

REGULAR COMMISSION MEETING TUESDAY, FEBRUARY 20, 2018 – 9:30 A.M.

AGENDA

1. **CALL TO ORDER/PLEDGE OF ALLEGIANCE** (Susan Lien Longville, 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: FEBRUARY 6, 2018** 7
Recommendation: Approve as posted.
 - B. **TREASURER’S REPORT – JANUARY 2018** 13
Recommendation: Approve as posted.
 - C. **REQUEST FOR PROPOSALS (RFP) FOR AUDIT SERVICES (CM#2018.20)** 19
Recommendation: Authorize the issuance of a Request for Proposals (RFP) for audit services commencing the fiscal year ending June 30, 2018.
 - D. **QUITCLAIM OF EASEMENT – CORONA INDUSTRIAL PARK, LLC (CM#2018.25)** 39
Recommendation: Authorize the General Manager to quitclaim an easement to Corona Industrial Park, LLC.
5. **NEW BUSINESS**
 - A. **PROPOSITION 84 ROUND 2 IMPLEMENTATION GRANT AGREEMENT AMENDMENT (CM#2018.24)** 47
Presenter: David Ruhl
Recommendation: Direct staff to execute an amendment to the Grant Agreement between SAWPA and the Department of Water Resources.

- B. [POLICY PRINCIPLES FOR THE DISADVANTAGED COMMUNITIES INVOLVEMENT PROGRAM \(CM#2018.26\)](#) 51
Presenter: Mark Norton
Recommendation: Review and provide feedback on the policy principles that describe the implementation of the Disadvantaged Communities Involvement Program.
- C. [BASIN MONITORING PROGRAM TASK FORCE – CONSULTANT SUPPORT \(CM#2018.22\)](#) 59
Presenter: Mark Norton
Recommendation: Approve Change Order No. 1 to Task Order GEOS374-01 with Geoscience for the amount not to exceed \$23,966 to prepare the Santa Ana River Waste Load Allocation Model Update
- D. [EMERGING CONSTITUENTS PROGRAM TASK FORCE PUBLIC OUTREACH STATUS AND “TRUST THE TAP” TASK ORDER \(CM#2018.23\)](#) 77
Presenter: Mark Norton
Recommendation: Receive and file status report; and, authorize new Task Order No. DEGR398-01 with DeGrave Communications to conduct the “Trust the Tap” program for an amount not to exceed \$78,434 under the Disadvantaged Community Involvement Grant Program.
- E. [ADOPTION OF CalPERS 457 DEFERRED COMPENSATION PLAN \(CM#2018.21\)](#) 97
Presenter: Rich Haller
Recommendation: That the Commission adopt Resolution No. 2018-2 approving adoption of the CalPERS Supplemental Income 457 Plan; and authorize the General Manager to execute and submit the following supporting documents to CalPERS:
 - 1) Employer Adoption Agreement
 - 2) New Employer Information Sheet
 - 3) Employer Loan Provision
 - 4) Employer Election to offer Self-Managed Accounts

6. **INFORMATIONAL REPORTS**

Recommendation: Receive for information.

- A. [CASH TRANSACTIONS REPORT -- DECEMBER 2017](#) 143
Presenter: Karen Williams
- B. [INTER-FUND BORROWING – DECEMBER 2017 \(CM#2018.18\)](#) 149
Presenter: Karen Williams
- C. [PERFORMANCE INDICATORS/FINANCIAL REPORTING – DECEMBER 2017 \(CM#2018.19\)](#) 153
Presenter: Karen Williams
- D. [SECOND QUARTER FYE 2018 EXPENSE REPORTS](#) 177
 - General Manager
 - Staff**Presenter:** Karen Williams
- E. [LESJWA WATER SUMMIT 2018](#) 181
Presenter: Mark Norton
- F. [GENERAL MANAGER’S REPORT](#) 185

- G. [SAWPA GENERAL MANAGERS MEETING NOTES – FEBRUARY 13, 2018](#) 191
- H. [STATE LEGISLATIVE REPORT](#) 195
Presenter: Rich Haller
- I. [CHAIR’S COMMENTS/REPORT](#)
- J. [COMMISSIONERS’ COMMENTS](#)
- K. [COMMISSIONERS’ REQUEST FOR FUTURE AGENDA ITEMS](#)

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)
- B. **PURSUANT TO GOVERNMENT CODE SECTION 54957.6 – CONFERENCE WITH LABOR NEGOTIATOR**
SAWPA Designated Representative: General Manager Richard E. Haller
Non-Represented Employees: All SAWPA employees

8. **ADJOURNMENT**

Americans with Disabilities Act: If you require any special disability related accommodations to participate in this meeting, please call (951) 354-4230 or email kberry@sawpa.org. Notification at least 48 hours 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 Thursday, February 15, 2018, a copy of this agenda has been uploaded to the SAWPA website at www.sawpa.org and posted at the SAWPA office, 11615 Sterling Avenue, Riverside, California.

/s/

Kelly Berry, CMC

2018 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 1/2/18 Commission Workshop [cancelled] 1/16/18 Regular Commission Meeting	February 2/6/18 Commission Workshop 2/20/18 Regular Commission Meeting
March 3/6/18 Commission Workshop 3/20/18 Regular Commission Meeting	April 4/3/18 Commission Workshop 4/17/18 Regular Commission Meeting
May 5/1/18 Commission Workshop 5/8 – 5/11/18 ACWA Spring Conference, Sacramento 5/15/18 Regular Commission Meeting	June 6/5/18 Commission Workshop 6/19/18 Regular Commission Meeting
July 7/3/18 Commission Workshop 7/17/18 Regular Commission Meeting	August 8/7/18 Commission Workshop 8/21/18 Regular Commission Meeting
September 9/4/18 Commission Workshop 9/18/18 Regular Commission Meeting	October 10/2/18 Commission Workshop 10/16/18 Regular Commission Meeting
November 11/6/18 Commission Workshop 11/20/18 Regular Commission Meeting 11/27 – 11/30/18 ACWA Fall Conference, San Diego	December 12/4/18 Commission Workshop 12/18/18 Regular Commission Meeting

SAWPA COMPENSABLE MEETINGS

Commissioners and Alternate Commissioners will receive compensation for attending the meetings listed below, pursuant to the Commission Compensation, Expense Reimbursement, and Ethics Training Policy.

IMPORTANT NOTE: These meetings are subject to change. Prior to attending any meetings listed below, please confirm meeting details by viewing the website calendar using the following link:

<http://www.sawpa.org/sawpa-events/>

MONTH OF: FEBRUARY

DATE	TIME	MEETING DESCRIPTION	LOCATION
2/2/18	10:30 AM	OWOW 3.0 Integrated Stormwater Pillar Meeting	Riverside County Flood Control 1995 Market Street Riverside, CA
2/6/18	CANCELLED	PA 23 Committee Meeting [CANCELLED]	CANCELLED
2/8/18	10:30 AM	Water Resource Optimization Pillar Mtg	SAWPA
2/12/18	10:00 AM	WUE Pillar Mtg	WMWD 14205 Meridian Parkway Riverside, CA
2/14/18	9:00 AM	Lake Elsinore/Cyn Lake TMDL Mtg	SAWPA
2/14/18	10:00 AM	Climate Risk/Response Pillar Mtg	SAWPA
2/14/18	1:30 PM	Basin Monitoring Program Task Force Mtg	SAWPA
2/15/18	CANCELLED	LESJWA Board of Directors Meeting	CANCELLED
2/22/18	CANCELLED	PA 22 Committee Meeting	CANCELLED
2/22/18	9:30 AM	OWOW Pillar Integration Mtg	SAWPA
2/26/18	2:00 PM	OWOW Disadvantaged & Tribal Communities Pillar Mtg	SAWPA

MONTH OF: MARCH

DATE	TIME	MEETING DESCRIPTION	LOCATION
3/1/18	10:30 AM	WUE Pillar Mtg	SAWPA
3/1/18	1:30 PM	Prop 1 IRWMP Development Wkshp	SAWPA
3/13/18	1:30 PM	Lake Elsinore/Cyn Lake TMDL Mtg	SAWPA
3/14/18	10:00 AM	Climate Risk/Response Pillar Mtg	SAWPA
3/14/18	1:30 PM	Workshop -- Basin Monitoring Program	SAWPA
3/14/18	2:30 PM	Basin Monitoring Program Task Force Mtg	SAWPA
3/21/18	10:00 AM	OWOW Tribal Workshop	SAWPA
3/22/18	8:00 AM	PA 22 Committee Mtg	SAWPA
3/22/18	11:00 AM	OWOW Steering Committee Mtg	SAWPA
3/26/18	2:00 PM	OWOW Disadvantaged & Tribal Communities Pillar Mtg	SAWPA

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**SAWPA COMMISSION
REGULAR MEETING MINUTES
FEBRUARY 6, 2018**

COMMISSIONERS PRESENT

Susan Lien Longville, Chair, San Bernardino Valley Municipal Water District
Jasmin A. Hall, Secretary-Treasurer, Inland Empire Utilities Agency
David J. Slawson, Alternate, Eastern Municipal Water District
Bruce Whitaker, Alternate, Orange County Water District
Brenda Dennstedt, Alternate, Western Municipal Water District

COMMISSIONERS ABSENT

Ronald W. Sullivan, Vice Chair, Eastern Municipal Water District
Thomas P. Evans, Western Municipal Water District
Philip L. Anthony, Orange County Water District

**ALTERNATE COMMISSIONERS
PRESENT; NON-VOTING**

Kati Parker, Alternate, Inland Empire Utilities Agency
Gil Navarro Alternate, San Bernardino Valley Municipal Water District

STAFF PRESENT

Rich Haller, Larry McKenney, Karen Williams, Mark Norton, Dean Unger, David Ruhl, Carlos Quintero, Ian Achimore, Regina Patterson, Kelly Berry

The Regular Commission Meeting of the Santa Ana Watershed Project Authority was called to order at 9:32 a.m. by Chair Longville 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

A. APPROVAL OF MEETING MINUTES: JANUARY 16, 2018

Recommendation: Approve as posted.

MOVED, approve the January 16, 2018 meeting minutes.

Result:	Adopted (Passed)
Motion/Second:	Hall/Whitaker
Ayes:	Hall, Longville, Whitaker
Nays:	None
Abstentions:	Dennstedt, Slawson
Absent:	None

5. NEW BUSINESS

A. MEMORANDUM OF UNDERSTANDING (MOU) WITH THE HOUSING AUTHORITY OF THE CITY OF RIVERSIDE | POLICY PRINCIPLES FOR THE DISADVANTAGED COMMUNITIES INVOLVEMENT PROGRAM (CM#2018.9)

Mark Norton provided a PowerPoint presentation on Disadvantaged Community Involvement (DCI) Policy Principles and Memorandum of Understanding (MOU) with the Housing Authority of the City of Riverside, and requested feedback from the Commission on the policy principles and draft MOU provided in the agenda packet.

Rich Haller noted SAWPA staff has sought input from the member agency general managers, who have provided comments which will be further discussed at the February 13 monthly meeting of the general managers. Chair Longville suggested those comments could be brought before the Commission at the February 20 meeting, anticipating that the final document would be approved in March.

Alternate Commissioner Slawson noted the approach seemed to be very broad, and further research and evaluation may determine the need for flood control considerations and not just water project considerations. Alternate Commissioner Whitaker agreed it is very wide-ranging and he would like to see it narrowed somewhat; in particular the focus on reducing negative impacts and working with other agencies to provide solutions. Ultimately, he would like to be able to support the MOU but he would first want to discuss it with his fellow OCWD directors.

Chair Longville noted the following suggested revisions to the MOU:

- Paragraph 2. PURPOSE OF THIS MOU: In the first line, after the word “support” and before the word “an” include the words “the feasibility of” so it reads, “The purpose of this MOU is to support the feasibility of an intergovernmental partnership....”
- Exhibit “A” Roles and Responsibilities. Voiced concern there is no reference to the flood risk and potential loss of lives. Suggested the following change to the introductory paragraph: after the words “...housing for individuals living unsheltered within riparian areas...” add the words “where reasonably foreseeable flood risk could result in the loss of lives....”
- Exhibit “A” Roles and Responsibilities. At the end of the wording in both Paragraphs numbered 3, add the words “and a reduced risk of loss of lives from flooding.”
- Suggested that the MOU should include other partners who will be evaluating the feasibility of this project, which could include the Santa Ana Regional Water Quality Control Board and Santa Ana River trail and habitat conservation partners.
- Suggested the principles should include a blending of program language with more specificity about the disadvantaged community involvement project.

Commissioner Hall supported including consideration for the human aspect of decisions and plans into the future. She suggested that SAWPA should not take part in removing facilities from where the homeless are now.

Alternate Commissioner Dennstedt noted her support of the collaborative effort and having a voice in the process of figuring out how to implement the human right to water. She voiced her concern regarding recent public health issues in neighboring regions, the relationship of water and pathogen movement, and emphasized the need for focus in that area.

Alternate Commissioner Whitaker noted the importance of public land use compatibility for all members of the public and the importance of collaborative effort to change the situation where we find that property is being pressed into use for which it was not designed. Whitaker noted he would like to see an emphasis on outcomes; achieving results is how we show public monies are well spent. This item was for informational and discussion purposes; no action was taken on Agenda Item No. 5.A.

B. WECAN PROGRAM – MOU SECOND AMENDMENT WITH WEST VALLEY WATER DISTRICT AND TASK ORDER NO. 3 FOR ECOTECH SERVICES, INC. (CM#2018.10)

Mike Norton provided a PowerPoint presentation on the Water Energy Community Action Network (WECAN) program. Chair Longville was supportive and noted how funding has been utilized efficiently and effectively.

MOVED, approve a Second Amendment to the Memorandum of Understanding (MOU) with the West Valley Water District and the associated Task Order No ECOT397-03 with EcoTech Services, Inc., for an amount not to exceed \$27,600 for irrigation repairs at homes to ensure they qualify to participate in WECAN Program.

Result:	Adopted (Unanimously)
Motion/Second:	Whitaker/Slawson
Ayes:	Dennstedt, Hall, Longville, Slawson, Whitaker
Nays:	None
Abstentions:	None
Absent:	None

C. PROPOSITION 84 2015 GRANT AGREEMENT AMENDMENT – RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT PROJECT (CM#2018.11)

Ian Achimore provided a PowerPoint presentation outlining a proposed Amendment to the 2015 Grant Agreement between the Department of Water Resources and SAWPA.

MOVED, direct staff to execute an amendment to the Grant Agreement between SAWPA and the Department of Water Resources to reflect the revised 2015 Integrated Watershed Protection Program.

Result:	Adopted (Unanimously)
Motion/Second:	Hall/Whitaker
Ayes:	Dennstedt, Hall, Longville, Slawson, Whitaker
Nays:	None
Abstentions:	None
Absent:	None

D. QUITCLAIM OF EASEMENT – CITY OF LAKE ELSINORE (CM#2018.15)

Carlos Quintero provided a PowerPoint presentation outlining a Quitclaim of Easement for utility and roadway purposes to the City of Lake Elsinore. SAWPA does not have a need for this easement; the City of Lake Elsinore is requesting the easement to facilitate a low-income housing development in the area.

MOVED, authorize the General Manager to execute a Quitclaim of Easement quitclaiming to the City of Lake Elsinore for utility and roadway purposes that certain easement for road and utility purposes as described in a Final Order of Condemnation, granted to SAWPA by Instrument No. 292030, recorded with the County of Riverside on September 5, 1995.

Result: **Adopted (Unanimously)**
Motion/Second: Whitaker/Slawson
Ayes: Dennstedt, Hall, Longville, Slawson, Whitaker
Nays: None
Abstentions: None
Absent: None

E. PROPOSITION 1 IRWM STATUS AND SACRAMENTO TRIP (CM#2018.12)

Mark Norton provided a PowerPoint presentation on Proposition 1 Integrated Regional Water Management (IRWM) Implementation Funding, and a recent Sacramento trip during which SAWPA staff met with DWR representatives.

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

F. SPONSORSHIP OF MAVEN'S NOTEBOOK AND CALIFORNIA WATER LIBRARY (CM#2018.17)

Rich Haller outlined the purpose and function of Maven's Notebook and California Water Library, and recommending contributing to these websites which provide valuable resources via the internet.

MOVED, approve a contribution of \$500 to Maven's Notebook and \$1,000 to the California Water Library.

Result: **Adopted (Unanimously)**
Motion/Second: Whitaker/Dennstedt
Ayes: Dennstedt, Hall, Longville, Slawson, Whitaker
Nays: None
Abstentions: None
Absent: None

G. COMMISSIONER REPRESENTATION ON THE OWOW STEERING COMMITTEE (CM#2018.13)

Rich Haller reviewed background information provided in the agenda packet and the proposed Resolution No. 2018-1.

MOVED, adopt Resolution No. 2018-1 establishing a rotation of appointments to the One Water, One Watershed (OWOW) Steering Committee and rescinding Resolution No. 2017-12.

Result: **Adopted (Unanimously)**
Motion/Second: Hall/Slawson
Ayes: Dennstedt, Hall, Longville, Slawson, Whitaker
Nays: None
Abstentions: None
Absent: None

H. REQUEST FOR APPROVAL TO ATTEND INTERNATIONAL CONFERENCE (CM#2018.16)

Rich Haller reviewed background information provided in the agenda packet regarding an invitation received by SAWPA staff member Mike Antos to participate in a conference in Beijing, China. Antos will provide a report to the Commission upon his return.

MOVED, authorize SAWPA staff member Mike Antos to attend the Sino-American Technology & Engineering Conference in Beijing, China, May 13-20, 2018, for a total of five (5) working days, excluding travel, lodging and per diem expenses.

Result:	Adopted (Unanimously)
Motion/Second:	Hall/Dennstedt
Ayes:	Dennstedt, Hall, Longville, Slawson, Whitaker
Nays:	None
Abstentions:	None
Absent:	None

I. SAWPA WEBSITE – WWW.SAWPA.ORG (CM#2018.14)

Dean Unger provided a brief overview and the newly revised SAWPA website.

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

6. INFORMATIONAL REPORTS

The following oral/written reports/updates were received and filed.

A. CHAIR'S COMMENTS/REPORT

No comments or reports.

B. COMMISSIONERS' COMMENTS

None.

C. COMMISSIONERS' REQUEST FOR FUTURE AGENDA ITEMS

There were no additional requests for future agenda items.

7. CLOSED SESSION

Chair Longville recessed the meeting to Closed Session at 10:57 a.m. No reportable action was anticipated. Designated personnel essential to the discussion were present during Closed Session. No discussion of Agenda Item No. 8.B. was anticipated.

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)

B. PURSUANT TO GOVERNMENT CODE SECTION 54957.6 – CONFERENCE WITH LABOR NEGOTIATOR

SAWPA Designated Representative: General Manager Richard E. Haller
Non-Represented Employees: All SAWPA employees

Chair Longville resumed Open Session at 11:14 a.m. There was no discussion on Agenda Item No. 8.B. There was no reportable action.

8. ADJOURNMENT

There being no further business for review, Chair Longville adjourned the meeting at 11:15 a.m.

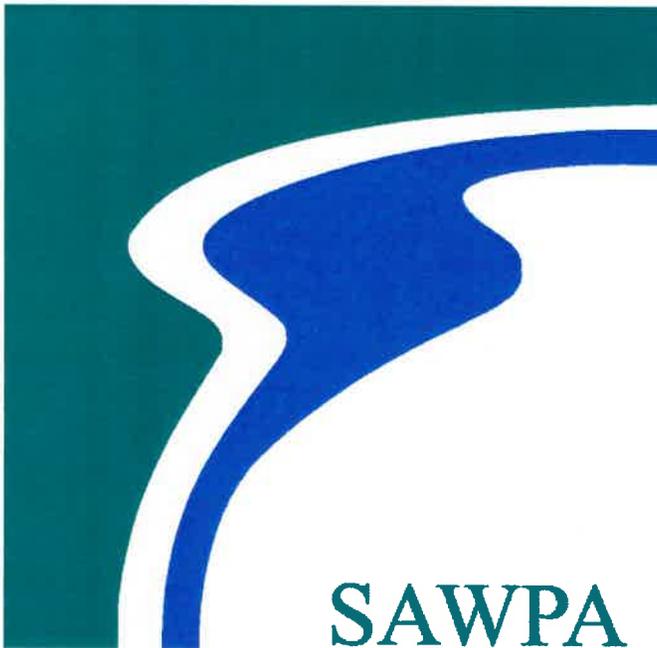
Approved at a Regular Meeting of the Santa Ana Watershed Project Authority Commission on Tuesday, February 20, 2018.

Susan Lien Longville, Chair

Attest:

Kelly Berry, CMC
Clerk of the Board

*Santa Ana Watershed
Project Authority*



Finance Department

Santa Ana Watershed Project Authority
TREASURER'S REPORT

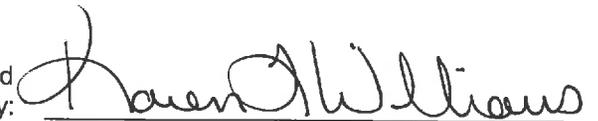
January 2018

During the month of January 2018, the Agency's actively managed temporary idle cash earned a return of 1.63%, representing interest earnings of \$21,407. Additionally, the Agency's position in overnight funds L.A.I.F. and CalTRUST generated \$23,857 and \$2,956 in interest, resulting in \$48,220 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, one (1) position 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.

February 8, 2018

Prepared and
Submitted by:


Karen L. Williams, Chief Financial Officer

Santa Ana Watershed Project Authority
INVESTMENT PORTFOLIO - MARKED TO MARKET - UNREALIZED GAINS & LOSSES
January 31, 2018

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	\$ 500,000.00	1.790%	\$ 546,650.00	\$ 510,045.50	\$ (36,605)	3.750%	\$ 760.14
Agency	FHLMC	3137EAEC9	WMS	09-16-16	08-12-21	No Call	\$ 1,000,000.00	1.335%	\$ 990,060.00	\$ 957,074.00	\$ (32,986)	1.125%	\$ 1,133.79
Agency	FHLMC	3137EADB2	WMS	04-17-17	01-13-22	No Call	\$ 500,000.00	2.375%	\$ 512,767.00	\$ 499,156.00	\$ (13,611)	2.375%	\$ 1,008.56
Agency	FHLB	313379EE5	WMS	05-26-15	06-14-19	No Call	\$ 500,000.00	1.420%	\$ 504,015.00	\$ 497,949.50	\$ (6,066)	1.625%	\$ 603.10
Agency	FHLB	313383HU8	WMS	06-16-16	06-12-20	No Call	\$ 1,000,000.00	1.080%	\$ 1,026,088.00	\$ 988,581.00	\$ (37,507)	1.750%	\$ 917.27
Agency	FHLB	313379Q69	WMS	12-14-17	06-10-22	No Call	\$ 1,000,000.00	2.150%	\$ 998,930.00	\$ 984,918.00	\$ (14,012)	2.125%	\$ 1,826.12
Agency	FNMA	3135GOZA4	WMS	03-27-14	02-19-19	No Call	\$ 500,000.00	1.800%	\$ 501,975.00	\$ 499,551.50	\$ (2,424)	1.875%	\$ 764.38
Agency	FNMA	3136G1GP8	WMS	03-27-13	03-27-18	No Call	\$ 1,000,000.00	1.000%	\$ 1,000,000.00	\$ 999,253.00	\$ (747)	1.000%	\$ 849.32
Agency	FNMA	3135G0H55	WMS	12-28-15	12-28-20	No Call	\$ 1,000,000.00	1.830%	\$ 1,002,140.00	\$ 988,674.00	\$ (13,466)	1.875%	\$ 1,554.26
Agency	FNMA	3135G0F73	WMS	06-16-16	11-30-20	No Call	\$ 1,000,000.00	1.150%	\$ 1,015,157.00	\$ 979,034.00	\$ (36,123)	1.500%	\$ 976.72
Agency	USTN	912828A34	WMS	11-17-15	11-30-18	No Call	\$ 1,000,000.00	1.166%	\$ 1,002,500.00	\$ 994,883.00	\$ (7,617)	1.250%	\$ 990.21
Agency	USTN	912828WC	WMS	11-17-15	10-31-20	No Call	\$ 1,000,000.00	1.638%	\$ 1,005,312.50	\$ 986,602.00	\$ (18,711)	1.750%	\$ 1,391.04
Agency	USTN	912828G61	WMS	11-17-15	11-30-19	No Call	\$ 1,000,000.00	1.469%	\$ 1,001,210.94	\$ 989,141.00	\$ (12,070)	1.500%	\$ 1,247.59
Agency	USTN	912828L32	WMS	06-17-16	08-31-20	No Call	\$ 500,000.00	1.030%	\$ 507,070.31	\$ 489,375.00	\$ (17,695)	1.375%	\$ 437.53
Agency	USTN	912828L65	WMS	06-16-16	09-30-20	No Call	\$ 500,000.00	1.041%	\$ 506,992.19	\$ 488,867.00	\$ (18,125)	1.375%	\$ 441.95
Agency	USTN	912828L99	WMS	06-16-16	10-31-20	No Call	\$ 500,000.00	1.051%	\$ 506,914.06	\$ 488,340.00	\$ (18,574)	1.375%	\$ 446.10
Agency	USTN	912828S76	WMS	12-14-17	07-31-21	No Call	\$ 1,000,000.00	2.013%	\$ 969,062.50	\$ 958,711.00	\$ (10,352)	1.125%	\$ 1,709.51
CORP	Toyota Motor Credit Corp	89236TCP8	WMS	09-15-16	07-13-18	No Call	\$ 500,000.00	1.100%	\$ 504,057.50	\$ 499,681.00	\$ (4,377)	1.550%	\$ 467.15
CD	Ally Bank	02006L2F9	WMS	01-13-15	04-20-20	No Call	\$ 248,000.00	1.800%	\$ 248,000.00	\$ 248,000.00	\$ -	1.800%	\$ 379.13
CD	American Express	02587DP85	WMS	04-19-17	04-19-21	No Call	\$ 248,000.00	2.250%	\$ 248,000.00	\$ 248,000.00	\$ -	2.250%	\$ 473.92
CD	American Express BK FSB	AN4199708	WMS	05-10-17	05-10-21	No Call	\$ 248,000.00	2.200%	\$ 248,000.00	\$ 248,000.00	\$ -	2.200%	\$ 463.39
CD	GE Cap Retail	36157PVU0	WMS	01-31-14	01-31-18	No Call	\$ -	1.450%	\$ -	\$ -	\$ -	1.450%	\$ 305.41
CD	National Bank of NY	634116CA3	WMS	06-18-14	06-18-18	No Call	\$ 248,000.00	1.300%	\$ 248,000.00	\$ 247,760.76	\$ (239)	1.300%	\$ 273.82
CD	Capital Bank FI Miami	139800CC8	WMS	05-27-15	05-29-18	No Call	\$ 248,000.00	1.100%	\$ 248,000.00	\$ 247,665.44	\$ (335)	1.100%	\$ 231.69
CD	Capital One NA	14042RAG6	WMS	09-30-15	10-01-18	No Call	\$ 248,000.00	1.650%	\$ 248,000.00	\$ 247,961.37	\$ (39)	1.650%	\$ 347.54
CD	Capital One Bank USA NA	140420VZ0	WMS	09-30-15	10-01-18	No Call	\$ 248,000.00	1.650%	\$ 248,000.00	\$ 247,961.37	\$ (39)	1.650%	\$ 347.54
CD	Wells Fargo Bank NA	9497482W6	WMS	12-02-15	12-03-18	No Call	\$ 245,000.00	1.450%	\$ 245,000.00	\$ 244,254.55	\$ (745)	1.450%	\$ 301.72
CD	Goldman Sachs Bank USA	38148PUV7	WMS	12-20-17	12-20-22	No Call	\$ 248,000.00	2.500%	\$ 248,000.00	\$ 248,000.00	\$ -	2.500%	\$ 526.58
CD	CIT Bank	17284A6P8	TVI	03-13-13	03-13-18	No Call	\$ 248,000.00	1.100%	\$ 248,000.00	\$ 247,929.79	\$ (70)	1.100%	\$ 231.69

Total Actively Invested Funds	\$ 16,477,000.00	\$ 16,577,902.00	\$ 16,275,369.78	\$ (302,532)	1.630%	\$ 21,407.18
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Total Local Agency Investment Fund	\$ 20,807,277.82	1.350%	\$ 23,857.11
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Total CalTRUST Investment Fund	\$ 2,175,030.75	1.600%	\$ 2,955.66
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Total Invested Cash	\$ 16,477,000.00	\$ 39,560,210.57	1.481%	\$ 48,219.95
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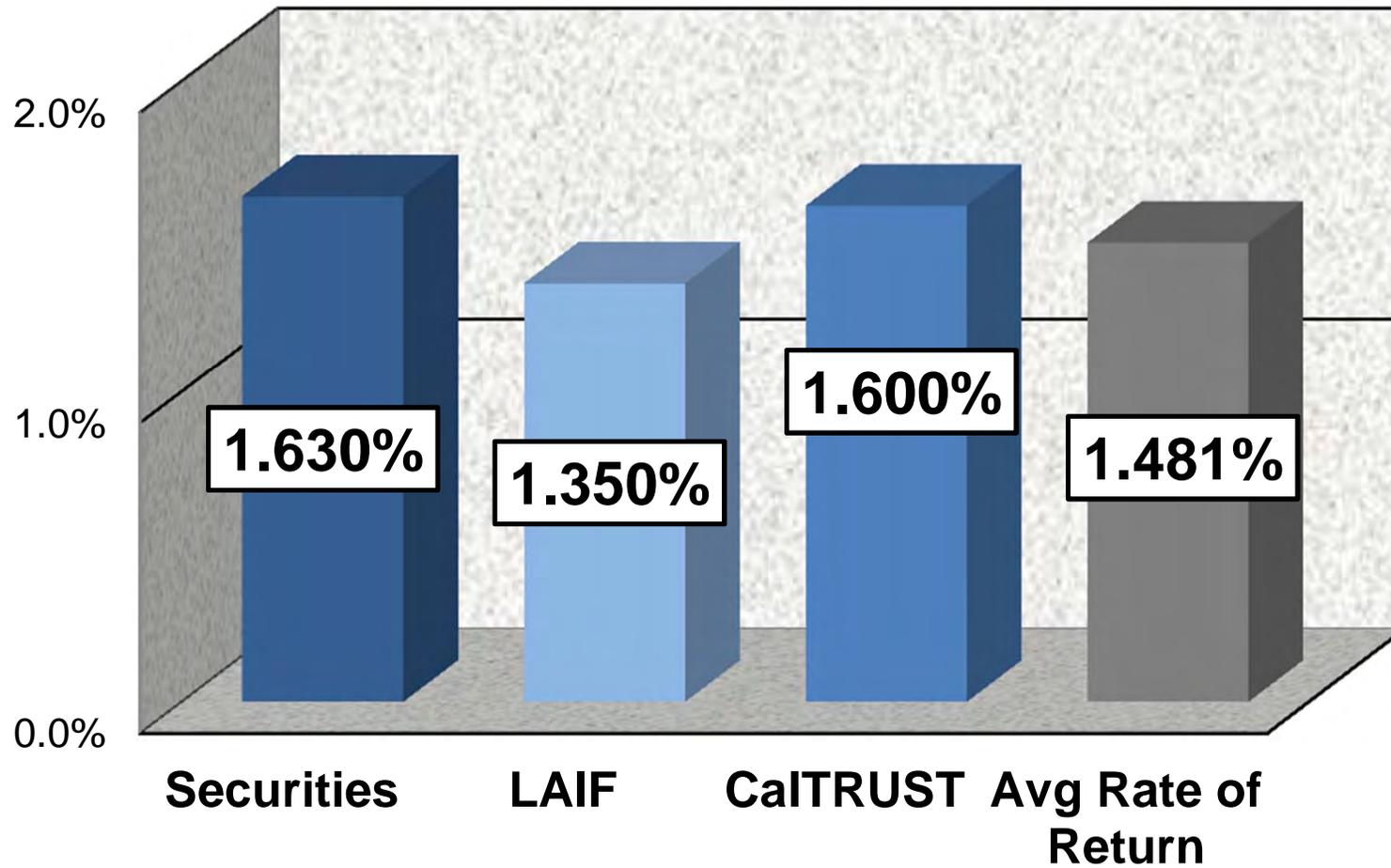
Key to Security Type:

- 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
- AEC = American Express Centurion

Key to Dealers:

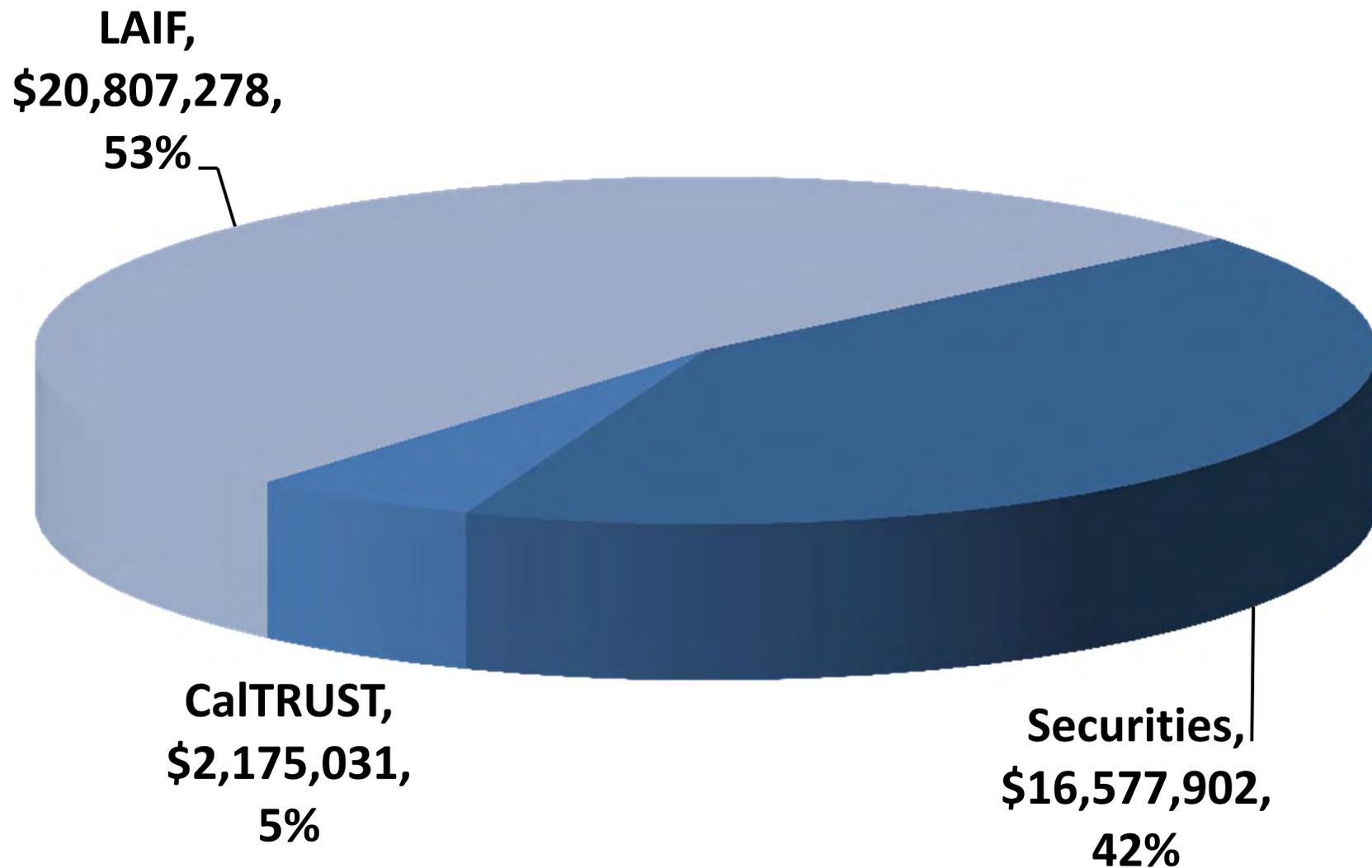
- FCS = FinaCorp Securities
- MBS = Multi-Bank Securities
- MS = Mutual Securities
- RCB = RBC Dain Rauscher
- SA = Securities America
- TVI = Time Value Investments
- WMS = Wedbush Morgan Securities

Interest Rate Analysis



Investments

\$39,560,211



Interest

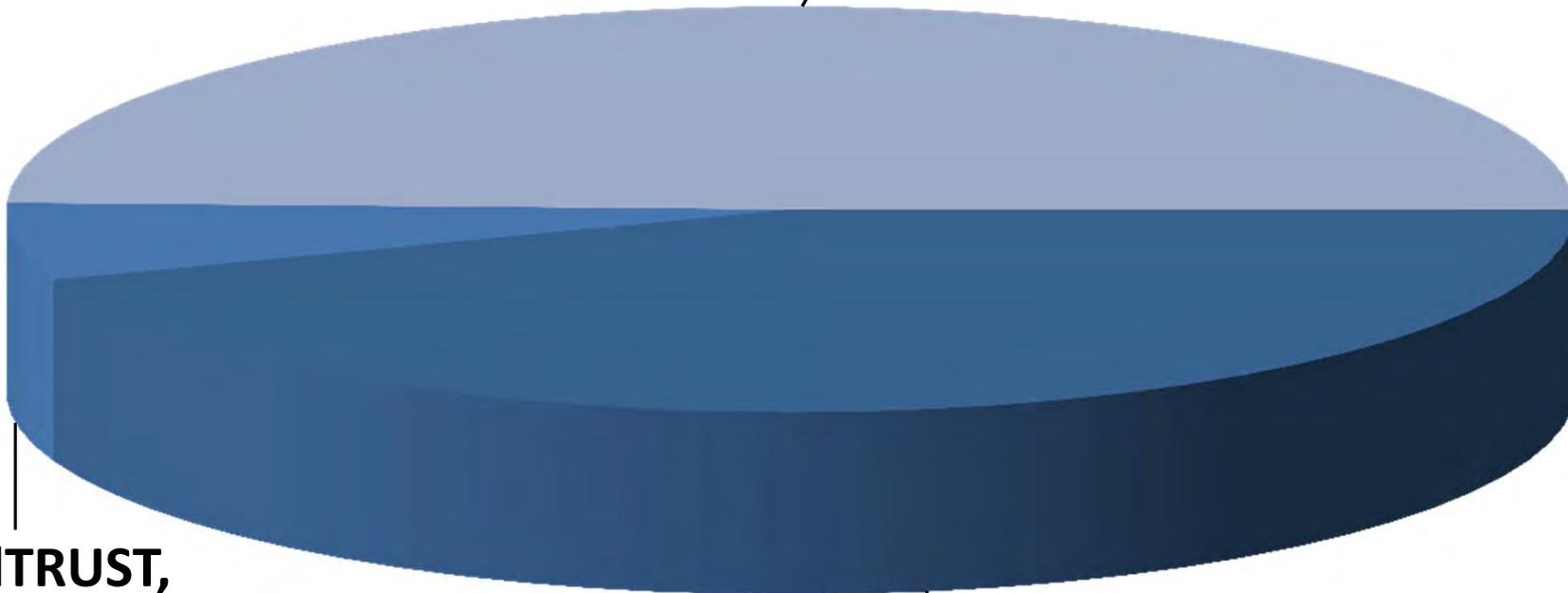
\$48,220

LAIF, \$23,857,

50%

CalTRUST,
\$2,956, 6%

Securities,
\$21,407, 44%



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COMMISSION MEMORANDUM NO. 2018.20

DATE: February 20, 2018
TO: SAWPA Commission
SUBJECT: Request for Proposals (RFP) for Audit Services
PREPARED BY: Karen Williams, Chief Financial Officer

RECOMMENDATION

It is recommended that the Commission authorize the issuance of a Request for Proposals (RFP) for audit services commencing the fiscal year ending June 30, 2018.

DISCUSSION

A contract for audit services typically covers a period of three years with a possible 2 year extension. In keeping with good business practices, the contract should be reviewed for cost and services being evaluated by the agency following contract expiration.

The current audit relationship with White Nelson Diehl Evans LLP has been in force without interruption since the Agency's audit for the fiscal year ending June 30, 2013. While the relationship has met the Agency's legal independent audit requirement, it is in our best interest to issue an RFP in order to evaluate current costs being assessed, and overall audit services being rendered at this time.

RESOURCE IMPACTS

Anticipated costs for audit services are included in the FY 2017-18 and FY 2018-19 Budgets.

Attachments:

1. Request for Proposals (RFP)
2. List of Auditing Firms



SANTA ANA WATERSHED PROJECT AUTHORITY

**REQUEST FOR PROPOSALS
FOR
AUDIT SERVICES**

February 20, 2018

**PROPOSALS DUE:
Thursday, March 22, 2018 at 4:00 PM**

**Hand delivered to:
Santa Ana Watershed Project Authority
Attn: Finance Department
11615 Sterling Avenue
Riverside, CA 92503**

**By USPS:
Santa Ana Watershed Project Authority
Attn: Finance Department
11615 Sterling Avenue
Riverside, CA 92503**

PROPOSAL SUBMITTALS

Responses to the Request for Proposal (RFP) are to be submitted to:

Santa Ana Watershed Project Authority – Finance Department
11615 Sterling Avenue
Riverside, CA 92503
Phone (951) 354-4220 Fax (951) 352-3422

No later than 4:00 p.m. on Thursday, March 22, 2018. Two (2) copies of the proposal shall be submitted in a sealed envelope and marked “March 2018 – Request for Proposals – Audit Services.” An electronic copy of this proposal also should be provided on or before the deadline, preferably in Adobe Acrobat (PDF) format to kwilliams@sawpa.org. **Proposals received after the specified time will not be accepted.** Questions regarding this request may be addressed to Karen Williams (kwilliams@sawpa.org).

INTRODUCTION

The Santa Ana Watershed Project Authority (SAWPA) was formed in 1972 to plan and build facilities to protect water quality in the Santa Ana River Watershed. The organization is a joint powers authority comprised of the following five major water districts that share the Santa Ana River Watershed: Eastern Municipal Water District, Inland Empire Utilities Agency (formerly Chino Basin Municipal Water District), Orange County Water District, San Bernardino Valley Municipal Water District, and Western Municipal Water District. The governance structure of SAWPA is made up of an elected Board of Director and an alternate Board of Director (also elected) from each of the five water districts forming what is known as the Board of Commissioners.

The Santa Ana River is the largest stream system in southern California. The river begins high in the San Bernardino Mountains and flows over 100 miles southwesterly where it discharges to the Pacific Ocean in Huntington Beach. The Santa Ana River Watershed, which receives an average annual rainfall of about 13 inches, covers over 2,650 square miles of widely varying urban, rural and forested terrain. The watershed covers the more populated urban areas of San Bernardino, Riverside and Orange Counties, and a small portion of Los Angeles County and provides a home to over 4.8 million people.

SAWPA’s current audit relationship is with White Nelson Diehl Evans LLP, and has been in force without interruption since its audit for the fiscal year ending June 30, 2013. While the relationship has met SAWPA’s legal independent audit requirement, it is in SAWPA’s best interest to issue an RFP in order to evaluate current costs being

assessed and the overall audit services being rendered at this time. Proposals for partial services or a varied scope of work will not be considered.

The intent of this RFP is to identify a professionally responsible certified public accounting firm that can offer the highest quality of service at the lowest overall cost to SAWPA. The establishment of a three (3) year contract commencing with the fiscal year end audit for June 30, 2018 is desired. SAWPA requires fixed pricing for the three years of the contact limited by the prevailing Consumer Price Index. Notwithstanding the intended three-year duration of the proposed contract, as provided below, the contract may be terminated by SAWPA upon 30 days written notice.

SAWPA will make every effort to administer the proposal process in accordance with the terms and dates outlined in this RFP; however, SAWPA reserves the right to modify the activities, timeline, or any other aspect of the process at any time and as deemed necessary by SAWPA staff. By requesting proposals, SAWPA is in no way obligated to award a contract or pay the expenses of proposing audit firms in connection with the preparation or submission of a proposal. The awarding of a contract shall be contingent on the availability of funds and the requisite staff and Commission approvals. The decision to award any contract to a particular company will be based on many factors to include, but not limited to: office location, products available, service levels, overall cost, quality of references, and financial strength. No single factor will determine the final award decision.

RFP AND PROPOSAL SCHEDULE

SAWPA intends to follow the schedule described below during the procurement process for Audit services, but reserves the right to alter the schedule at any time for any reason.

<u>ACTIVITY</u>	<u>DATE</u>
Release of RFP	February 20, 2018
Questions Due from Firms	March 16, 2018
Proposal Due Date	March 22, 2018
Commencement of Contract	June 30, 2018 Audit

PROPOSAL PROCEDURES

Submission of Proposal – Proposal must be received by the Finance Department no later than 4 p.m. on Thursday, March 22, 2018. Late proposals will not be considered. Proposal must be submitted in a sealed envelope, marked “March 2018 - Request for Proposals - Audit Services”, and delivered to: Finance Department, 11615 Sterling Avenue, Riverside, CA 92503. Telephoned or faxed proposals will not be accepted.

Right to Reject Proposals - SAWPA reserves the right to reject any and all proposals, to waive any non-material irregularities or informalities in any proposal, and to accept or reject any item or combination of items.

Execution of Agreement - If an audit firm is not able to execute the standard services agreement and task order for year one (Attachment A) within thirty (30) days after being notified of selection, SAWPA reserves the right to select the next most qualified proposing audit firm or call for new proposals, whichever SAWPA deems most appropriate. The audit firm shall be required to work under a written contract with SAWPA in accordance with standard terms of the services agreement and task order approved by legal counsel for SAWPA. Notwithstanding anything in this RFP to the contrary, SAWPA reserves the right to negotiate the terms and conditions of the contract with the selected provider.

Incorporation of RFP/Proposal - This RFP and the audit firm's response, including all promises, warranties, commitments, and representations made in the successful proposal will become binding contractual obligations and will be incorporated by reference in any agreement between SAWPA and the audit firm.

Authorized Signatories - Audit firm personnel signing the cover letter of the proposal or any other related forms submitted must be authorized signers with the requisite authority to represent their firm and to enter into binding contracts with clients.

Validity of Proposals - Proposed services and related pricing and warranties contained in the proposal must be valid for a period of 120 days after the submission of the proposal.

Reporting - Independence is essential to the effectiveness of the agency's annual audit, and is strongly emphasized by the Institute of Internal Auditors (IIA), the American Institute of Certified Public Accountants (AICPA), the U. S. General Accounting Office (GAO), and the U. S. Securities and Exchange Commission (SEC). To ensure independence and objectivity are maintained, the Audit Firm selected shall receive direction from and report directly to the SAWPA Board of Commissioners/Audit Committee.

Termination Clause – SAWPA, at its sole discretion, may terminate the contract by giving a 30 day written notice to the audit firm selected. In the event of such termination, SAWPA's liability, if any, will be limited to only the work actually performed, if any, up to the termination date.

SCOPE OF WORK

SAWPA is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending June 30, 2018, and the two (2) subsequent fiscal years. Additionally, the Agency has the option to extend two (2) additional years (in single year increments). As a recipient of federal grants, a single audit may be required for SAWPA.

1. The audit shall be in compliance with Section 26909 of the Governmental Code and the related State Controller Guidelines.
2. SAWPA desires the independent auditor to express an opinion on the fair presentation of its general purpose financial statements in conformity with generally accepted accounting principles.
 - The audit shall be a full-scope financial and compliance review of all funds and account groups of SAWPA. The auditor shall issue an opinion letter on SAWPA's financial statements, in compliance with applicable legal provisions, the auditor's report on the study and evaluation of internal control system and the auditor's report on compliance.
3. SAWPA will provide the auditor with trial balance, general ledger and schedules for all of the funds. The auditor will be responsible for preparing the financial statements, footnotes and supplementary information of the individual funds.
4. The auditor must provide SAWPA with draft copies of the financial statements, including journal entries and explanations to support the changes to the trial balance. Any results prepared by the auditor which alter SAWPA's books must be reviewed by SAWPA's personnel.
5. Final copies of the financial statements, including the opinion letter, footnotes, and supplemental data for individual funds, must be available for review by the Board of Commissioners during a regular Commission meeting. Regular Board of Commissioners meetings are scheduled on the first and third Tuesday of every month.
6. The auditor shall submit a written management letter to the Board of Commissioners that communicates any observations for improvements in SAWPA's financial operations, and any deficiencies in internal controls that need to be addressed by SAWPA.
7. The partners in charge shall be available to attend up to two SAWPA management and/or public meetings at which the audit report may be discussed.
8. The auditor shall assist SAWPA personnel in applying generally accepted accounting principles and provide support necessary to maintain sound financial management procedures. The auditor shall provide financial advice and counsel

on significant matters occurring throughout the year that would affect the annual reports and sound accounting practices.

9. SAWPA finance personnel will assist the auditor in preparing all required schedules for the annual audit, assist in locating information, and answer questions as they arise. SAWPA will provide work space for auditor personnel.
10. Test compliance with the Single Audit Act as amended in 1996, and applicable laws and regulations, including additional requirements applicable to federal stimulus funds under the American Recovery Reinvestment Act (ARRA); Auditor will prepare and publish an audit report, if required, and prepare the forms for submission to the Federal Audit Clearinghouse.
11. The auditor shall perform, as part of the annual audit, the preparation and transmittal of the Special Districts Financial Transactions Report to the State Controller's Office as required under California Government Code section 53891.
12. The auditor must provide (1) unbound copy and one (1) electronic copy (PDF) of the complete financial statements to the Agency for incorporation into the Comprehensive Annual Financial Report (CAFR).

OPTIONAL SERVICE – AUDIT OF LESJWA

Refer to number 11 of guidelines for proposal on page ten of the RFP.

REPORTS TO BE ISSUED

Following completion of the audit and preparation of the fiscal year's comprehensive financial statements and special purpose audits, the auditor shall issue:

1. Reports on the fair presentation of the financial statements in accordance with auditing standards and generally accepted in the United States of America as listed below:
 - Basic Financial Statements for the Agency
 - State Controllers Report for the Agency
 - Single Audit Report on Schedule of Federal Awards (as listed below)
 - State Revolving Fund Loan Program if required
2. A report based on the auditor's understanding of the internal control structure and assessment of control risk. In this report, the auditor will also communicate any reportable conditions found during the audit and indicate whether they are also material weaknesses.

3. A Statement on Auditing Standards (SAS) 114 letter communicated to the Commission reporting any control deficiencies that are considered significant deficiencies and/or material weaknesses as defined by the Standards.
4. Auditors shall be required to make an immediate written report to the Agency of all irregularities and illegal acts or indications of illegal acts of which they become aware to the following:
 - Susan Lien-Longville, Chairman, Board of Commissioners
 - Ronald Sullivan, Vice Chairman, Board of Commissioners
 - Richard Haller, General Manager
 - Karen Williams, Chief Financial Officer
5. The Auditor must present to the Agency's Board of Commissioners, the results of the Audit and address all findings and all adjustments.
6. Final Audit Report: The Auditor must deliver the final audit report by December so that the Agency may continue to apply for the Government Finance Officer's Association Award for Excellence in Financial Reporting.
7. Single Audit Report: The Auditor must deliver 10 original, signed, final audit reports to the Agency's Chief Financial Officer, if a single audit is required.

SUBMISSION REQUIREMENTS

Copies – The Agency will require four physical copies of the proposal mailed to the address listed on the cover page of this request and an electronic copy, preferable in Adobe Acrobat (PDF) format emailed to kwilliams@sawpa.org. Each proposal shall be received and stamped by SAWPA no later than **4:00 P.M. March 22, 2018**. The successful audit firm will be notified in writing within 30 days of acceptance by the Agency.

Format – To achieve a uniform response and consideration please include the following information in the proposal.

The purpose of the proposal is to demonstrate the qualifications, competence, and capacity of the firms seeking to undertake an independent audit of SAWPA in conformity with the requirements of this request for proposal. The proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements.

Proposals shall be organized, tabbed and numbered in the following order:

1. Executive Summary
2. Statement of Independence
3. License to Practice in California
4. Firm Qualifications and Experience
5. Partner, Supervisory and Staff Qualifications and Experience
6. References - Similar Engagements With Other Government Entities
7. Specific Audit Approach
8. Cost Proposal
9. External Quality Control Review Report
10. Professional Insurance
11. Optional Service – Audit of LESJWA

1. Executive Summary

The Executive Summary should be addressed to:

Board of Commissioners
Santa Ana Watershed Project Authority
11615 Sterling Avenue
Riverside, CA 92503

The summary should state the prime firm and include the firm's name submitting the proposal, their mailing address, telephone number, and contact name. The letter shall address the firm's understanding of the project based on this RFP and any other information the firm has gathered. Include a statement discussing the firm's interest and qualifications for this type of work. Certify that the person signing the proposal is entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with SAWPA.

2. Statement of Independence

The firm should provide an affirmative statement that it is independent of SAWPA as defined by generally accepted auditing standards and/or U.S. General Accounting Office's Government Auditing Standards. The firm also should provide an affirmative statement that it is independent of all of the component units of SAWPA as defined by those same standards.

3. License to Practice in California

An affirmative statement should be included that the firm and all assigned key professional staff are properly registered / licensed to practice in California.

4. Firm Qualifications and Experience

The proposer should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed, the number and nature of the professional staff to be employed in this engagement on a full-time basis, and the number and nature of the staff to be so employed on a part-time basis.

The firm also shall provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

5. Partner, Supervisory, and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including engagement partner, managers, other supervisors, and specialists who would be assigned to the engagement. Indicate whether each person is an active licensed certified public accountant in California. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit. Indicate how the quality of staff over the term of the agreement will be assured.

This section may include graphs, charts, photos, resumes, references, etc., in support of the firm's qualifications.

6. Similar Engagements with other Government Entities

Please provide a list of not less than five client references for which services similar to those outlined in the RFP are currently being provided. For each reference listed provide the name of the organization, dates for which the services(s) are being provided, type of services(s) being provided and the name, address, telephone and email address of the responsible person within the reference's organization. SAWPA reserves the right to contact any or all of the listed references regarding the audit services performed by the Proposer.

7. Specific Audit Approach

The audit approach should indicate the firm's ability to meet each specification as outlined in this document. The work plan should address the items of work as described in this RFP. The plan should be simple, easy to read and follow, and address and satisfy the objectives and specifications as listed in the Scope of Work in this RFP.

8. Cost Proposal

The proposal should contain all pricing information relative to performing the audit engagement as described in this request for proposal. The total all-inclusive maximum price to be proposed is to contain all direct and indirect costs including all

out-of-pocket expenses for each of the three years. This information is required to be shown for each year to be audited and in total. SAWPA will not be responsible for expenses incurred in preparing and submitting the proposal.

No cost increases shall be passed onto SAWPA after the proposal has been submitted.

- The proposal shall include a separate fee (not related to the financial year-end audit) that the bidding firm would charge to conduct an annual audit of the Lake Elsinore & San Jacinto Watersheds Authority and preparation and transmittal of the Special Districts Financial Transactions Report to the State Controller's Office as required under California Government Code section 53891, beginning with fiscal year ending June 30, 2018 (see number 11 on page ten).

9. External Quality Control Review Report

The firm also is required to submit a copy of the report on its most recent External Quality Control Review Report, with a statement whether that quality control review included a review of specific government engagements.

10. Insurance

The proposal shall include a copy of the firm's most current certificate of insurance and endorsements for professional liability and worker's compensation insurance.

11. Optional Service – Audit of the Lake Elsinore and San Jacinto Watersheds Authority

The bidding firm also shall include as a stand-alone component (option) for the cost to do an annual audit of the Lake Elsinore & San Jacinto Watersheds Authority (LESJWA). This additional option will be considered separately. All audit requirements and deliverables previously defined for the SAWPA audit would apply to the LESJWA audit as well in relation to the LESJWA Board.

The Lake Elsinore & San Jacinto Watersheds Authority was formed in 2000 pursuant to the provisions of Article 1, Chapter 5, Division 7, Title 1 of the Government Code of the State of California relating to the joint exercise of powers common to public agencies. The Authority was formed for the purpose of implementing projects and programs to improve the water quality and habitat of Lake Elsinore and its back basin consistent with the Lake Elsinore Management Plan, and to rehabilitate and improve the San Jacinto and Lake Elsinore Watersheds and the water quality of Lake Elsinore in order to preserve agricultural land, protect wildlife habitat, and protect and enhance recreational resources, all for the benefit of the general public. Major activities include administering the LE/CL TMDL Task Force, developing BMPs, and continued improvement of lake quality.

The Authority's five member agencies are the City of Lake Elsinore, City of Canyon Lake, County of Riverside, Elsinore Valley Municipal Water District, and Santa Ana Watershed Project Authority (SAWPA).

SAWPA serves as the administrator for this JPA and manages the finance and accounting functions on behalf of the Authority.

ADDITIONAL INFORMATION

SAWPA reserves the right to conduct interviews with all, any or none of the firms submitting proposals, and to reject any or all proposals and to accept the proposal most favorable to the Agency's interest.

The audit firm submitting bid proposals should be aware that SAWPA has no obligation whatsoever to engage the firm for future work to implement any of the recommended changes in procedures and policies revealed during the course of the audit. In addition, there is no obligation on the part of SAWPA to engage the firm for any management services or studies.



APPENDIX A

SANTA ANA WATERSHED PROJECT AUTHORITY **AGREEMENT FOR SERVICES BY INDEPENDENT CONSULTANT**

This Agreement is made this ___ day of _____, **2018** by and between the Santa Ana Watershed Project Authority ("SAWPA") located at 11615 Sterling Ave., Riverside, CA, 92503 and _____ ("**Consultant**") whose address is _____.

RECITALS

This Agreement is entered into on the basis of the following facts, understandings, and intentions of the parties to this Agreement:

- SAWPA desires to engage the professional services of Consultant to perform such professional consulting services as may be assigned, from time to time, by SAWPA in writing;
- Consultant agrees to provide such services pursuant to, and in accordance with, the terms and conditions of this Agreement and warrants to SAWPA that Consultant possesses the necessary skills, qualifications, personnel, and equipment to provide such services; and
- The services to be performed by Consultant shall be specifically described in one or more written Task Orders issued by SAWPA to Consultant pursuant to this Agreement.

AGREEMENT

Now, therefore, in consideration of the foregoing Recitals and mutual covenants contained herein, SAWPA and Consultant agree to the following:

ARTICLE I

TERM OF AGREEMENT

1.01 This agreement shall become effective on the date first above written and shall continue until **December 31, 20__** unless extended or sooner terminated as provided for herein.

ARTICLE II

SERVICES TO BE PERFORMED

2.01 Consultant agrees to provide such professional consulting services as may be assigned, from time to time, in writing by the Commission and the General Manager of SAWPA. Each assignment shall be made in the form of a written Task Order. Each such Task Order shall include, but shall not be limited to, a description of the nature and scope of the services to be performed by Consultant, the amount of compensation to be paid, and the expected time of completion.

2.02 Consultant may at Consultant's sole cost and expense, employ such competent and qualified independent professional associates, subcontractors, and consultants as Consultant deems necessary to perform each assignment; provided that Consultant shall not subcontract any work to be performed without the prior written consent of SAWPA.

ARTICLE III

COMPENSATION

3.01 In consideration for the services to be performed by Consultant, SAWPA agrees to pay Consultant as provided for in each Task Order.

3.02 Each Task Order shall specify a total not-to-exceed sum of money and shall be based upon the regular hourly rates customarily charged by Consultant to its clients.

3.03 Consultant shall not be compensated for any services rendered nor reimbursed for any expenses incurred in excess of those authorized in any Task Order unless approved in advance by the Commission and General Manager of SAWPA, in writing.

3.04 Unless otherwise provided for in any Task Order issued pursuant to this Agreement, payment of compensation earned shall be made in monthly installments after receipt from Consultant of a timely, detailed, corrected, written invoice by SAWPA's Project Manager, describing, without limitation, the services performed, when such services were performed, the time spent performing such services, the hourly rate charged therefore, and the identity of individuals performing such services for the benefit of SAWPA. Such invoices shall also include a detailed itemization of expenses incurred. Upon approval by an authorized SAWPA employee, SAWPA will pay within 30 days after receipt of a valid invoice from Consultant.

ARTICLE IV

CONSULTANT OBLIGATIONS

4.01 Consultant agrees to perform all assigned services in accordance with the terms and conditions of this Agreement including those specified in each Task Order. In performing the services required by this Agreement and any related Task Order Consultant shall comply with all local, state and federal laws, rules and regulations. Consultant shall also obtain and pay for any permits required for the services it performs under this Agreement and any related Task Order.

4.02 Except as otherwise provided for in each Task Order, Consultant will supply all personnel and equipment required to perform the assigned services.

4.03 Consultant shall be solely responsible for the health and safety of its employees, agents and subcontractors in performing the services assigned by SAWPA. Consultant hereby covenants and agrees to:

4.03a Obtain a Commercial General Liability and an Automobile Liability insurance policy, including contractual coverage, with limits for bodily injury and property damage in an amount of not less than \$2,000,000.00 per occurrence for each such policy. Such policy shall name SAWPA, its officers, employees, agents and volunteers, as an additional insured, with any right to subrogation waived as to SAWPA, its officers, employees, agents and volunteers. If Commercial General Liability Insurance or other form with an aggregate limit is used, either the general aggregate limit shall apply separately to the work assigned by SAWPA under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. The coverage shall be at least as broad as Insurance Services Office Commercial General Liability Coverage (occurrence Form CG 00 01) and Insurance Services Office Form CA 00 01 covering Automobile Liability, Code 1 (any auto). The Commercial Liability Insurance shall include operations, products and completed operations, as applicable;

4.03b Obtain a policy of Professional Liability (errors and omissions) insurance appropriate to the Consultant's profession in a minimum amount of \$2,000,000.00 per claim or occurrence to cover any negligent acts or omissions or willful misconduct committed by Consultant, its employees, agents and subcontractors in the performance of any services for SAWPA. Architects' and engineers' coverage shall include contractual liability;

4.03c Obtain a policy of Employer's Liability insurance in a minimum amount of \$1,000,000.00 per accident for bodily injury and property damage.

4.03d Provide worker's compensation insurance or a California Department of Insurance-approved self-insurance program in an amount and form required by the State of California and the Employer's Liability Insurance that meets all applicable Labor Code requirements, covering all persons or entities providing services on behalf of the Consultant and all risks to such persons or entities;

4.03e Consultant shall require any subcontractor that Consultant uses for work performed for SAWPA under this Agreement or related Task Order to obtain the insurance coverages specified above.

4.03f Consultant hereby agrees to waive subrogation which any insurer of Consultant may seek to require from Consultant by virtue of the payment of any loss. Consultant shall obtain an endorsement that may be necessary to give effect to this waiver of subrogation. In addition, the Workers Compensation policy shall be endorsed with a waiver of subrogation in favor of SAWPA for all work performed by Consultant, and its employees, agents and subcontractors.

All such insurance policy or policies shall be issued by a responsible insurance company with a minimum A. M. Best Rating of "A-" Financial Category "X", and authorized and admitted to do business in, and regulated by, the State of California. If the insurance company is not admitted in the State of California, it must be on the List of Eligible Surplus Line Insurers (LESLI), shall have a minimum A.M. Best Rating of "A", Financial Category "X", and shall be domiciled in the United States, unless otherwise approved by SAWPA in writing. Each such policy of insurance shall expressly provide that it shall be primary and noncontributory with any policies carried by SAWPA and, to the extent obtainable, such coverage shall be payable notwithstanding any act of negligence of SAWPA that might otherwise result in forfeiture of coverage. Evidence of all insurance coverage shall be provided to SAWPA prior to issuance of the first Task Order. Such policies shall provide that they shall not be canceled or amended without 30 day prior written notice to SAWPA. Consultant acknowledges and agrees that such insurance is in addition to Consultant's obligation to fully indemnify and hold SAWPA free and harmless from and against any and all claims arising out of an injury or damage to property or persons caused by the negligence, recklessness, or willful misconduct of Consultant in performing services assigned by SAWPA.

4.04 Consultant hereby covenants and agrees that SAWPA, its officers, employees, and agents shall not be liable for any claims, liabilities, penalties, fines or any damage to property, whether real or personal, nor for any personal injury or death caused by, or resulting from, or claimed to have been caused by or resulting from, any negligence, recklessness, or willful misconduct of Consultant. Consultant shall hold harmless, defend and indemnify SAWPA and its officers, employees, agents and volunteers from and against any and all liability, loss, damage, fines, penalties, expense and costs, including, without limitation, attorneys' fees and litigation expenses and costs, of every nature arising out of or related to Consultant's negligence, recklessness, or willful misconduct related to or arising from the performance of the work required under this Agreement and any related Task Order or Consultant's failure to comply with any of its obligations contained in this Agreement and any related Task Order, except as to such loss or damage which was caused by the active negligence or willful misconduct of SAWPA.

4.05 In the event that SAWPA requests that specific employees or agents of Consultant supervise or otherwise perform the services specified in each Task Order, Consultant shall ensure that such individual(s) shall be appointed and assigned the responsibility of performing the services.

4.06 In the event Consultant is required to prepare plans, drawings, specifications and/or estimates, the same shall be furnished with a registered professional engineer's number and shall conform to local, state and federal laws, rules and regulations. Consultant shall obtain all necessary permits and approvals in connection with this Agreement, any Task Order or Change Order. However, in the event SAWPA is required to obtain such an approval or permit from another governmental entity, Consultant shall provide all necessary supporting documents to be filed with such entity, and shall facilitate the acquisition of such approval or permit.

ARTICLE V

SAWPA OBLIGATIONS

5.01 SAWPA shall:

5.01a Furnish all existing studies, reports and other available data pertinent to each Task Order that are in SAWPA's possession;

5.01b Designate a person to act as liaison between Consultant and the General Manager and Commission of SAWPA.

ARTICLE VI

ADDITIONAL SERVICES, CHANGES AND DELETIONS

6.01 During the term of this Agreement, the Commission of SAWPA may, from time to time and without affecting the validity of this Agreement or any Task Order issued pursuant thereto, order changes, deletions, and additional services by the issuance of written Change Orders authorized and approved by the Commission of SAWPA.

6.02 In the event Consultant performs additional or different services than those described in any Task Order or authorized Change Order without the prior written approval of the Commission of SAWPA, Consultant shall not be compensated for such services.

6.03 Consultant shall promptly advise SAWPA as soon as reasonably practicable upon gaining knowledge of a condition, event, or accumulation of events, which may affect the scope and/or cost of services to be provided pursuant to this Agreement. All proposed changes, modifications, deletions, and/or requests for additional services shall be reduced to writing for review and approval or rejection by the Commission of SAWPA.

6.04 In the event that SAWPA orders services deleted or reduced, compensation shall be deleted or reduced by a comparable amount as determined by SAWPA and Consultant shall only be compensated for services actually performed. In the event additional services are properly authorized, payment for the same shall be made as provided in Article III above.

ARTICLE VII

CONSTRUCTION PROJECTS: CONSULTANT CHANGE ORDERS

7.01 In the event SAWPA authorizes Consultant to perform construction management services for SAWPA, Consultant may determine, in the course of providing such services, that a Change Order should be issued to the construction contractor, or Consultant may receive a request for a Change Order from the construction contractor. Consultant shall, upon receipt of any requested Change Order or upon gaining knowledge of any condition, event, or accumulation of events, which may necessitate issuing a Change Order to the construction contractor, promptly consult with the liaison, General Manager and Commission of SAWPA. No Change Order shall be issued or executed without the prior approval of the Commission of SAWPA.

ARTICLE VIII

TERMINATION OF AGREEMENT

8.01 In the event the time specified for completion of an assigned task in a Task Order exceeds the term of this Agreement, the term of this Agreement shall be automatically extended for such additional time as is necessary to complete such Task Order and thereupon this Agreement shall automatically terminate without further notice.

8.02 Notwithstanding any other provision of this Agreement, SAWPA, at its sole option, may terminate this Agreement at any time by giving a 10-day written notice to Consultant, whether or not a Task Order has been issued to Consultant.

8.03 In the event of termination, the payment of monies due Consultant for work performed prior to the effective date of such termination shall be paid after receipt of an invoice as provided in this Agreement.

ARTICLE IX

CONSULTANT STATUS

9.01 Consultant shall perform the services assigned by SAWPA in Consultant's own way as an independent contractor, in pursuit of Consultant's independent calling and not as an employee of SAWPA. Consultant shall be under the control of SAWPA only as to the result to be accomplished and the personnel assigned to perform services. However, Consultant shall regularly confer with SAWPA's liaison, General Manager, and Commission as provided for in this Agreement.

9.02 Consultant hereby specifically represents and warrants to SAWPA that the services to be rendered pursuant to this Agreement shall be performed in accordance with the standards customarily applicable to an experienced and competent professional consulting organization rendering the same or similar services. Furthermore, Consultant represents and warrants that the individual signing this Agreement on behalf of Consultant has the full authority to bind Consultant to this Agreement.

ARTICLE X
AUDIT AND OWNERSHIP OF DOCUMENTS

10.01 All draft and final reports, plans, drawings, specifications, data, notes, and all other documents of any kind or nature prepared or developed by Consultant in connection with the performance of services assigned to it by SAWPA are the sole property of SAWPA, and Consultant shall promptly deliver all such materials to SAWPA. Consultant may retain copies of the original documents, at its option and expense. Use of such documents by SAWPA for project(s) not the subject of this Agreement shall be at SAWPA's sole risk without legal liability or exposure to Consultant. SAWPA agrees to not release any software "code" without prior written approval from the Consultant.

10.02 Consultant shall retain and maintain, for a period not less than four years following termination of this Agreement, all time records, accounting records, and vouchers and all other records with respect to all matters concerning services performed, compensation paid and expenses reimbursed. At any time during normal business hours and as often as SAWPA may deem necessary, Consultant shall make available to SAWPA's agents for examination of all such records and will permit SAWPA's agents to audit, examine and reproduce such records.

ARTICLE XI
MISCELLANEOUS PROVISIONS

11.01 This Agreement supersedes all previous agreements, either oral or written, between the parties hereto with respect to the rendering of services by Consultant for SAWPA and contains all of the covenants and agreements between the parties with respect to the rendering of such services in any manner whatsoever. Any modification of this Agreement will be effective only if it is in writing signed by both parties.

11.02 Consultant shall not assign or otherwise transfer any rights or interest in this Agreement without the prior written consent of SAWPA. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

11.03 In the event Consultant is an individual person and dies prior to completion of this Agreement or any Task Order issued hereunder, any monies earned that may be due Consultant from SAWPA as of the date of death will be paid to Consultant's estate.

11.04 Time is of the essence in the performance of services required hereunder. Extensions of time within which to perform services may be granted by SAWPA if requested by Consultant and agreed to in writing by SAWPA. All such requests must be documented and substantiated and will only be granted as the result of unforeseeable and unavoidable delays not caused by the lack of foresight on the part of Consultant.

11.05 Consultant shall comply with all local, state and federal laws, rules and regulations including those regarding nondiscrimination and the payment of prevailing wages.

11.06 SAWPA expects that Consultant will devote its full energies, interest, abilities and productive time to the performance of its duties and obligations under this Agreement, and shall not engage in any other consulting activity that would interfere with the performance of Consultant's duties under this Agreement or create any conflicts of interest. If required by law, Consultant shall file a Conflict of Interest Statement with SAWPA.

Teaman, Ramirez & Smith, Inc.
4201 Brockton Ave Ste 100
Riverside, CA 92501

Fedak & Brown LLP.
6081 Orange Ave
Cypress, CA 90630

Mr. Nitin P. Patel, Partner
White, Nelson, Diehl, Evans, LLP
2875 Michelle Dr., Ste 300
Irvine, CA 92606

Rogers, Anderson, Malody & Scott, LLP
735 E Carnegie Drive, Suite 100
San Bernardino, CA 92408

McGladrey & Pullen, LLP.
3880 Lemon Street, Suite 400
Riverside, CA 92501

Macias Gini & O'Connell LLP
4675 MacArthur Court, Suite 600
Newport Beach, CA 92660

Gary Caporicci
Caporicci & Larson
2 Park Plaza, Suite 1200
Irvine, CA 92614

Paul J. Kaymark
The Pun Group
200 E. Sandpointe Avenue, Suite 600
Santa Ana, CA 92707

Grant Thorton
18400 Von Karman Avenue, Suite 900
Irvine, CA 92612

Mr. Richard Kikuchi, Partner
Lance, Soll & Lunghard CPA's LLP
203 North Brea Boulevard, Suite 203
Brea, CA 92821-4056

Vavrinek, Trine, Day & Co., LLP
10681 Foothill Blvd., Suite 300
Rancho Cucamonga, CA 91730

Fechter & Company, CPAs
1870 Avondale Avenue, Suite 4
Sacramento, CA 95825

Eadie & Payne LLP, CPAs
1839 W. Redlands Blvd.
Redlands, CA 92373

Crow Horwath LLP
10342 Branigan Way
Riverside, CA 92505

Greg Fankhanel
Vant Lant & Fankhanel LLP
25901 Kellogg Street
Loma Linda, CA 92354

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COMMISSION MEMORANDUM NO. 2017.25

DATE: February 20, 2018
TO: SAWPA Commission
SUBJECT: Quitclaim of Easement – Corona Industrial Park, LLC
PREPARED BY: Carlos Quintero, Operations Manager

RECOMMENDATION

Authorize the General Manager to quitclaim an easement to Corona Industrial Park, LLC.

DISCUSSION

Integrated Polymer Technology granted an easement to SAWPA recorded as Document No. 27752 on January 27, 1989 of the Riverside County Public Records. The easement was to construct a lateral to connect to the Brine Line and allow the facility to discharge to the Brine Line. The lateral has served Golden Cheese Company, and most recently both Dairy Farmers of America and Corona Energy Partners. The facility has been sold to Corona Industrial Park, LLC and will no longer require discharge to the Inland Empire Brine Line.

The lateral will be removed by the new owner and will be capped at the edge of the public right-of-way.

CRITICAL SUCCESS FACTORS

N/A

RESOURCE IMPACTS

Staff time to review the Quitclaim of Easement documentation is budgeted under Fund 240 (Brine Line Enterprise).

Attachments:

1. Quitclaim of Easement
2. Document No. 27752 – Original Easement Granted to SAWPA

DO NOT PLACE RECORDING DATA ABOVE THIS LINE

RECORDING REQUESTED BY:
AND WHEN RECORDED MAIL TO:

Santa Ana Watershed Project Authority
11615 Sterling Avenue
Riverside, California 92503

APNs: 119-210-026

Exempt from Recording Fees per Govt. Code §27383
Exempt from Documentary Transfer Tax per Calif. Rev. &
Tax Code §11922

QUITCLAIM OF EASEMENT

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the Santa Ana Watershed Project Authority ("SAWPA"), a public agency, does hereby REMISE, RELEASE, AND FOREVER QUITCLAIM to the Corona Industrial Park, LLC, a Delaware limited liability company, or the current owner of record;

that certain Grant of Easement situated in the City of Corona, County of Riverside, State of California, granted to the Santa Ana Watershed Project Authority, per document recorded January 27, 1989, as Instrument No. 27752, of Official Records in the Office of the County Recorder of said Riverside County, California.

Dated: _____, 2018

SANTA ANA WATERSHED PROJECT AUTHORITY
A public agency

By: _____
Susan Lien Longville, Chair

ATTEST:

Recording Requested by:
SANTA ANA WATERSHED PROJECT AUTHORITY

When Recorded Mail to:

SANTA ANA WATERSHED PROJECT AUTHORITY
3800 Tyler Street, Suite 307
Riverside, CA 92503

27752

SANTA ANA WATERSHED PROJECT AUTHORITY
GRANT OF EASEMENT

for Installation of a Sewer Pipeline,
Metering Manhole, Flow Meter
and Equipment Enclosure

RECEIVED FOR RECORD
Notary Public
JAN 27 1989

JAN 27 1989
Notary Public
of Riverside County, California
6/14
Page 9.

INTEGRATED PROTEIN TECHNOLOGY, hereinafter called GRANTOR, does hereby grant and convey to SANTA ANA WATERSHED PROJECT AUTHORITY, its successors and assigns, hereinafter called GRANTEE, an easement to install, operate, inspect, maintain, repair, and remove sewer piping, metering manhole, flowmeter, equipment enclosure, and appurtenances, together with the right of ingress and egress, across, along, over, under, through, and within that certain real property in the County of Riverside, State of California, described as follows:

SEE EXHIBIT "A" ATTACHED HERETO

Any use hereinabove permitted to be made of the surface of said land by GRANTOR or its heirs or assigns, shall be exercised so as not to impair, endanger, or interfere with the present or prospective exercise of any of the rights herein granted.

The terms and covenants of this easement shall bind and inure to the benefit of the heirs, executors, administrators and assigns of GRANTOR and the successors and assigns of GRANTEE.

IN WITNESS WHEREOF, this instrument is executed on this, the 24th day of January, 1989.

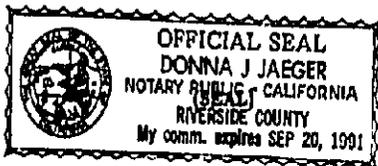
INTEGRATED PROTEIN TECHNOLOGY
(GRANTOR)
By David Wooten, President

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE)

On this 24th day of JANUARY, in the year 89, before me, the undersigned, a Notary Public in and for said County and State, personally appeared David Wooten

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is(are) subscribed to the within instrument and acknowledged that he(he/she/they) executed the same.

WITNESS My Hand and Official Seal



Donna J Jaeger
Signature
DONNA J. JAEGER
Name (Typed or Printed)
Notary Public in and for said County and State

117-13.3.3

Jan. 27, 1989

Photographed By Ticolor

27752

Requesting Requested by:
SANTA ANA WATERSHED PROJECT AUTHORITY

When Recorded Mail to:

SANTA ANA WATERSHED PROJECT AUTHORITY
3600 Tyler Street, Suite 207
Riverside, CA 92503

SANTA ANA WATERSHED PROJECT AUTHORITY
GRANT OF EASEMENT

for Construction of a Sewer Pipeline,
Flow Meter, Meter Vault and Equipment Enclosure

INTEGRATED PROTEIN TECHNOLOGY, hereinafter called GRANTOR, does hereby grant and convey to SANTA ANA WATERSHED PROJECT AUTHORITY, its successors and assigns, hereinafter called GRANTEE, a temporary easement to install a sewer pipeline, flow meter, meter vault, equipment enclosure, and appurtenances, together with the right of ingress and egress, across, along, over, under, through, and within that certain real property in the County of Riverside, State of California, described as follows:

SEE EXHIBIT "A" ATTACHED HERETO

Any use hereinabove permitted to be made of the surface of said land by GRANTOR or its heirs or assigns, shall be exercised so as not to impair, endanger, or interfere with the present or prospective exercise of any of the rights herein granted.

The terms and covenants of this temporary construction easement shall bind and inure to the benefit of the heirs, executors, administrators and assigns of GRANTOR and the successors and assigns of GRANTEE.

This temporary construction easement shall terminate on December 31, 1989, or upon completion of construction, whichever ever comes first.

IN WITNESS WHEREOF, this instrument is executed on this, the 24th day of January, 19 89.

INTEGRATED PROTEIN TECHNOLOGY
(GRANTOR)

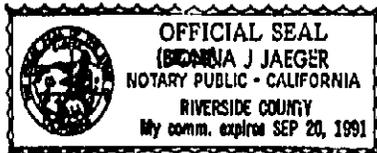
By David Wooten, President

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE)

On this 24th day of JANUARY, in the year 89, before me, the undersigned, a Notary Public in and for said County and State, personally appeared David Wooten

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is(are) subscribed to the within instrument and acknowledged that he(she/they) executed the same.

WITNESS My Hand and Official Seal



Donna J. Jaeger
Signature
Donna J. Jaeger
Name (Typed or Printed)
Notary Public in and for said County and State

117-13.14

Jan. 27, 1989

Photographed By Ticolor

27752

EXHIBIT "A"

PARCEL A: Permanent Easement

A parcel of land within Parcel 2 of Parcel Map 16719, as shown by Map on file in Book 84 of Parcel Maps, at Pages 59 and 60 thereof, Records of Riverside County, California, the boundary of said parcel being more particularly described as follows:

COMMENCING at the centerline intersection of Rincon Street and "Existing" Lincoln Avenue (formerly Goodwin), said point being North 66°09'54" West, a distance of 6.12 feet from the "New" centerline of Lincoln Avenue as shown on said Parcel Map 16719;

Thence North 66°09'54" West, along the centerline of said Rincon Street, a distance of 591.31 feet;

Thence South 61°50'06" West, a distance of 43.15 feet to a point on the southerly right-of-way of said Rincon Street, also being the northerly line of said Parcel 2, said point also being the TRUE POINT OF BEGINNING;

Thence North 66°09'54" West, along the southerly right-of-way of said Rincon Street a distance of 6.40 feet;

Thence South 61°50'06" West, a distance of 32.36;

Thence North 66°09'54" West, a distance of 22.23 feet;

Thence South 23°50'06" West, a distance of 24.70 feet;

Thence South 66°09'54" East, a distance of 15.73 feet;

Thence North 61°50'06" East, a distance of 51.01 feet;

Thence South 66°09'54" East, a distance of 17.00 feet;

Thence North 8°31'24" East, a distance of 10.36 feet, more or less, to a point on the southerly right-of-way of Rincon Street;

Thence North 66°09'54" West, along said southerly right-of-way of Rincon Street, a distance of 12.85 feet, more or less, to the TRUE POINT OF BEGINNING.

Containing 0.025 Acres, more or less.

Jan. 27, 1989

Photographed By-Ticor

27752

PARCEL B: Temporary Construction Easement

A parcel of land within Parcel 2 of Parcel Map 16719, as shown by Map on file in Book 84 of Parcel Maps, at Pages 59 and 60 thereof, Records of Riverside County, California, the boundary of said parcel being more particularly described as follows:

BEGINNING at the most southerly point of Parcel A;

Thence South 66°09'54" East, a distance of 6.35 feet;

Thence North 61°50'06" East, a distance of 44.67 feet;

Thence South 66°09'54" East, a distance of 16.00 feet;

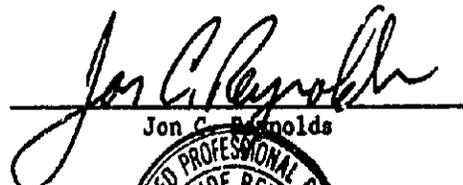
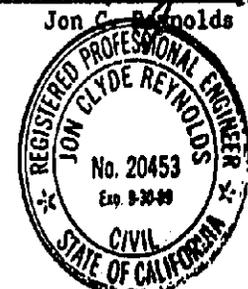
Thence North 8°31'24" East, a distance of 5.18 feet, to a point on the boundary of Parcel A;

Thence North 66°09'54" West along the boundary of Parcel A, a distance of 17.00 feet;

Thence South 61°50'06" West, continuing along the boundary of Parcel A a distance of 51.01 feet, more or less, to the POINT OF BEGINNING.

Containing 0.007 Acres, more or less.

DFS/jlm
11713P3A


Jon C. Reynolds


Jan. 27, 1989

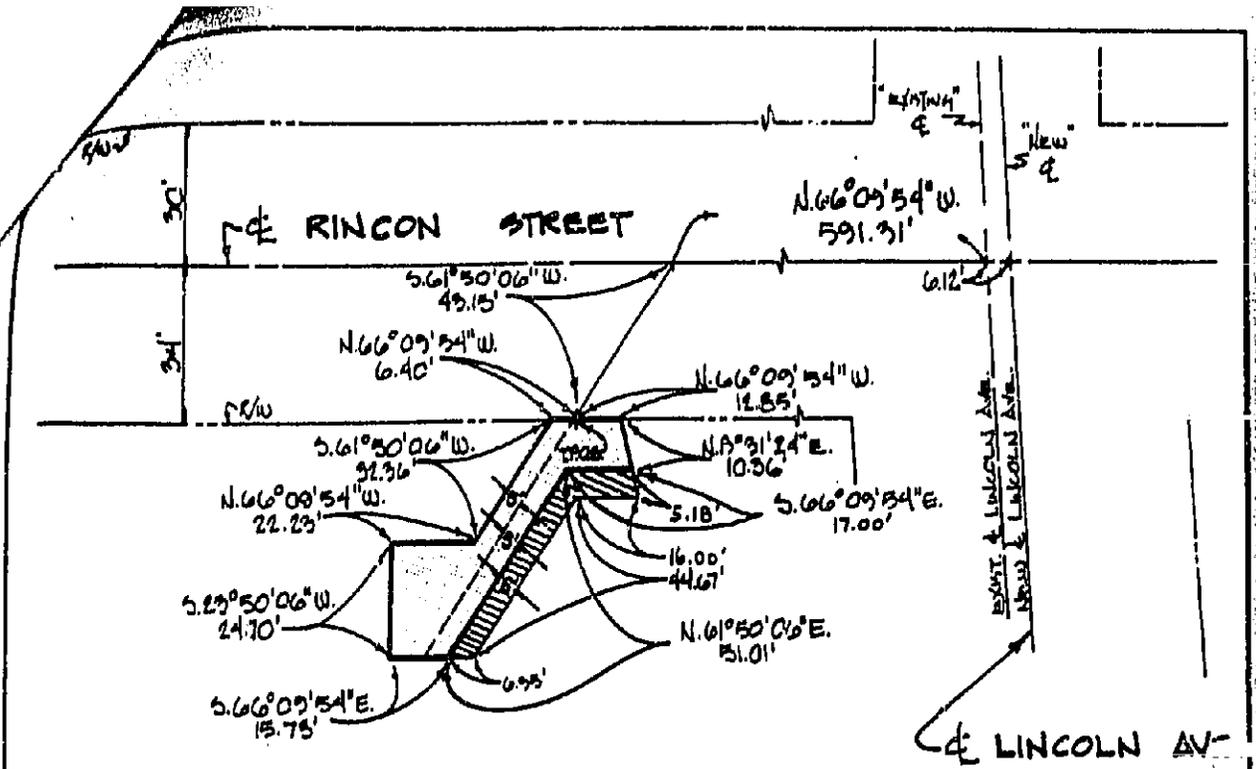
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Jan. 27, 1989

Photographed By Ticolor

27752



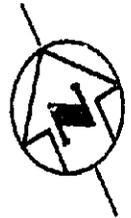
PARCEL 2

PARCEL MAP 16719

P.M.B. 84/59-60 RIV. CO.

LEGEND

- PARCEL A
- PARCEL B



Santa Ana Watershed Project Authority

THIS PLAT IS SOLELY AN AID IN LOCATING THE PARCEL(S) DESCRIBED IN THE ATTACHED DOCUMENT. IT IS NOT A PART OF WRITTEN DESCRIPTION THEREIN

SHEET

KRIEGER
STEWART INCORPORATED (ENGINEERS AND CONSULTANTS)
 3802 University Av • Riverside, CA 92501 • 714-684-6900

GOLDEN CHEESE CO.
CONNECTION TO SARE

1

1 OF 1

SCALE: 1" = 40' DRAWN BY: SFM DATE: 11-16-88 SUBJECT: PIPELINE ALIGNMENT.

117-1395

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SAWPA COMMISSION MEMORANDUM NO. 2018.24

DATE: February 20, 2018

TO: SAWPA Commission

SUBJECT: Proposition 84 Round 2 Implementation Grant Agreement Amendment

PREPARED BY: David Ruhl, Engineering Manager

RECOMMENDATION

Direct staff to execute an amendment to the Grant Agreement between SAWPA and the Department of Water Resources.

DISCUSSION

Several projects in this funding round have requested changes to their scopes, budgets, and schedules.

1. Project 2: Perris Desalination Program – Brackish Water Wells 94, 95 and 96 (EMWD)
 - Scope: EMWD is partnering with the US Army Corp of Engineers (USACE) to drill and equip Well 94. Currently, USACE is constructing (drilling and equipping) Wells 95 and 96 as well as equipping Well 94 as part of the overall project. USACE will now expand their scope to include drilling Well 94. Although all three wells will be constructed by USACE, EMWD will contribute 25% of the costs to constructing the three wells. Once the wells are complete, they will be deeded to EMWD.
 - Budget: The total project cost of this project is not impacted by this change. However, the budget has been modified so that the \$1M in grant funds fall under the Construction/Implementation Category.
 - Schedule: The project has extended its completion date to June 30, 2020.
2. Project 4: Forest First: Increase Stormwater Capture and Decrease Sediment Loading through Forest Ecological Restoration (US Forest Service)
 - Scope: The current scope of work includes Bluff Mesa and Santa Ana Unit 3. USFS has requested expanding the scope of work to also include Santa Ana Units 1 and 2. The USFS fuels and fire staff met and developed an updated plan to protect the Watershed from a fire event. The updated plan expands the treatment area allowing for treatment along the entire road system. It also creates a fuel break that is complete (anchored) from the beginning of the road system to the end. The original scope created an incomplete (unanchored) fuel break.
 - Budget: No changes
 - Schedule: No changes
3. Project 7: Prado Basin Sediment Management Demonstration Project (OCWD)
 - Scope: OCWD is reducing the scale of the demonstration project due to various reasons, including cost. The initial cost of the proposed demonstration project was \$7.2M. In 2014, OCWD completed an EIR and an Engineer's Report for the project which evaluated several alternative options for the project. As a result, the project costs increased to approximately \$14M. Due to the substantial cost increase, it became clear to OCWD that the project would have to be downsized.

The original scope outlines three objectives for the project:

- a. Restore natural sediment transport through Prado Basin;
- b. Assess the technical, environmental, and economic issues associated with sediment management in the Watershed; and
- c. Provide information to implement a long-term sediment management solution.

Although the demonstration project would be scaled down to a more reasonable cost, the main benefits of the demonstration project (bullets b and c above) remain unchanged. Bullet a will be partially met with the reduced scope. Since the re-entrainment portion of the initial project will be removed, the project will not restore natural sediment transport through Prado Basin and downstream of the dam. Rather, the demonstration project will restore natural sediment transport only in a portion of Prado Basin.

The downscaled scope reduces the removal of approximately 300 acre-feet (500,000 cubic yards) of sediment and re-entrainment below the dam to the removal of approximately 74 acre-feet (120,000 cubic yards) of sediment and no re-entrainment.

- Budget: Total project costs are reduced to approximately \$3.9M from approximately \$7.9M (original cost in Grant Agreement). The grant amount of \$750,000 remains unchanged. OCWD explored the possibility of securing a CWSRF loan for the project, but has determined that it is not possible.
 - Schedule: The schedule has been extended one year to February 2020.
4. Project 9: Corona-Home Gardens Multi-Jurisdictional Water Transmission Line (City of Corona)
 - Scope: Due to geotechnical investigations, the City has redesigned the transmission line to downsize the pipe in certain portions of the alignment from 24 inches to 16 to 20 inches.
 - Budget: No changes.
 - Schedule: No changes.
 5. Project 14: Customer Handbook to Using Water Efficiently in the Landscape (WMWD)
 - Scope: In addition to creating the handbook in PDF format, WMWD will develop a dynamic website that will provide a more technical and in-depth version of the handbook rather than a link to the PDF document as originally scoped. Additionally, in an effort to reach a larger demographic, WMWD will have the handbook translated and hire a consultant to assist with outreach and education efforts.
 - Budget: No changes.
 - Schedule: With translations services and outreach, the project schedule has been extended to June 2018.
 6. Project 15: Lower Day Basin (IEUA)
 - Scope: No changes.
 - Budget: Total project costs have increased due to additional design recommendations resulting from the flow analysis. The design changes ensure that the water would remain contained within the channel during a major storm event as well as minimize any disruptions or changes to the normal flood control operation while the stormwater diversion is not in use. The total project costs increased to approximately \$4.1M from approximately \$2.5M. The grant amount remains unchanged at \$750,000.
 - Schedule: No changes.

7. Project 18: Soboba Band of Luiseno Indians Wastewater Project (Soboba Band of Luiseno Indians)
 - Scope: No changes.
 - Budget: Soboba's expenses eligible for reimbursement are less than the grant amount allocated to the project. Therefore, approximately \$2,000 will be shifted from Soboba's project and be moved to Grant Administration.
 - Schedule: No changes.
8. Project 19: Recycled Water Project Phase I (Jackson Street-Central Avenue Pipeline) (City of Riverside)
 - Scope: No changes.
 - Budget: The City of Riverside is shifting the local match costs between the various budget categories to reflect a more accurate cost breakdown. The total project costs are not impacted by this change
 - Schedule: Construction began on Phase 1A of the project six months later than anticipated due to shifts in other capital improvement project priorities. The overall project schedule was not impacted by this delay.
9. Project 20: Wilson III Basins Project and Wilson Basins/Spreading Grounds (City of Yucaipa)
 - Scope: No changes.
 - Budget: The City of Yucaipa has requested shifting some of their grant funds to help offset some of the design costs they have incurred. This shift does not impact the total project costs, and the grant amount of \$750,000 remains unchanged.
 - Schedule: No changes.
10. Grant Administration
 - Scope: No changes.
 - Budget: Soboba's expenses eligible for grant reimbursement are less than the grant amount allocated to their project. As a result, approximately \$2,000 in grant funds will be shifted from Soboba's project to Grant Administration.
 - Schedule: A time extension to December 31, 2020, will be requested with this amendment to accommodate the projects' extended schedules as well as provide ample time for the projects to complete any final reporting requirements.

CRITICAL SUCCESS FACTORS

The following OWOW critical success factors are addressed by this action:

1. Administration of the OWOW process and plan in a highly efficient and cost-effective manner.
2. Data and information needed for decision-making is available to all.

RESOURCE IMPACTS

The changes proposed to the project will result in a DWR amendment and modifications to the sub-agreements. The SAWPA labor time associated with these changes will be charged to SAWPA's grant administration budget for Prop 84 Round 2 grant program and sufficient funding has been budgeted for such changes.

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COMMISSION MEMORANDUM NO. 2018.26

DATE: February 20, 2018
TO: SAWPA Commission
SUBJECT: Policy Principles for the Disadvantaged Communities Involvement Program
PREPARED BY: Mark Norton, Water Resources & Planning Manager

RECOMMENDATION

It is recommended that the Commission review and provide feedback about the following:

- 1) Policy principles that describe the implementation of the Disadvantaged Communities Involvement Program

DISCUSSION

The attached policy principles (Attachment 1) have been revised by SAWPA staff based on feedback received from the SAWPA Commission on February 6 and the SAWPA member agency general managers on February 20. These were developed in response to an action by the SAWPA Commission on January 16, 2018, which directed SAWPA staff to enumerate policy principles that will guide the activity of SAWPA in administering and implementing the DCI Program, in particular the third Program Element activity of Technical Assistance to Communities.

BACKGROUND

Proposition 1 IRWM funding included a requirement for DWR to spend no less than 10% on a Disadvantaged Community Involvement Program which would ensure that members of disadvantaged communities, economically distressed areas, and underrepresented communities were able to participate in IRWM Planning and develop needed projects for implementation. SAWPA, as the approved Regional Water Management Group of the Santa Ana River funding region, was issued this work following submittal of a grant application.

The Disadvantaged Communities Involvement Program (DCI Program) in the region has three Program Elements, within which are twenty separate activities. Within Program Element Three are three activities 1) support the OWOW Plan Update 2018 program, 2) CivicSpark Water Fellows, and 3) Technical Assistance to Communities.

This third activity has a budget of \$2.97 million, of which \$2.45 million is currently un-allocated to specific tasks. This was by-design in the grant proposal. The intention is that, during the first two Program Elements, the DCI Program team will be interviewing and engaging with many communities and community members, some of whom have previously never been engaged by the IRWM process. From this work new challenges or opportunities will present themselves, and then the Technical Assistance to Communities task will involve selecting an appropriate set to accomplish with the available funds.

The grant application, and the grant agreement, describe a process whereby the Technical Advisory Committee of the DCI Program will consider the list of potential technical assistance efforts, prioritize them using a defined criterion, and then propose specific activities to the OWOW Steering Committee for their concurrence. Once approved, the suite of technical assistance activities would come before the SAWPA Commission for concurrence, and for action on any necessary requests-for-proposals, task orders, or other contractual and grant administrative needs.

CRITICAL SUCCESS FACTORS

OWOW CSF #1 - Continued support from SAWPA commission of OWOW Steering Committee's decision-making authority as a means of ensuring trust, transparency, and external communications.

OWOW CSF #2 - Active participation of a diverse group of stakeholders representing counties, cities, and water districts, as well as the private sector and the regulatory, environmental, and environmental justice communities who integrate the different interests in the watershed beyond political boundaries. Ensuring all perspectives are heard and valued.

OWOW CSF #5 - A strong reputation and sufficient capacity within SAWPA staff for strategic facilitation, planning, communication, leadership and community engagement

RESOURCE IMPACTS

Staff time associated with the implementation of the MOU will be funded by 100, 373, and 398 accounts. The DCI Program is entirely grant funded within the 398 account.

Attachments:

1. Draft Policy Principles for the Disadvantaged Communities Involvement Program
2. Redline/Strikeout Format of Draft Policy Principles for the DCI Program

From the Strategic Plan, approved April 2011 by the SAWPA Commission

Our Mission

SAWPA strives to make the Santa Ana River Watershed sustainable through fact-based planning and informed decision-making, regional and multijurisdictional coordination, and the innovative development of policies, programs, and projects. Our mission is accomplished through a number of specific functions:

- Maintaining peace in the watershed;
- Facilitating conflict resolution through collaborative processes;
- Preparing an integrated watershed-wise water management plan that provides a unified vision for the watershed;
- Operating the Inland Empire Brine Line to convey salt out of the watershed and support economic development;
- Developing water-related initiatives, particularly those that require the participation of several entities;
- Identifying, pursuing, securing and administering supplemental funds for the watershed; and
- Influencing legislation for the benefit of the watershed.

Disadvantaged Communities Involvement Program

Proposed Policy Principles

The Disadvantaged Communities Involvement Program is supported by the solid foundation of knowledge and outreach developed throughout earlier OWOW planning efforts. The program is 1) exploring the strengths and needs of overburdened communities in the watershed, 2) through engagement and education is uncovering and sharing the needs and capacities within the water agencies and communities, and 3) ensuring integrated water management projects that are supported by communities are made ready for implementation and prioritized in the OWOW Plan Update 2018.

In pursuit of these outcomes, the following policy principles are adopted by the SAWPA Commission:

1. In accordance with the DCI grant program scope, SAWPA and its partners will form a Program Technical Advisory Committee (TAC) composed of the five DCI program partners and four technical representatives from various water related agencies who have worked on disadvantaged community projects, or worked with disadvantaged communities on water needs. The TAC will develop evaluation criteria for providing technical assistance for projects, plans, and programs that support DCI community's water needs.
2. The TAC shall consider the following factors in developing evaluation criteria for technical assistance:

- Broadest water quality, habitat, and public health benefits for disadvantaged communities throughout the watershed;
 - Technical quantification of potential benefits and consideration of the greatest benefits throughout the watershed;
 - Diversity of the support portfolio by addressing water supply, water quality, sanitation and watershed health; and
 - SAWPA's defined role and participation level, consistency with its core mission and support under identified funding.
3. The evaluation criteria for Technical Assistance will be used to propose a suite of efforts to be funded. This suite will be presented for action to the OWOW Steering Committee and thereafter the SAWPA Commission, after which SAWPA will execute agreements as-needed with proponents, hire consultants using generally accepted procedures, or develop new task-orders for project partners who may take-on additional technical assistance work. Projects receiving technical assistance will be considered for implementation funding based on updated project information.
 4. As part of the technical assistance and outreach with DCI communities, SAWPA may wish to partner formally or informally with organizations that serve disadvantaged communities in the Santa Ana River watershed for planning (research and evaluation) about challenges and opportunities related to water management and watershed health.
 5. Collaborative efforts, including or led by SAWPA, that involve multiple interested public agencies or community groups will be emphasized.
 6. SAWPA may join partnerships for developing long-term solutions or pilot projects that achieve multiple benefits, have multiple funding options, and appropriately distribute authority and responsibility.
 7. Partnerships formalized with agreements or memoranda of understanding will define specific limits such that SAWPA's role aligns with its mission. Work proposed will have defined funding sources, and the term of the agreement will be defined by the work and/or funding. SAWPA staff will provide routine updates to the Commission about the work of formal partnerships.
 8. Support provided by the DCI grant may also assist DCI communities to prepare for future grant funded implementation opportunities through SAWPA. This support may also include support by SAWPA staff and consultants to assist in grant application preparation work and costs as necessary to help secure future DCI community implementation grant funds available through SAWPA under Proposition 1 IRWM program.
-

From the Strategic Plan, approved April 2011 by the SAWPA Commission

Our Mission

SAWPA strives to make the Santa Ana River Watershed sustainable through fact-based planning and informed decision-making, regional and multijurisdictional coordination, and the innovative development of policies, programs, and projects. Our mission is accomplished through a number of specific functions:

- Maintaining peace in the watershed;
- Facilitating conflict resolution through collaborative processes;
- Preparing an integrated watershed-wise water management plan that provides a unified vision for the watershed;
- Operating the Inland Empire Brine Line to convey salt out of the watershed and support economic development;
- Developing water-related initiatives, particularly those that require the participation of several entities;
- Identifying, pursuing, securing and administering supplemental funds for the watershed; and
- Influencing legislation for the benefit of the watershed.

Disadvantaged Communities Involvement Program

Proposed Policy Principles

The Disadvantaged Communities Involvement Program is supported by the solid foundation of knowledge and outreach developed throughout earlier OWOW planning efforts. The program is 1) exploring the strengths and needs of overburdened communities in the watershed, 2) through engagement and education is uncovering and sharing the needs and capacities within the water agencies and communities, and 3) ensuring integrated water management projects that are supported by communities are made ready for implementation and prioritized in the OWOW Plan Update 2018.

In pursuit of these outcomes, the following policy principles are adopted by the SAWPA Commission:

- ~~1.— It is in the interest of SAWPA to partner formally or informally with disadvantaged communities or organizations that serve disadvantaged communities in the Santa Ana River watershed for planning (research and evaluation) about challenges and opportunities related to water management and watershed health.~~
- ~~2.— Collaborative efforts, including or led by SAWPA, that involve multiple interested public agencies or community groups will be emphasized; however, SAWPA can pursue bilateral partnerships that produce knowledge or case examples which can be widely shared in the watershed.~~

3. SAWPA will seek or join partnerships for developing long term solutions that achieve multiple benefits, have multiple funding options, and appropriately distribute authority and responsibility.
4. Following affirmative action by the existing OWOW governance structure, implementation of pilot projects may be undertaken.
5. Partnerships formalized with agreements or memoranda of understanding will have specific limits such that SAWPA's role aligns with its mission, work proposed will have defined funding sources, and the term of the agreement will be defined by the work and/or funding. SAWPA staff will provide routine updates to the Commission about the work of formal partnerships.
1. Memoranda of Understanding will at minimum include the following sections: 1. Parties, 2. Purpose of this MOU, 3. Roles and Responsibilities, 4. Term of Agreement, 5. Mutual Hold Harmless, 6. Governing Law and Jurisdiction, 7. Termination, 8. Entire Agreement, 9. Notices, 10. Severability, 11. Paragraph Titles, 12. Authority, and 13. Counterparts. In accordance with the DCI grant program scope, SAWPA and its partners will form a Program Technical Advisory Committee (TAC) composed of the five DCI program partners and four technical representatives from various water related agencies who have worked on disadvantaged community projects, or worked, with disadvantaged communities on water needs. The TAC will be developing evaluation criteria for providing technical assistance for projects, plans, and programs that support DCI community's water needs.
2. The TAC shall consider the following factors in developing an evaluation criteria for technical assistance:
 - o Broadest water quality, habitat, and public health benefits for disadvantaged communities throughout the watershed;
 - o Technical quantification of potential benefits and consideration of the greatest benefits throughout the watershed;
 - o Diversity of the support portfolio by addressing water supply, water quality, sanitation and watershed health; and
 - o Accordance with SAWPA's defined role and participation level, consistency with its SAWPA's core mission and support under identified funding.
3. The evaluation criteria for Technical Assistance will be used to propose a suite of efforts to be funded. This suite will be presented for action to the OWOW Steering Committee and thereafter the SAWPA Commission, after which SAWPA will execute agreements as-needed with proponents, hire consultants using generally accepted procedures, or develop new task-orders for project partners who may take-on additional technical assistance work. Projects receiving technical assistance will be considered for implementation funding based on updated project information.
4. As part of the technical assistance and outreach with DCI communities, SAWPA may wish to partner formally or informally with organizations that serve disadvantaged communities in the Santa Ana River watershed for planning (research and evaluation) about challenges and opportunities related to water management and watershed health.
5. Collaborative efforts, including or led by SAWPA, that involve multiple interested public agencies or community groups will be emphasized.

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6. SAWPA may join partnerships for developing long-term solutions or pilot projects that achieve multiple benefits, have multiple funding options, and appropriately distribute authority and responsibility.
7. Partnerships formalized with agreements or memoranda of understanding will define specific limits such that SAWPA's role aligns with its mission. Work proposed will have defined funding sources, and the term of the agreement will be defined by the work and/or funding. SAWPA staff will provide routine updates to the Commission about the work of formal partnerships.
8. Support provided by the DCI grant may also assist DCI communities to prepare for future grant funded implementation opportunities through SAWPA. This support may also include support by SAWPA staff and consultants to assist in grant application preparation work and costs as necessary to help secure future DCI community implementation grant funds available through SAWPA under Proposition 1 IRWM program.
6. In consideration of projects that may address homelessness and water issues, attention should be given to the impacts of homeless encampments on human health to the homeless and the public at large from sanitation related diseases such as hepatitis. Additionally, if such projects involve the displacement of homeless encampments, project proponents should bear in mind the potential human impacts of displacing of homeless population and the need for providing sheltering options before displacements occur.

Disadvantaged Communities Involvement Program
Program Element 3: Project Development
Task 18: Technical Assistance to Communities

7. The DCI Program has funding to support technical assistance to communities, and the development of programs and projects. This funding was granted to SAWPA by DWR based on the following language in the grant proposal. This language supports the governance model for allocating those resources to technical assistance or program/project development opportunities identified during the program.

During engagement efforts, the program team will learn of projects, plans and programs. Some will be items already known to the OWOW process, while others may be entirely new challenges or opportunities. Following evaluation of these projects, plans and programs, an appropriate set will receive Technical Assistance (TA) in preparation for future IRWM and other funding opportunities. The evaluation of the projects, plans, and programs will follow a set of evaluation criteria to be developed by the Program Technical Advisory Committee. These criteria will evaluate the items for Technical Assistance, and propose a suite of efforts to be funded. This suite will be presented for action to the OWOW Steering Committee [and thereafter the SAWPA Commission], after which SAWPA will execute agreements as needed with proponents, hire contractors using generally accepted procedures, or develop new task orders for project partners who may take on additional technical assistance work. This effort may also link to the State Board [Proposition 1] Technical Assistance Program, via the CSU DACC and Cal Rural Water Association which are both statewide TA providers.

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• The DCI Program Technical Advisory Committee is described thusly in the grant agreement:

○ *The TAC will include a representative from each of the program partners and will recruit other members from disadvantaged communities in the watershed. The TAC will meet at least quarterly to advise the DCI Program efforts, and will assist with developing community connections.*

• The DCI Program Technical Advisory Committee will include nine members, five of whom are from the program partners (as was described in the grant agreement). The other four will be selected to provide technical expertise about implementing projects which support members of disadvantaged communities.

• The TAC to date, meeting with only six members, has selected an every other month meeting schedule for 1 hour by phone. Additional, face to face, or longer meetings can be scheduled as needed.

DRAFT

COMMISSION MEMORANDUM NO. 2018.22

DATE: February 20, 2018
TO: SAWPA Commission
SUBJECT: Basin Monitoring Program Task Force – Consultant Support
PREPARED BY: Mark R. Norton P.E, Water Resources & Planning Mgr.

RECOMMENDATION

That the Commission approve Change Order No. 1 to Task Order GEOS374-01 with Geoscience for the amount not to exceed \$23,966 to prepare the Santa Ana River Waste Load Allocation Model Update.

DISCUSSION

On January 12, 2017, SAWPA Commission approved a task order and agreement for services with Geoscience to perform updates to the SAR Wasteload Allocation Report and to work with the RWQCB staff and task force agencies on appropriate model runs and on appropriate plan language to be used for new RWQCB Basin Plan Amendments. This task order was awarded based on a competitive selection process.

On January 5, 2018, SAWPA received a request for a change order from Geoscience in order to complete the work. The reason for this change order is based on additional out-of-scope work to address comments received associated with Geoscience Task Memoranda 1 & 2 for the work. The additional work assigned to each task was discussed in detail with the Basin Monitoring Program Task Force and SAWPA staff at their January 18, 2018 and February 14, 2018 meetings. After accepting feedback from the task force and SAWPA staff, Geoscience revised their change order and at the Feb. 14, 2018 Basin Monitoring Program Task Force meeting the task force recommended approval for the revised change order in the amount of \$23,966 with a revised work schedule that extends the completion date to August of 2018.

In late 2018 upon completion of this Geoscience report, it is anticipated that the work will be used to prepare a new Basin Plan Amendment by the Santa Ana Regional Water Quality Control Board. The Santa Ana River Wasteload Allocation is particularly important since it is basis by which discharge permits are issued to wastewater treatment plants that discharge in the Santa Ana River and its tributaries. The Regional Board staff is a member of the Basin Monitoring Program Task Force and has indicated support of the additional work and revised schedule to ensure accuracy and completeness of the work.

Staff recommends approval of Change Order No. 1 to the Geoscience Task Order to complete the Santa Ana River Wasteload Allocation Update and the revised work schedule.

CRITICAL SUCCESS FACTORS

- SAWPA has a strong reputation as a watershed-wide, knowledgeable, neutral and trusted facilitator, leader, and administrator of contracted activities.
- Goals, scope, costs, resources, timelines, and the contract term are approved by the Commission before executing an agreement to participate in a roundtable group.
- Report and use results of roundtable's work, leverage information and involvement for the benefit of SAWPA, its members, and other stakeholders.
- Annual reviews of workplans and budgets for each task force activity.
- Adequate professional staff and resources to effectively provide facilitation, management, administrative and technical support to collaborative work efforts.

RESOURCE IMPACTS

Sufficient funding is available in the Basin Monitoring Program Task Force carry over reserves to fully fund this proposed change order. The original Geoscience contract amount was \$249,800. All funding for the original contract amount and the change order is fully funded and provided by the Basin Monitoring Program Task Force.

Attachments:

1. Change Order No. 1 to Geoscience Task Order No. GEOS374-01
2. Proposal and Scope



SANTA ANA WATERSHED PROJECT AUTHORITY

**CHANGE ORDER NO. 1
To Task Order No. GEI374-01**

CONSULTANT: Geoscience Support Services, Inc. **VENDOR NO.** 2132
P.O. Box 220
Claremont, CA 91711

PROJECT: Santa Ana River Waste Load Allocation Model Update

COST: \$23,966

REQUESTED BY: Mark Norton, February 20, 2018
Water Resources & Planning Manager

FINANCE: _____
Karen Williams, CFO Date

FINANCING SOURCE: Acct. Coding: 374BASIN-6113-01
Acct. Description: Consulting - General

COMMISSION AUTHORIZATION REQUIRED FOR THIS CHANGE: YES (X) NO ()
Commission Memo 2018._

Funding for this work previously was authorized January 17, 2017; ref. Commission Memo No. 2017.8

Consultant is hereby directed to provide the extra work necessary to comply with this change order.

DESCRIPTION / JUSTIFICATION OF CHANGE: Consultant has requested a change order to respond to additional work associated with comments received from the Basin Monitoring Program Task Force on the Santa Ana River Wasteload Allocation Model (WLAM) draft Technical Memorandums Nos. 1 and 2.

Addressing the additional work will improve the finished product and defensibility of the WLAM when it is presented to the Regional Board peer review as part of a future Basin Plan Amendment. The work tasks proposed under this change order are requests beyond the original project scope of work. Consultant has prepared a new budget that outlines the extra work to address the out-of-scope items, as detailed in **Attachment A**. Also shown is a budget reduction to account for the work that the Task Force will no longer pursue, and an updated project schedule to accommodate the additional work.

CHANGE IN CONTRACT TIME: **September 30, 2018**

CHANGE IN TASK ORDER PRICE: Original Task Order Amount: \$249,800
Change Order No. 1 Amount: \$ 23,966
Amended Contract Total: \$273,766

ATTACHMENT A



February 8, 2018

Mr. Mark Norton, PE, LEED AP, ENV SP
Water Resources & Planning Manager
Santa Ana Watershed Project Authority
11615 Sterling Ave.
Riverside, CA 92503

Re: Request for Budget Amendment for Consulting Services for Santa Ana River Waste Load Allocation Model Update

Dear Mark:

GEOSCIENCE Support Services, Inc. (GEOSCIENCE) submitted a draft budget amendment on January 5, 2018 in response to comments received on the Santa Ana River Waste Load Allocation Model (WLAM) draft Technical Memorandums (TMs) No. 1 and 2 from Orange County Water District (OCWD; dated October 12, 2017), Santa Ana Watershed Project Authority (SAWPA; dated October 13, 2017), Inland Empire Utilities Agency/Chino Basin Watermaster (IEUA/CBWM; dated October 18, 2017), and Risk Sciences (dated November 29, 2017). In addition, the Santa Ana Regional Water Quality Control Board provided further comments during a conference call. Comments received in response to the draft TMs are provided as Attachment A for reference. GEOSCIENCE presented the proposed budget amendment at the January 18, 2018 Basin Management Plan (BMP) Task Force meeting. Following the meeting, Eastern Municipal Water District (EMWD) provided comments on the proposed budget amendment (received January 31, 2018). This budget amendment request incorporates these comments as well.

GEOSCIENCE has already addressed some of the comments received on draft TMs No. 1 and 2 (see Attachment B for presentation slides from the November 16, 2017 Task Force meeting) and plans to address all remaining comments. We feel that incorporating the comments will greatly add to the finished product and defensibility of the WLAM, but some of the requests are beyond the original project scope of work. Per your request, GEOSCIENCE has prepared this proposed budget amendment which outlines the extra work and budget required to address these out-of-scope items, a budget reduction to account for work the Task Force has decided not to pursue, and an updated project schedule to accommodate the extra work. The extra work, if approved, will be performed through 10

GEOSCIENCE SUPPORT SERVICES INCORPORATED
Ground Water Resources Development
P.O. Box 220, Claremont, CA 91711
T: 909-451-6650
F: 909-451-6638

new subtasks. A breakdown by task for the additional, out-of-scope services and budget reduction is presented on attached Table 1 and described below.

1.0 PROPOSED ADDITIONAL SCOPE OF WORK

Task 1 – Update the Data Used in the Waste Load Allocation Model (WLAM)

Two (2) new subtasks are planned to cover the proposed out-of-scope work for Task 1, as follows:

Subtask 1h: Update and Consolidate Flow Data from Additional Discharge Sources Identified in the WLAM

During the November 16, 2017 Task Force meeting and in the comments from Risk Sciences (comments 3 through 7) additional discharge locations were discussed, which were not included in previous versions of the WLAM. These point sources include:

- Discharge from San Bernardino’s geothermal plant to Warm Creek, and
- Wet-weather discharges of secondary effluent by the Cities of San Bernardino and Colton directly to the Santa Ana River.

Discharge from the Arlington Desalter to Temescal Creek was also identified during the process of evaluating additional potential flow sources. These flows are not yet included in the HSPF WLAM update because no mention was made of them in the previous WLAM reports. However, it was recently determined from a reexamination of the original model files that they were actually included in previous versions. They will therefore be included in the HSPF WLAM update.

Collectively, these additional discharges may help improve discrepancies between model-estimated and observed flow and water quality in these areas of the model. Flow data from these various discharge sources will be compiled and updated in the model input files. All supplementary flow data will be subjected to a QA/QC process to identify potential errors, outliers, and duplicate data.

Subtask 1i: Create Plots and Database Files of Model Input Data (to be included as appendices)

This subtask is proposed in response to comments from IEUA/CBWM (comment numbers 7 and 8) and OCWD (comment re: Section 2.3.8). All model input for the model calibration period (WY2007-2016) will be compiled into database files (i.e., Excel files) to be included as part of the finalized TM No. 1. Plots of model input will also be generated and included as appendices.

Task 2 – Update and Recalibrate the WLAM

Seven (7) new subtasks are planned to cover the proposed out-of-scope work for Task 2, as follows:

Subtask 2h: Create an Impoundment for the Prado Wetlands to Account for Evapotranspiration and Changes in Water Quality

It was suggested at the November 16, 2017 Task Force meeting and in comments received (OCWD comment re: Section 2.3.10.2, Risk Sciences comment numbers 11 and 12, and SAWPA comment number 6) to refine how the model handles the Prado Wetlands. Treating this area as a discrete impoundment would help the model account for seasonal evapotranspiration of water that is diverted to the wetlands and impacts on TDS and TIN concentrations. Changes in flow and water quality from the Prado Wetlands will therefore be handled outside of the HSPF model with a spreadsheet mass balance model and used as additional model input for recalibration.

Subtask 2i: Re-Estimate Stream Flow in Major Stream Segments after Incorporating Additional Discharge Data

After supplementary flow data from additional discharge sources (proposed Subtask 1h) and evapotranspiration at the Prado Wetlands (proposed Subtask 2h) are updated, the model will need to be recalibrated so that it accurately and reliably predicts daily and monthly stream flow at the USGS gauging stations used as calibration targets.

Subtask 2j: Re-Estimate Concentration of TDS in Major Stream Segments after Incorporating Additional Discharge Data and Effects of the Prado Wetlands

The HSPF WLAM has three components: a flow component, and two water quality components for TDS and TIN. Calibration is first conducted for the flow component. The calibrated flow is then used to calibrate TDS and TIN, independently. Therefore, even though the HSPF WLAM is represented by one model file, three separate steps are required for its calibration.

Changes to TDS as the result of incorporating additional discharges (proposed Subtask 1h) and the effects from the Prado Wetlands (proposed Subtask 2h) will be used as additional model input for the recalibration. The concentration of TDS in major stream segments will be re-estimated following incorporation of this additional data.

Subtask 2k: Re-Estimate Concentration of TIN in Major Stream Segments after Incorporating Additional Discharge Data and Effects of the Prado Wetlands

Changes to TIN as the result of incorporating additional discharges (proposed Subtask 1h) and the effects from the Prado Wetlands (proposed Subtask 2h) will be used as additional model input for the recalibration. The concentration of TIN in major stream segments will be re-estimated following incorporation of this additional data.

Subtask 2l: Tabulate the Differences between WLAM Versions

Based on comments received from Risk Sciences (comment numbers 9, 27, and 29 through 31), we propose this subtask to clarify the differences between the 2002 WLAM, 2015 WLAM (Scenario 8) and 2017 HSPF WLAM versions. Key similarities and differences will be tabulated and discussed in detail, including but not limited to:

- Land use data,
- Precipitation data,
- Gage data,
- Number of model subareas,
- Publicly owned treatment works (POTW) data,
- Soil data,
- Evaporation stations,
- Nitrogen reaction coefficients,
- Calibration period,
- Calibration criteria (e.g., R^2 , RSME, etc.),
- Methods used to account for rising groundwater and related water quality, and
- Methods used to account for flow at key locations (e.g., San Timoteo, Chino Creek at Schaefer Ave., Temescal Creek, etc).

In addition, we will prepare and present the results of the initial side-by-side analyses of the 2015 (Scenario 8) WLAM vs. the HSPF WLAM that was performed at the outset of this effort (Risk Sciences comment number 13).

Subtask 2m: Tabulate the Average Mass Balance (by Source) for Flow, TDS, and TIN in Each Major Stream Segment

While the WLAM already provides a mass balance from “combined” sources (Subtasks 2a through 2d), we will prepare a separate tabular summary of the average mass balance (by source) for flow, TDS, and TIN in each major stream segment. This additional work will facilitate future peer review requirements of the Regional Water Quality Control Board. Tables will be prepared for each major stream segment to summarize the flow and water quality for each contributing source (e.g., individual POTW discharges, surface runoff, rising groundwater, water transfers, etc.), as shown below. Reported values will be calculated based on the flow-weighted annualized average.

**Example Mass Balance (by Source) for Reach 3 & 4 of the
 Santa Ana River overlying the Riverside-A GMZ**

SOURCE	FLOW <i>(ac-ft./yr. & % of total)</i>	TDS <i>(tons/yr. & % of total)</i>	TIN <i>(tons/yr. & % of total)</i>
Rialto POTW			
RIX POTW			
Surface Runoff			
Rising Groundwater			
Water Transfers			
Other (specify)			
TOTAL	xxx (100%)	yyy (100%)	zzz (100%)

**Example Mass Balance (by Source) for Reach 3 of the
 Santa Ana River overlying the Chino-South GMZ**

SOURCE	FLOW <i>(ac-ft./yr. & % of total)</i>	TDS <i>(tons/yr. & % of total)</i>	TIN <i>(tons/yr. & % of total)</i>
Rialto POTW			
RIX POTW			
City of Riverside POTW			
Surface Runoff			
Rising Groundwater			
Water Transfers			
Other (specify)			
TOTAL	xxx (100%)	yyy (100%)	zzz (100%)

Subtask 2n: Conduct Formal Outlier Analysis for Areas of High Model Over/Underestimation (i.e., greater than two orders of magnitude)

Per Risk Science’s comment number 28, we propose to conduct a formal outlier analysis for those data points where the model estimates differ from observed values by more than two orders of magnitude. This analysis will focus on extreme deviations which would likely have the greatest impact on R² values, and identifying possible reasons for the deviation.

The purpose of conducting the QA/QC process for Task 1g (original scope of work) was to identify any outliers in the raw data to help determine if any data reporting errors exist, prior to model input. This type of data analysis is standard practice for modeling efforts. However, the outlier analysis being proposed for Subtask 2n involves a different kind of calibration performance evaluation than was completed as part of the original scope of work. It involves looking at model calibration output and analyzing the effect of large outlier residuals (observed data minus model-simulated data) on model calibration performance criteria (e.g., R²).

Task 9 – Draft Task Reports, Draft and Final Report

As indicated in the RFP and the original proposal, only one set of draft task reports was anticipated for Tasks 1 through 6 (TM Nos. 1-6). Comments from SAWPA and the Task Force on the individual draft task TMs would then be included in the overall “Draft Study Report”, which would reflect a compilation of the draft reports and incorporation of any comments received from SAWPA and the Task Force. Upon acceptance of all comments, a “Final Study Report” would be prepared. However, the Task Force indicated in the November 16, 2017 Peer Review Workshop that they would like to see another draft of TM No. 2 for an opportunity to provide further comments to be incorporated in the Draft Study Report. The issuance of a second draft of any of the individual Task TMs was not assumed as part of the original cost estimate for Task 9.

Therefore, following the addition of supplementary flow and water quality data compiled under the proposed subtasks for Task 1, and subsequent model recalibration and additional analyses conducted under the proposed subtasks for Task 2, all results will be summarized in another draft task report for Task 2 (TM No. 2). This draft TM No. 2 will be provided to SAWPA and members of the Task Force for review. The results will also be discussed at the Task Force meeting, and any comments received will be incorporated into the final report.

2.0 PROPOSED BUDGET REDUCTION

During the course of this project, the Task Force decided to forego Task 4 (Develop WLAM for Managed Recharge in Percolation Basins). This decision also affects the budget for Task 9, which included a Draft TM No. 4 summarizing the results of Task 4. The budget for Task 4 and portion of Task 9 related to Task 4 is therefore available for redistribution to any other proposed work the Task Force decides to pursue. However, GEOSCIENCE already spent \$3,696.25 in the effort of attaining data regarding agricultural spreading in percolation basins prior to the Task’s cancellation. This work included a trip to the Water Board to review stormwater runoff management plans for dairies in the model area, documentation of locations of existing dairy waste storage ponds, and the collection of related information. The amount remaining for this task is \$18,133.75 [$\$18,133.75 = \$16,070$ (Task 4) + $\$5,760$ (Draft TM No. 4 in Task 9) – $\$3,696.25$ (Billed for Task 4)].

3.0 PROPOSED BUDGET AMENDMENT

The estimated cost of the additional subtasks and budget reduction for the work associated with Task 4 is detailed in Table 1 and summarized below.

Proposed Budget for Out-of-Scope Work and Cancelled Task

TASK		Total Additional Hours	Total Additional Cost
Out-of-Scope Work			
1h	Update and Consolidate Flow Data from Additional Discharge Sources Identified in the WLAM	18	\$2,400
1i	Create Plots and Database Files of Model Input Data (to be included as appendices)	17	\$2,200
2h	Create an Impoundment for the Prado Wetlands to Account for Evapotranspiration and Changes in Water Quality	41	\$6,485
2i	Re-Estimate Stream Flow in Major Stream Segments after Incorporating Additional Discharge Data	26	\$3,400
2j	Re-Estimate Concentration of TDS in Major Stream Segments after Incorporating Additional Discharge Data and Effects of the Prado Wetlands	26	\$3,400
2k	Re-Estimate Concentration of TIN in Major Stream Segments after Incorporating Additional Discharge Data and Effects of the Prado Wetlands	26	\$3,400
2l	Tabulate the Differences between WLAM Versions	42	\$7,370
2m	Tabulate the Average Mass Balance (by Source) for Flow, TDS, and TIN in Each Major Stream Segment	28	\$3,800
2n	Conduct Formal Outlier Analyses for Areas of High Model Over/Underestimation (i.e., greater than two orders of magnitude)	18	\$2,400
9.0	Prepare Second Draft Task Report for Task 2 Documenting the Results of Task 2	51	\$7,245
Out-of-Scope Subtotal		293	\$42,100
Budget Reduction			
4.0	Remove Costs for Task 4 (minus \$3,696.25 for work already completed)	0	\$(12,374)
9.0	Remove Costs for Draft Task Report for Task 4 Documenting the Results of Task 4	0	\$(5,760)
Reduction Subtotal		0	\$(18,134)
TOTAL		293	\$23,966

Budget Amendment Summary

TASK		Total Additional Hours	Total Additional Cost	Prior Approved Budget	Total Project Budget
1.0	Update the Data Used in the Waste Load Allocation Model (WLAM)	35	\$4,600	\$25,665	\$30,265
2.0	Update and Recalibrate the WLAM	207	\$30,255	\$59,255	\$89,510
3.0	Evaluate Waste Load Allocation Scenarios for Major Stream Segments	0	-	\$33,150	\$33,150
4.0	Task 4 - Develop WLAM for Managed Recharge in Percolation Basins	0	\$(12,374)	\$16,070	\$3,696
5.0	Task 5 - Estimate Off-Channel Recharge From Natural Precipitation	0	-	\$6,385	\$6,385
6.0	Task 6 - Run the WLAM in Retrospective Mode, Using Historical Discharge Data, to Estimate the Quantity and Quality of Recharge that Actually Occurred	0	-	\$8,290	\$8,290
7.0	Task 7 - Compile the WLAM into a Run-Time Software Simulation Package	0	-	\$17,340	\$17,340
9.0	Task 9 - Draft Task Reports, Draft and Final Report	51	\$1,485	\$45,005	\$46,490
10.0	Task 10 - Monthly Project Meetings	0	-	\$35,640	\$35,640
11.0	Task 11 - Pilot Evaluation of the Doppler Data Compared to Precipitation Gauge Data	0	-	\$3,000	\$3,000
TOTAL		293	\$23,966	\$249,800	\$273,766

Our existing contract amount is \$249,800. The requested cost for this contract amendment is **\$23,966**, which would increase the total contract amount to **\$273,766**. This includes the cost of the additional out-of-scope work (\$42,100) and budget reduction from cancelling Task 4 (\$18,134). The budget for Tasks 3, 5 through 7, 10, and 11, which cover running model scenarios, preparing simulation packages, attending progress meetings, and evaluating precipitation datasets, are still in place and do not require additional budget or changes in budget.

4.0 REVISED PROJECT SCHEDULE

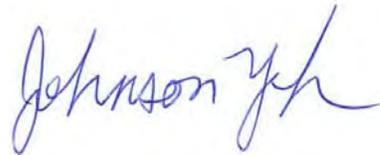
The revised project schedule to incorporate the out-of-scope work is presented on Table 2. Despite the additional time that will be required to address the additional work outlined in this proposed budget amendment, we anticipate finishing this project by the originally scheduled completion date of the end of September 2018.

We appreciate the opportunity to provide our services on this important project. If you have any questions, please call us at (909) 451-6650.

Sincerely,



Dennis E. Williams, Ph.D., PG, CHG
President



Johnson Yeh, Ph.D., PG, CHG
Principal/Groundwater Modeler

encl.

TABLES

GEOSCIENCE


ADDITIONAL COST ESTIMATE FOR CONSULTING SERVICES

Santa Ana River Waste Load Allocation Model Update

Task	Description	ADDITIONAL COST								Prior Approved Budget	Total Project Budget				
		Principal Hydrologist	Senior Geohydrologist	Project Geohydrologist	Staff Geohydrologist	Graphics	Clerical	Total Hours	Labor Cost			Reimbursable Expenses ¹	Additional Cost		
		<i>Hourly Rate:</i>		\$285	\$200	\$165	\$125	\$110	\$95						
1.0	Update the Data Used in the Waste Load Allocation Model (WLAM)														
1a	Update Relevant Land Use Maps for the Region							0	\$ -	\$ -	\$ 4,520	\$ 4,520			
1b	Update the Stormwater Management Facility Maps							0	\$ -	\$ -	\$ 4,520	\$ 4,520			
1c	Update the Historical Precipitation Data for the Region							0	\$ -	\$ -	\$ 2,530	\$ 2,530			
1d	Review and Confirm the Operating Assumptions for Seven Oaks Dam and Prado Dam							0	\$ -	\$ -	\$ 2,020	\$ 2,020			
1e	Update and Consolidate the Flow Data Used in the WLAM							0	\$ -	\$ -	\$ 3,530	\$ 3,530			
1f	Update and Consolidate the Water Quality Data Used in the WLAM							0	\$ -	\$ -	\$ 3,530	\$ 3,530			
1g	Perform a Systematic QA/QC Review of All Data							0	\$ -	\$ -	\$ 5,015	\$ 5,015			
1h	Update and Consolidate Flow Data from Additional Discharge Sources Identified in the WLAM		2		16			18	\$ 2,400	\$ 2,400	\$ -	\$ 2,400			
1i	Create Plots and Database Files of Model Input Data (to be included as appendices)		1		16			17	\$ 2,200	\$ 2,200	\$ -	\$ 2,200			
		<i>Task 1.0 Subtotal Hours and Costs</i>		0	3	0	32	0	0	35	\$ 4,600	\$ -	\$ 4,600	\$ 25,665	\$ 30,265
2.0	Update and Recalibrate the WLAM														
2a	Update the Estimate of Surface Water Runoff to Major Stream Segments							0	\$ -	\$ -	\$ 24,800	\$ 24,800			
2b	Update the Estimate of Stream Flow in Major Stream Segments							0	\$ -	\$ -	\$ 10,685	\$ 10,685			
2c	Update the Estimated Concentration of TDS in Major Stream Segments							0	\$ -	\$ -	\$ 10,685	\$ 10,685			
2d	Update the Estimated Concentration of TIN in Major Stream Segments							0	\$ -	\$ -	\$ 5,885	\$ 5,885			
2e	Estimate the Volume of Stream Flow Recharging from Each Major Stream Segment to the Underlying Groundwater Management Zone							0	\$ -	\$ -	\$ 2,400	\$ 2,400			
2f	Estimate the Average Daily Concentration and Mass of TDS Recharging from Each Major Stream Segment to the Underlying Groundwater Management Zone							0	\$ -	\$ -	\$ 2,400	\$ 2,400			
2g	Estimate the Average Daily Concentration and Mass of TIN Recharging from Each Major Stream Segment to the Underlying Groundwater Management Zone							0	\$ -	\$ -	\$ 2,400	\$ 2,400			
2h	Create an Impoundment for the Prado Wetlands to Account for Evapotranspiration and Changes in Water Quality	1	16		24			41	\$ 6,485	\$ 6,485	\$ -	\$ 6,485			
2i	Re-Estimate Stream Flow in Major Stream Segments after Incorporating Additional Discharge Data		2		24			26	\$ 3,400	\$ 3,400	\$ -	\$ 3,400			
2j	Re-Estimate Concentration of TDS in Major Stream Segments after Incorporating Additional Discharge Data and Effects of the Prado Wetlands		2		24			26	\$ 3,400	\$ 3,400	\$ -	\$ 3,400			
2k	Re-Estimate Concentration of TIN in Major Stream Segments after Incorporating Additional Discharge Data and Effects of the Prado Wetlands		2		24			26	\$ 3,400	\$ 3,400	\$ -	\$ 3,400			
2l	Tabulate the Differences between WLAM Versions	2	24		16			42	\$ 7,370	\$ 7,370	\$ -	\$ 7,370			
2m	Tabulate the Average Mass Balance (by Source) for Flow, TDS, and TIN in Each Major Stream Segment		4		24			28	\$ 3,800	\$ 3,800	\$ -	\$ 3,800			
2n	Conduct Formal Outlier Analyses for Areas of High Model Over/Underestimation (i.e., greater than two orders of magnitude)		2		16			18	\$ 2,400	\$ 2,400	\$ -	\$ 2,400			
		<i>Task 2.0 Subtotal Hours and Costs</i>		3	52	0	152	0	0	207	\$ 30,255	\$ -	\$ 30,255	\$ 59,255	\$ 89,510
3.0	Evaluate Waste Load Allocation Scenarios for Major Stream Segments														
3a	Specify the Range of Probable Discharge Conditions							0	\$ -	\$ -	\$ 6,720	\$ 6,720			
3b	Use WLAM to Analyze Six Scenarios							0	\$ -	\$ -	\$ 15,040	\$ 15,040			
3c	Report Results of the WLAM Scenario Analyses							0	\$ -	\$ -	\$ 11,390	\$ 11,390			
		<i>Task 3.0 Subtotal Hours and Costs</i>		0	0	0	0	0	0	0	\$ -	\$ -	\$ -	\$ 33,150	\$ 33,150
4.0	Develop WLAM for Managed Recharge in Percolation Basins														
4a	Identify the Percolation Ponds and Recharge Basins to be Evaluated							0	\$ -	\$ -	\$ 3,720	\$ 3,720			
4b	Characterize the Volume and Quality of Water Recharged to Groundwater							0	\$ -	\$ -	\$ 6,720	\$ 6,720			
4c	Summarize the Results of Task 4b by Groundwater Management Zone							0	\$ -	\$ -	\$ 2,815	\$ 2,815			
4d	Integrate Results from Task 4c with the Results from Task 3c							0	\$ -	\$ -	\$ 2,815	\$ 2,815			
		<i>Remove Costs for Task 4 (minus \$3,696.25 for work already completed)</i>						-	\$ -	\$ (12,374)	\$ -	\$ (12,374)			
		<i>Task 4.0 Subtotal Hours and Costs</i>		0	0	0	0	0	0	0	\$ -	\$ -	\$ (12,374)	\$ 16,070	\$ 3,696

ADDITIONAL COST ESTIMATE FOR CONSULTING SERVICES

Santa Ana River Waste Load Allocation Model Update

Task	Description	ADDITIONAL COST								Prior Approved Budget	Total Project Budget				
		Principal Hydrologist	Senior Geohydrologist	Project Geohydrologist	Staff Geohydrologist	Graphics	Clerical	Total Hours	Labor Cost			Reimbursable Expenses ¹	Additional Cost		
		<i>Hourly Rate:</i>		\$285	\$200	\$165	\$125	\$110	\$95						
5.0	Estimate Off-Channel Recharge from Natural Precipitation														
	Estimate the Volume and Quality of Natural Rainfall that Percolates to The Underlying Groundwater Basin									0	\$ -	\$ -	\$ 6,385	\$ 6,385	
		<i>Task 5.0 Subtotal Hours and Costs</i>		0	0	0	0	0	0	0	\$ -	\$ -	\$ 6,385	\$ 6,385	
6.0	Run the WLAM in Retrospective Mode, Using Historical Discharge Data, to Estimate the Quantity and Quality of Recharge that Actually Occurred														
	Run the Most Current Version of the WLAM Produced in the RFP Task 2 After It Has Been Finalized (Calibrated and Validated) to Estimate the Actual Volume and Quality of Water Recharged to the Six GMZ's Named in Task 5 for the 12-Year Period Commencing in January of 2005 and Ending in December of 2016.									0	\$ -	\$ -	\$ 6,385	\$ 6,385	
	Prepare a Summary Comparing the Estimated Actual Values to the WLAM Projects for the Same GMZs.									0	\$ -	\$ -	\$ 1,905	\$ 1,905	
		<i>Task 6.0 Subtotal Hours and Costs</i>		0	0	0	0	0	0	0	\$ -	\$ -	\$ 8,290	\$ 8,290	
7.0	Compile the WLAM into a Run-Time Software Simulation Package														
	Develop a Simple Windows-Based Graphical User Interface for the WLAM	The proposed WinHSPF computer code is a Windows-Based Graphic User Interface								0	\$ -	\$ -	\$ -	\$ -	
	Prepare a Standardized Input File Specifying the Key Input Variables for Each Wastewater Discharge									0	\$ -	\$ -	\$ 6,600	\$ 6,600	
	Prepare a User Manual* and Training for up to 15 Staff Members on How to Analyze Scenarios, Run and Retrieve Results From the WLAM.									0	\$ -	\$ -	\$ 6,480	\$ 6,480	
	Prepare and Submit Model Documentation Suitable for Peer Review									0	\$ -	\$ -	\$ 4,260	\$ 4,260	
		<i>Task 7.0 Subtotal Hours and Costs</i>		0	0	0	0	0	0	0	\$ -	\$ -	\$ 17,340	\$ 17,340	
9.0	Draft Task Reports, Draft and Final Report														
	Prepare Draft Task Report for Task 1 Documenting the Results of Task 1									0	\$ -	\$ -	\$ 4,380	\$ 4,380	
	Prepare Draft Task Report for Task 2 Documenting the Results of Task 2									0	\$ -	\$ -	\$ 9,680	\$ 9,680	
	Prepare Second Draft Task Report for Task 2 Documenting the Results of Task 2	2	8		32	8	1	51	\$ 7,145	\$ 100	\$ 7,245	\$ -	\$ 7,245		
	Prepare Draft Task Report for Task 3 Documenting the Results of Task 3									0	\$ -	\$ -	\$ 5,760	\$ 5,760	
	Prepare Draft Task Report for Task 4 Documenting the Results of Task 4									0	\$ -	\$ -	\$ 5,760	\$ 5,760	
	Remove Costs for Draft Task Report for Task 4 Documenting the Results of Task 4									-	\$ -	\$ (5,760)	\$ -	\$ (5,760)	
	Prepare Draft Task Report for Task 5 Documenting the Results of Task 5									0	\$ -	\$ -	\$ 3,440	\$ 3,440	
	Prepare Draft Task Report for Task 6 Documenting the Results of Task 6									0	\$ -	\$ -	\$ 3,440	\$ 3,440	
	Prepare a Draft Study Report, Reflecting a Compilation of the Draft Reports and Addressing All Comments Received from SAWPA and Members of the Task Force on the Previous Drafts									0	\$ -	\$ -	\$ 8,720	\$ 8,720	
	Prepare a Final Study Report in Electronic Format for Distribution to SAWPA									0	\$ -	\$ -	\$ 3,825	\$ 3,825	
		<i>Task 9.0 Subtotal Hours and Costs</i>		2	8	0	32	8	1	51	\$ 7,145	\$ 100	\$ 1,485	\$ 45,005	\$ 46,490
10.0	Monthly Project Meetings														
	Prepare For and Participate in up-to-18 Half-Day Monthly Meetings Where GSSI will Describe Project Status and/or Present Draft and Final Results to the BMPTF and/or Regional or State Water Boards									0	\$ -	\$ -	\$ 35,640	\$ 35,640	
		<i>Task 10.0 Subtotal Hours and Costs</i>		0	0	0	0	0	0	0	\$ -	\$ -	\$ 35,640	\$ 35,640	
11.0	Pilot Evaluation of the Doppler Data Compared to Precipitation Gauge Data														
	Pilot Evaluation of the Doppler Data Compared to Precipitation Gauge Data									0	\$ -	\$ -	\$ 3,000	\$ 3,000	
		<i>Task 11.0 Subtotal Hours and Costs</i>		0	0	0	0	0	0	0	\$ -	\$ -	\$ 3,000	\$ 3,000	
		TOTAL HOURS AND COST:		5	63	0	216	8	1	293	\$ 42,000	\$ 100	\$ 23,966	\$ 249,800	\$ 273,766

Note
¹ Reimbursable expenses include report reproduction.

REVISED PROJECT SCHEDULE

Task	Description	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	
1	Update the Data Used in the Waste Load Allocation Model (WLAM)																						
1a	Update Relevant Land Use Maps for the Region																						
1b	Update the Stormwater Management Facility Maps																						
1c	Update the Historical Precipitation Data for the Region																						
1d	Review and Confirm the Operating Assumptions for Seven Oaks Dam and Prado Dam																						
1e	Update and Consolidate the Flow Data Used in the WLAM																						
1f	Update and Consolidate the Water Quality Data Used in the WLAM																						
1g	Perform a Systematic QA/QC Review of All Data																						
1h	Update and Consolidate Flow Data from Additional Discharge Sources Identified in the WLAM																						
1i	Augment TIN Water Quality Data																						
1j	Create Plots and Database Files of Model Input Data (to be included as appendices)																						
2	Update and Recalibrate the WLAM																						
2a	Update the Estimate of Surface Water Runoff to Major Stream Segments																						
2b	Update the Estimate of Stream Flow in Major Stream Segments																						
2c	Update the Estimated Concentration of TDS in Major Stream Segments																						
2d	Update the Estimated Concentration of TIN in Major Stream Segments																						
2e	Estimate the Volume of Stream Flow Recharging from Each Major Stream Segment to the Underlying Groundwater Management Zone																						
2f	Estimate the Average Daily Concentration and Mass of TDS Recharging from Each Major Stream Segment to the Underlying Groundwater Management Zone																						
2g	Estimate the Average Daily Concentration and Mass of TIN Recharging from Each Major Stream Segment to the Underlying Groundwater Management Zone																						
2h	Create an Impoundment for the Prado Wetlands to Account for Evapotranspiration and Changes in Water Quality																						
2i	Re-Estimate Stream Flow in Major Stream Segments after Incorporating Additional Discharge Data																						
2j	Re-Estimate Concentration of TDS in Major Stream Segments after Incorporating Additional Discharge Data and Effects of the Prado Wetlands																						
2k	Re-Estimate Concentration of TIN in Major Stream Segments after Incorporating Additional Discharge Data and Effects of the Prado Wetlands																						
2l	Tabulate the Differences between WLAM Versions																						
2m	Tabulate the Average Mass Balance (by Source) for Flow, TDS, and TIN in Each Major Stream Segment																						
2n	Conduct Formal Outlier Analyses for Areas of High Model Over/Underestimation (i.e., greater than two orders of magnitude)																						
3	Evaluate Waste Load Allocation Scenarios for Major Stream Segments																						
3a	Specify the Range of Probable Discharge Conditions																						
3b	Use WLAM to Analyze Six Scenarios																						
3c	Report Results of the WLAM Scenario Analyses																						
4	Develop WLAM for Managed Recharge in Percolation Basins																						
4a	Identify the Percolation Ponds and Recharge Basins to be Evaluated																						
4b	Characterize the Volume and Quality of Water Recharged to Groundwater																						
4c	Summarize the Results of Task 4b by Groundwater Management Zone																						
4d	Integrate Results from Task 4c with the Results from Task 3c																						
5	Estimate Off-Channel Recharge from Natural Precipitation																						
	Estimate the Volume and Quality of Natural Rainfall that Percolates to The Underlying Groundwater Basin																						
6	Run the WLAM in Retrospective Mode, Using Historical Discharge Data, to Estimate the Quantity and Quality of Recharge that Actually Occurred																						
	Run the Most Current Version of the WLAM Produced in the RFP Task 2 After It Has Been Finalized (Calibrated and Validated) to Estimate the Actual Volume and Quality of Water Recharged to the Six GMZ's Named in Task 5 for the 12-Year Period Commencing in January of 2005 and Ending in December of 2016.																						
	Prepare a Summary Comparing the Estimated Actual Values to the WLAM Projects for the Same GMZs.																						
7	Compile the WLAM into a Run-Time Software Simulation Package																						
	Develop a Simple Windows-Based Graphical User Interface for the WLAM																						
	Prepare a Standardized Input File Specifying the Key Input Variables for Each Wastewater Discharge																						
	Prepare a User Manual and Training for up to 15 Staff Members on How to Analyze Scenarios, Run and Retrieve Results From the WLAM.																						
	Prepare and Submit Model Documentation Suitable for Peer Review																						

TO BE DETERMINED

REVISED PROJECT SCHEDULE

Task	Description	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18
9	Draft Task Reports, Draft and Final Report																					
	Prepare Draft Task Report for Task 1 Documenting the Results of Task 1																					
	Prepare Draft Task Report for Task 2 Documenting the Results of Task 2																					
	Prepare Draft Task Report for Task 3 Documenting the Results of Task 3																					
	Prepare Draft Task Report for Task 4 Documenting the Results of Task 4																					
	Prepare Draft Task Report for Task 5 Documenting the Results of Task 5																					
	Prepare Draft Task Report for Task 6 Documenting the Results of Task 6																					
	Prepare a Draft Study Report, Reflecting a Compilation of the Draft Reports and Addressing All Comments Received from SAWPA and Members of the Task Force on the																					
	Prepare a Final Study Report in Electronic Format for Distribution to SAWPA																					
10	Monthly Project Meetings																					
	Prepare For and Participate in Half-Day Monthly Meetings Where GSSI will Describe Project Status and/or Present Draft and Final Results to the BMPTF and/or Regional or																					
	Addressing All Comments Received from SAWPA and Members of the Task Force on the																					
	Prepare a Final Study Report in Electronic Format for Distribution to SAWPA																					
11	Pilot evaluation of the Doppler Data Compared to Precipitation Gauge Data																					
	Pilot evaluation of the Doppler Data Compared to Precipitation Gauge Data																					

Previous GEOSCIENCE Working Period

Revised GEOSCIENCE Working Period

Deliverable Date

Meeting / Workshop

Note

* The dates of the Regional and State Water Board hearings have not yet been determined

COMMISSION MEMORANDUM NO. 2018.23

DATE: February 20, 2018

TO: SAWPA Commission

SUBJECT: Emerging Constituents Program Task Force Public Outreach Status and new “Trust the Tap” Task Order

PREPARED BY: Mark Norton, Water Resources & Planning Manager

RECOMMENDATION

That the Commission consider the following:

- 1) Receive and file this status report on the public outreach conducted through the Emerging Constituents Program Task Force.
- 2) Authorize new Task Order No. DEGR398-01 with DeGrave Communications to conduct the “Trust the Tap” campaign for an amount not to exceed \$78,434 under the Disadvantaged Community Involvement grant program.

DISCUSSION

Since 2010 the Emerging Constituents (EC) Program Task Force, involving over 20 water and wastewater agencies in the watershed, have conducted an annual emerging constituents sampling program. This work has been conducted as a component of a cooperative agreement with the Santa Ana Regional Water Quality Control Board to avoid formal regulation of imported water recharge. The first annual sampling report was successfully submitted to the Regional Board in Dec. 2010 and every year through 2013. The last annual sampling report was submitted earlier this year for the 2013 sampling year. The task force has now transitioned their sampling program to reflect just the required EC sampling constituents required by the State Water Resources Control Board and future sampling will be considered as further SWRCB recommendations unfold.

SAWPA serves as the administrator for this EC Program Task Force since its formation and is a signatory to the EC Program Task Force Agreement. In addition to the EC sampling program, the task force conducts public outreach using social media tools to share information on the safety of the water supply with the public. This social media support to educate the public and media was also recommended by the SAWPA Commission after concerns arose by the media with the safety of groundwater sources. The social media tools consist of important articles and interview experts to help inform and ensure public understanding of the potable water safety.

In September of 2015, DeGrave Communications was authorized to serve as the consultant for the EC Program Task Force by the SAWPA Commission for a three year contract through September 2018. The SAWPA Commission also requested status report presentations at least twice a year from the consultant. Ms. Liselle DeGrave of DeGrave Communications will provide the power point update.

In line with the focus and scope of DeGrave Communications work, a new task order is proposed for a program described as the “Trust to Tap” campaign. The purpose of this work would be to develop a public outreach “packet” to be freely distributed for use by agencies within the SARW to increase trust in tap water among members of disadvantaged communities. Focus of the outreach model will be communities where English is not the first language, or where new immigrants are a large part of the population. The program would be a multilingual *Trust the Tap* community

outreach campaign to be disseminated to water agencies in the Santa Ana Watershed in order to promote the safety, value, and benefits of drinking tap water. This campaign would be fully funded by the Proposition 1 Disadvantaged Communities Involvement Grant Program, and supports the community engagement and education goals within the One Water One Watershed Plan Update 2018.

Based on DeGrave Communication's work focus currently contracted with SAWPA to also conduct outreach to the general public about the safety of tap water, a new task order with DeGrave Communications coincides with our needs. SAWPA staff recommends contracting with DeGrave Communications since 1) an open, fair and competitive process was conducted under their original selection as a support consultant, 2) their experienced team has worked with non-English underrepresented communities, 3) the basics of the new task order of trusting tap water are in line with previous work and 3) the reduced administrative costs of avoiding the issuance of a new RFP for this work.

CRITICAL SUCCESS FACTORS

SAWPA has a strong reputation as a watershed-wide, knowledgeable, neutral and trusted facilitator, leader, and administrator of contracted activities

Goals, scope, costs, resources, timelines, and the contract term are approved by the Commission before executing an agreement to participate in a roundtable group

Report and use results of roundtable's work, leverage information and involvement for the benefit of SAWPA, its members, and other stakeholders.

Annual reviews of workplans and budgets for each task force activity.

RESOURCE IMPACTS

Funding for staff time and consultant support for the Emerging Constituents Program Task Force is included in the Emerging Constituents Program Task Force budget and is shown in the FYE 2018/2019 SAWPA Budget. All funding for the new Trust the Tap campaign is provided by grant funds defined under the DWR/SAWPA grant agreement.

Attachments:

1. Task Order No. DEGR398-01; DeGrave Communications
2. Proposal



**SANTA ANA WATERSHED PROJECT AUTHORITY
TASK ORDER NO. DEGR398-01**

CONSULTANT: DeGrave Communications **VENDOR NO.** 2086
40575 Cal Oaks Road, D-2 #137
Murrieta, CA 92562

VALUE: \$78,434

PAYMENT: Upon Proper Invoice

REQUESTED BY: Mark Norton, P.E. February 20, 2018
Manager of Water Resources & Planning

FINANCE: _____
Karen Williams, CFO Date

FINANCING SOURCE: Acct. Coding: 398-ADMIN-6112-01
Acct. Description: General Consulting

COMMISSION AUTHORIZATION REQUIRED: YES (X) NO ()

Funding for this work was approved on Feb. 20, 2018; ref Commission Memo #2018.____

This Task Order is issued by the Santa Ana Watershed Project Authority (hereafter "SAWPA") to **DeGrave Communications** (hereafter "Consultant") pursuant to the Agreement between SAWPA and Consultant entitled *Agreement for Services*, dated September 15, 2015 (*expires 12-31-2019*)

I. PROJECT NAME OR DESCRIPTION

Trust the Tap Campaign – Multilingual Community Outreach

II. SCOPE OF WORK / TASKS TO BE PERFORMED

Consultant shall provide all labor, materials and equipment for the Project to perform the specific task of providing social media support services in support of the Emerging Constituents Task Force, as detailed in the attached Proposal/Scope of Work, **Attachment A**.

Please refer to Appendix X for acceptable deliverable formats

III. PERFORMANCE TIME FRAME

Consultant shall begin work within five days of the date this Task Order is signed by the Authorized Officer, and shall be completed by or before **June 30, 2019**.

IV. SAWPA LIAISON

Mike Antos shall serve as liaison between SAWPA and Consultant.

V. COMPENSATION

For all services rendered by Consultant pursuant to this Task Order, Consultant shall receive a total **not-to-exceed sum of \$78,434**, in accordance with the billing rate schedule included in the Proposal. Payment for such services shall be made within 30 days upon receipt of timely and proper invoices from Consultant, as required by the above-mentioned Agreement. Each such invoice shall be provided to SAWPA by Consultant within 15 days after the end of the month in which the services were performed.

Proposal
Trust the Tap Campaign
Multilingual Community Outreach

Santa Ana Watershed
Project Authority



Submitted by:
Liselle Regueiro DeGrave
Public Relations Consultant
DeGrave Communications
February 8, 2018





DeGrave Communications
40575 Cal Oaks Road, D2-137
Murrieta, CA 92562

February 8, 2018

Santa Ana Watershed Project Authority
Attn: Mike Antos
11615 Sterling Avenue
Riverside, CA 92503

Dear Mr. Antos:

DeGrave Communications is pleased to submit the enclosed proposal to the Santa Ana Watershed Project Authority (SAWPA) for the Trust the Tap Multilingual Community Outreach Campaign. The enclosed proposal has been prepared in response to your request for seeking a qualified agency to implement the Campaign.

DeGrave Communications has been providing clients with public relations services since 2004. We are pleased to be able to provide our clients with communication outreach that is strategic, creative, relevant and ethically sound.

If given the opportunity to serve the SAWPA, DeGrave Communications will work diligently to provide the District with communication support services that are in line with goals of your organization and in the best interest of the stakeholders involved. It is with sincerity that I thank you for the opportunity to apply to serve as a potential consultant for the enclosed project.

Warm regards,

LISELLE REGUEIRO DEGRAVE
Public Relations Consultant / Principal

The Trust the Tap Campaign creates an opportunity for the Santa Ana Watershed Project Authority (SAWPA) to provide educational resource materials to water agencies along the watershed, who serve consumers in disadvantaged communities. If selected as the consultant to execute the Campaign, the DeGrave Communications team would work collaboratively to develop a unified, yet culturally sensitive and in-language program that would promote the safety, value and benefits of drinking tap water. For this project, SAWPA and the scope listed below will be identified as a facilitator of resources, with the final outreach and dissemination of campaign materials left to each stakeholder water agency.

Task 1: Community Need Planning

Initially, the DeGrave Communications team would meet with representatives of SAWPA and relative stakeholder watershed water agencies, estimated as 13 agencies. The purpose of the meeting would be to gather information on the needs from each of the agencies. Feedback on current outreach methods being implemented to disadvantaged communities will be gathered.

Following the collaborative meeting and collecting research, a draft outreach plan will be developed. Disadvantaged communities within the watershed will be identified, however it has been acknowledged that the campaign will be relevant to all watershed areas as no area is “immune” to the reality of serving a diverse community. In addition to providing materials in Spanish to target the native Spanish speakers, the campaign will identify relevant Asian languages that will require targeted in-language materials. Preliminarily, it can be assumed that Asian languages targeted will likely be Chinese, Korean and Vietnamese.

Cultural sensitivity will be addressed in the plan. An understanding for the cultures of the minority communities being served in the campaign will be stated. Cultural and language barriers between the identified targeted publics should also be noted in the plan and addressed in reasoning for chosen final tactics described in the plan.

The plan will take a three-fold approach, utilizing the following areas: digital (video and social media), collateral materials (bill stuffer, community poster and brochure), and grassroots (targeted media outreach, including campaign news release).

Task 2: Outreach with Water Agencies in involved Communities

Following the finalization and approval of the Campaign plan. The DeGrave Communications team will work together to develop drafts for the Campaign branding, materials and resources. At this time, drafted materials, based on the plan and initial feedback from water agencies, will be shared.

The Campaign approach and drafted materials will be shared in order to identify changes and feedback from water agency representatives. This step will solidify their support to share the “packet” of outreach materials to their water consumers. All materials, including videos, will be in language, with culturally appropriate images. Packet materials will be revised and finalized during this stage. It is estimated that 13 agencies will participate in the program.

Deliverables:

Campaign logo/brand: This will have varying text based on language, however all campaign materials regardless of language will have one cohesive recognizable brand and consistent messaging.

Copywriting text for website: It is recommended that each stakeholder water agency participating in the program establish a landing page on their District websites with campaign information. DeGrave Communications will create website text that can be utilized by each agency. SAWPA is encouraged to do this as well.

Newsletter story: A newsletter story with campaign messaging will be created. This can be utilized by stakeholder agencies and can be edited by each agency as they see fit.

Video: A 1-2 minute campaign video will be created in Spanish and two Asian-languages. A third language can be included, if relevant. Videos can be shared by stakeholder agencies via social media, on District campaign landing pages and can also be utilized for media b-roll purposes.

Photography: Photos that can be used for campaign outreach will be shot with images portraying both Hispanics and Asians drinking tap water, as well as images that support campaign messaging. These images can be used in collateral materials, as well as included in the campaign “packet.” These images can be utilized by stakeholder agencies to promote campaign messaging.

Social media: One campaign social media meme will be created for Facebook, Instagram and Twitter. Stakeholders can share via various social media channels. There will be one version per each language.

Collateral materials: A bill stuffer, community poster and brochure will be created. There will be one version per language. The bill stuffer will be provided in the raw digital format only so that each agency can include their personal logo. The posters and brochures will be provided in digital, as well as limited quantities in hard copy for each participating agency. Items in hard copy per agency to include: 250 posters, 500 brochures. Posters can be distributed to local businesses at the agency's discretion. Brochures can be displayed in customer service lobbies and distributed at community events. The digital brochure can also be posted to the website landing page.

Media outreach: An intro campaign news release will be created. The release will be pitched to limited targeted media in the pre-selected languages. Targeted media appointments will be made with selected top-tier media in each campaign demographic. There will be 3-4 media outlets targeted per language selected. Individual water agencies can also share the campaign news release at their discretion and offer staff as an internal spokesperson if they choose, however for the targeted media outreach, the DeGrave Communications team will serve as the spokespeople while doing media outreach. A representative from SAWPA will be quoted in the news release.

World Water Day: At the completion of the Trust the Tap Campaign, United Nations World Water Day (March 22, 2019) social memes will be created to include the in-language World Water Day logos provided on the UN website. The memes will display the Campaign logo side-by-side with the World Water Day logos. Stakeholder agencies will be encouraged to share the memes on social media, in addition to the Campaign videos. This will symbolize a collaboration, on a global level, the need for safe drinking water for all people, as well as an appreciation for the safe drinking water that is available along the Santa Ana River Watershed.

Task 3: Disseminate Engagement Packets

Stakeholder Water Agencies Outreach

Once the campaign materials have been finalized, DeGrave Communications will package and disseminate materials to interested stakeholder water agencies. A final campaign presentation will be made by the DeGrave Communications team to share the finalized materials, how they can best be utilized and the encouragement for promoting World Water Day 2019 in the spring. The announcement and campaign materials will first be presented to the stakeholder agencies before presenting to media.

Media Relations Outreach

With the knowledge that in disadvantaged, minority communities there is often distrust in the safety of tap water, as well as government, the Campaign will include a media relations component. In minority communities, the media is a highly regarded and trusted source for information. By sharing information with media and using them as a means for communication, they can support the Campaign efforts by sharing messaging with disadvantaged communities, as well as be prepared if a stakeholder agency chooses to extend media outreach to minority media outlets.

DeGrave Communications will create an in-language news release for each selected language. A targeted media list of 3-4 outlets will be selected. A member of the DeGrave Communications team will pitch the launch of the Campaign as both an educational and health-related story. Messaging will dispel misconceptions about the safety of tap water that may exist due to perceptions from their home countries.

Task 4: Support SAWPA's use of packet on World Water Day, March 22, 2019

In addition to the "evergreen" materials that will be created for the campaign, DeGrave Communications will also develop social media memes displaying the World Water Day and Campaign logo side by side in support of the internationally-recognized day of celebrating water. Social media memes and videos can be shared on social media sites and by using #WorldWaterDay.

Task 1	
Month 1	Stakeholder meeting
	Preliminary research
	Presentation to stakeholders
	Gather feedback
Month 2	Development of plan
	Identify outreach tactics
Month 3	Feedback /finalization on Plan
Task 2	
Month 4 -5	Draft campaign materials & video
	Create campaign logo / brand
	Draft all collateral materials
	Translation of materials
	Photo shoot
	Video shoot
Month 6	Finalization of all campaign materials
	Approval of materials
	Draft news release
	Translation of news release
Task 3	
Month 7	Dissemination of campaign materials (13 agencies)
	Stakeholder meeting
	Media outreach
Task 4	
March 2019	World Water Day

FEE SCHEDULE

Graphic Design	Logo/brand design	5 hours	x	\$95	\$475
	Asian poster	3 hours	x	\$95	\$285
	Asian poster	3 hours	x	\$95	\$285
	Hispanic poster	3 hours	x	\$95	\$285
	Asian social media meme (FB, Twiter, Insta)	2 hours	x	\$95	\$190
	Asian social media meme (FB, Twiter, Insta)	2 hours	x	\$95	\$190
	Hispanic social media meme (FB, Twiter, Insta)	2 hours	x	\$95	\$190
	Asian bill stuffer	3 hours	x	\$95	\$285
	Asian bill stuffer	3 hours	x	\$95	\$285
	Hispanic bill stuffer	3 hours	x	\$95	\$285
	Asian brochure (draft, edit, final)	5 hours	x	\$95	\$475
	Asian brochure (draft, edit, final)	5 hours	x	\$95	\$475
	Hispanic brochure (draft, edit, final)	5 hours	x	\$95	\$475
	WWD Asian social media meme (FB, Twiter, Insta)	2 hours	x	\$95	\$190
	WWD Asian social media meme (FB, Twiter, Insta)	2 hours	x	\$95	\$190
	WWD Hispanic social media meme (FB, Twiter, Insta)	2 hours	x	\$95	\$190
Videography	2 shoots				\$1,800
	editing 2 videos (cuts, subtitles)				\$1,800
	additional edits				\$800
Photography	2 photo shoots (Hispanic/ Asian)				\$300
	photo editing				\$300
Collateral Printing	Asian Posters (250 per agency x 13)	3,300	x	0.31	\$1,023
	Asian Posters (250 per agency x 13)	3,300	x	0.31	\$1,023
	Hispanic Posters (250 per agency x 13)	3,300	x	0.31	\$1,023
	Asian brochure (500 per agency x 13)	6,500	x	0.25	\$1,625
	Asian Brochure (500 per agency x 13)	6,500	x	0.25	\$1,625

	Hispanic Brochure (500 per agency x 13)	6,500	x	0.25	\$1,625
Hispanic Outreach	Planning: attend intro /final meeting, analyze campaign plan, media outreach planning	14 hours	x	\$150	\$2,100
	Media Tour - media strategy, pitching o Media alert development o Analyze and report media coverage o Pitch leading reporters with customized pitches o Staff media, answer media inquiries and provide media report	60 hours	x	\$150	\$9,000
	Video voice over & subtitles	15 hours	x	\$150	\$2,250
	Translation/Transcreation Services - Adapt and translate into Spanish one press release to fit Hispanic audiences. Transadapt 2 paragraphs of website copy, one social media meme, one newsletter story, one brochure, one bill stuffer and one poster to make sure is culturally relevant for the audience.				4,000
Asian Outreach	Planning: attend intro /final meeting, analyze campaign plan, media outreach planning	14 hours	x	\$150	\$2,100
	Media Tour - media strategy, pitching o Media alert development o Analyze and report media coverage o Pitch leading reporters with customized pitches o Staff media, answer media inquiries and provide media report"	75 hours	x	\$150	\$11,250
	Video voice over & subtitles	20 hours	x	\$150	\$3,000
	Translation/Transcreation Services - Adapt and translate into Chinese /Vietnamese one press release per language to fit Asian audiences. Transadapt 2 paragraphs of website copy, one social media meme, one newsletter story, one brochure, one bill stuffer and one poster to make sure is culturally relevant for the audience, in Chinese and Vietnamese				8,000
Principal Support	Intro meeting planning, research, presentation	14 hours	x	\$150	\$2,100
	Development of plan, edits, final	12 hours	x	\$150	\$1,800
	Draft all campaign materials: website copy, newsletter story, video script, social media text, news release, poster, brochure, bill stuffer. (created in English first, then translated)	50 hours	x	\$150	\$7,500
	Final meeting planning, presentation	12 hours	x	\$150	\$1,800
	Final campaign report and evaluation	12 hours	x	\$150	\$1,800
Account Executive	Create/edit intro meeting PPT	3 hours	X	\$95	\$285
	Coordination of photo shoot/ shot list	2 hours	X	\$95	\$190

	Coordination of video shoot	2 hours	X	\$95	\$190
	Create/edit final meeting PPT	3 hours	X	\$95	\$285
	Campaign admin support	22 hours	X	\$95	\$2,090
Additional Expenses	Mileage & additional expenses, such as postage				\$1,000
TOTAL					\$78,434

Liselle Regueiro DeGrave, Principal /Public Relations Consultant

Liselle would serve as the project manager and lead strategist. She would be responsible for overseeing all project components and would be the primary point person.

Liselle's experience in serving government agencies includes: Lake Elsinore & San Jacinto Watersheds Authority, Western Municipal Water District, Rancho California Water District, Elsinore Valley Municipal Water District, Jurupa Community Services District, Western Riverside County Regional Wastewater Authority, City of Temecula, City of Menifee, U.S. Food and Drug Administration and the U.S Centers for Disease Control.

DeGrave Communications was founded in 2004 and managed by, Liselle DeGrave. Established on the principal that public relations is the relationship that an organization has with its various publics; the success or failure of that organization is dependent upon those critical relationships. For over 14 years, DeGrave Communications has worked with its clients to provide public relations strategic consulting services, including, but not limited to writing, media relations, social media and events. DeGrave Communications emphasizes the need for starting all outreach with a research component and this holds true for all projects implemented by DeGrave Communications, despite budget. Ms. DeGrave is bilingual, fluent in both English and Spanish. She earned her Bachelors of Arts and Science degree from San Diego State University where she majored in public relations and minored in Spanish. Liselle has earned the distinction of her Accreditation in Public Relations (APR) and has served on the Board for the Public Relations Society of America Inland Empire Chapter.

Maria Fernanda Trochimezuk, Hispanic Outreach Consultant

Maria Fernanda brings over 14 years of experience creating successfully integrated communications campaigns for multicultural and general market audiences. Throughout her career, Maria has helped top-tier companies and nonprofit organizations exceed their media goals, including First 5 California, ConsejoSano, Wells Fargo, and MassMutual. Expertise includes community outreach, media, and multicultural communications outreach to Asian Indian, Hispanic and African American audiences.

With appearances on Univision and Mundo Fox, María has also been the lead spokesperson for diversity issues, philanthropy, and Hispanic marketing campaigns. She has received awards from the Public Relations Society of America and the Hispanic Public Relations Association. Additionally, María was one of 75 Latino entrepreneurs selected from across the United States to take part in the Stanford Latino Entrepreneur Leaders Program. A native of Argentina, María graduated from Universidad del Salvador, where she earned a Bachelor of Arts degree in international relations. After moving to California, she received a professional marketing certificate at the University of Santa Barbara.

Benny Lai, Asian Outreach Consultant

Benny Lai, has over 28 years of experience in advertising and public relations in Hong Kong and the United States. Aside from providing consulting services to his clients, Benny also serves as a consultant for A Partnership, Inc., a mid-sized Asian advertising agency located in New York. He has worked on the California Anti-Smoking campaign, as well as other commercial clients. He supplements his experience with support from a team of various expert Asian culture freelancers as needed to fulfill the communication goals of the campaigns that he works on. He has strong media connections with all Asian-language media in Southern California.

Denise Williams, Account Executive

Denise will serve as the project coordinator and support team member. She will be responsible for overseeing logistics of collateral materials and providing mid-level support where needed. In addition to supporting outreach efforts with the drafting of presentations, Denise will assist with the compiling of reports and coordination for photo shoots.

Denise has worked for DeGrave Communications since 2010, supporting clients' needs with outreach support. She has worked for Voice of America, the official external broadcast network for the U.S. Federal government. Denise holds a Bachelor of Arts and science from The University of California Santa Barbara and a master's degree from the University of Southern California.

Scott Henderson, Graphic Designer

Creation of all campaign materials would be completed by Scott Henderson of Brand X Designs. With over 22 years in the graphic design business, Scott has provided services to the public agencies, such as the City of Huntington Beach, County of San Bernardino, Orange County Transit Authority, San Bernardino County Transportation Agency, San Bernardino City Unified School District and Western Municipal Water District.

Similar to the noted Trust the Tap Campaign tasks of creating outreach materials, DeGrave Communications recently partnered with Brand X Designs to create outreach materials for the FreeSprinklerNozzles.com program. Western Municipal Water District Water Resources staff tasked DeGrave Communications with assisting in increasing member agency participation in the program. Together DeGrave Communications and Brand X Designs created a "tool kit" with materials (bill stuffer, postcard, social media images, social media messages and a newsletter story), which could easily be utilized, accessed and edited by member agencies if needed. Messaging was created by DeGrave Communications and graphics were completed by Brand X Designs. A template of each collateral piece was created, in addition to versions with the specified member agency logos. The raw files were also provided so that additional edits could be made by the agencies, such as return address and postage indicia.

Sam Wells, Videographer

Sam Wells has been shooting photo and video for 14 years professionally. Specializing in food and the lifestyle that surrounds it, he creates imagery that promotes health, wellness, and creativity in the kitchen. He has created video for projects involving SAWPA, Western Municipal Water District, as well as various water-related projects in San Diego, including the video documentation of the Poseidon Carlsbad Desalination Plant. His photography and film making focuses on health and food that regenerates people and the environment.

Jimmy Fu, Photographer

Jimmy Fu is a seasoned commercial photographer. He collaborated as part of the DeGrave Communications team for the past two years. He recently completed a similar photography project for Western Municipal Water District by providing digital usable images for outreach. He has also shot photos relating to tap water for the SAWPA tap water blog, YourSoCalTapWater.org. Jimmy has the necessary equipment to produce high quality images that can be utilized for campaign materials, as well as provided for single use.

- ◆ DeGrave Communications is a sole proprietorship.
- ◆ DeGrave Communications is registered with the U.S. federal government as a minority-owned, women-owned, emerging small business.
- ◆ California Public Utilities Commission woman/minority Business Enterprise (WMBE): 17000886
- ◆ EIN: 45-0539140
- ◆ DUNS: 079239610
- ◆ CAGE: 71PT6
- ◆ City of Murrieta business license: 09583
- ◆ City of Riverside business license: 1243785
- ◆ Liselle DeGrave is a member of the California Association of Public Information Officials (CAPIO) and the Public Relations Society of America (PRSA).



COMMISSION MEMORANDUM NO. 2018.21

DATE: February 20, 2018
TO: SAWPA Commission
SUBJECT: Adoption of CalPERS 457 Deferred Compensation Plan
PREPARED BY: Rich Haller, P.E., General Manager

RECOMMENDATION

That the Commission adopt Resolution No. 2018-2 approving adoption of the CalPERS Supplemental Income 457 Plan; and authorize the General Manager to execute and submit the following supporting documents to CalPERS:

- 1) Employer Adoption Agreement
- 2) New Employer Information Sheet
- 3) Employer Loan Provision
- 4) Employer Election to offer Self-Managed Accounts

DISCUSSION

SAWPA currently offers a 457 Plan option for employees through ICMA Retirement Corporation. Staff has expressed a desire for additional 457 Plan options. CalPERS provides a 457 Plan option which CalPERS currently manages with Voya Financial.

There are no minimum service requirements to fulfill; this is a voluntary retirement savings plan. Other than minimal staff time to administer payroll deductions, there is no cost to SAWPA and no required matching contributions. CalPERS reviews fees for the CalPERS 457 Plan investments on an ongoing basis, ensuring expense ratios are as low as possible. The core investments are managed by CalPERS staff and professional managers under contract to CalPERS. Once the CalPERS 457 Plan is adopted, the setup process should take approximately 30 days and eligible employees can join immediately.

Loan Option

The 457 Plan managed through ICMA includes an approved loan provision, which has been utilized by staff in the past. It recommended the Commission adopt a loan provision, which would result in no fees or obligation to SAWPA.

Self-Managed Account

CalPERS offers a self-managed account option, which affords staff more flexibility in choosing retirement savings investments. There is no cost to SAWPA; however, an annual \$50 maintenance fee as well as plan administration fees are deducted pro rata on a monthly basis. Please reference the attached brochure for more information.

CRITICAL SUCCESS FACTORS

4. Provide professional and highly-trained staff across planning, administration, engineering and field operations.

RESOURCE IMPACTS

Minimal staff time to administer payroll deductions.

Attachments

- 1) Resolution No. 2018-2
- 2) CalPERS 457 Deferred Compensation Plan Document
- 3) CalPERS Employer Adoption Agreement
- 4) CalPERS New Employer Information Sheet
- 5) CalPERS Employer Loan Provision
- 6) CalPERS Employer Election to Offer Self-Managed Accounts
- 7) Informational Brochures

RESOLUTION NO. 2018-1

**A RESOLUTION OF THE COMMISSION OF THE
SANTA ANA WATERSHED PROJECT AUTHORITY
APPROVING ADOPTION OF
CalPERS SUPPLEMENTAL INCOME 457 PLAN**

WHEREAS, the Santa Ana Watershed Project Authority (SAWPA) desires to establish an additional deferred compensation plan for the benefit of its employees; and

WHEREAS, the Board of Administration (the “Board”) of the California Public Employees’ Retirement System (“CalPERS”) has established the CalPERS Supplemental Income 457 Plan (the “CalPERS 457 Plan”) which may be adopted by a governmental employer the employees of which are public employees; and,

WHEREAS, the Santa Ana Watershed Project Authority believes that the CalPERS 457 Plan and the investment options available thereunder will provide valuable benefits to its employees; and,

WHEREAS, the Board has appointed Voya Financial® (the Plan Recordkeeper) to perform recordkeeping and administrative services under the CalPERS 457 Plan and to act as the Board’s agent in all matters relating to the administration of the CalPERS 457 Plan;

NOW, THEREFORE, BE IT RESOLVED, that the Santa Ana Watershed Project Authority adopts the CalPERS 457 Plan for the benefit of its employees and authorizes and directs the General Manager to execute the attached adoption agreement on behalf of the Santa Ana Watershed Project Authority and to provide CalPERS or any successor agency duly appointed by the Board with such information and cooperation as may be needed on an ongoing basis in the administration of the CalPERS 457 Plan. A copy of this Resolution No. 2018-1, the agreement, and any attachments thereto shall be on file in the office of the Santa Ana Watershed Project Authority.

ADOPTED this 19th day of January, 2018.

SANTA ANA WATERSHED PROJECT AUTHORITY

By: _____
Susan Lien Longville, Chair

Attest:

Kelly Berry, CMC
Clerk of the Board

CalPERS 457 Deferred Compensation Plan Document

The purpose of the California Public Employees' Deferred Compensation Plan (the "Plan") is to provide deferred compensation for California public employees that elect to participate in the Plan. This Plan is established pursuant to sections 21670 through 21685 of the Government Code of the State of California and is intended to constitute an "eligible deferred compensation plan" within the meaning of section 457 of the Federal Internal Revenue Code. Except as otherwise provided herein, this amendment and restatement of the Plan is effective April 30, 2014.

Article 1 - Definitions

The following terms when used herein shall have the following meaning:

1.1 Account: The bookkeeping account maintained with respect to each Participant which reflects the value of the deferred compensation credited to the Participant, including the Participant's Deferrals, the earnings or loss of the Fund (net of Fund expenses) allocable to the Participant, any Transfers for the Participant's benefit, and any distributions made to the Participant or the Participant's Beneficiary.

If a Participant has more than one Beneficiary at the time of the Participant's death, then a separate Account Balance shall be maintained for each Beneficiary. The Account Balance includes any account established under Section 7.2 for rollover contributions and plan-to-plan transfers made for a Participant, the account established for a Beneficiary after a Participant's death, and any account or accounts established for an alternate payee (as defined in section 414(p)(8) of the Code).

1.2 Adoption Agreement: The agreement under which an Employer becomes a participating Employer under this Plan.

1.3 Beneficiary: The person or persons designated by the Participant to receive distributions from the Participant's Account after the Participant's death. A designated person may include, but is not limited to, one or more of the following: an individual, trust, corporation or firm, or the estate of the Participant. A designation shall be made on a Board-approved beneficiary designation form.

1.4 Board: The Board of Administration of CalPERS.

1.5 Code: The Federal Internal Revenue Code of 1986, as amended from time to time.

1.6 Deferral: An amount credited to a Participant's Account by reason of the Participant's agreement to defer a portion of his or her salary or wages.

1.7 Deferral Agreement: The agreement between an Employer and an Employee, including any amendments thereto, which specifies the amount of Deferrals to be made by the Employee. Each Deferral Agreement or amendment thereto shall be made or confirmed in writing under procedures established by the Board.

1.8 Eligible Deferred Compensation Plan: An eligible governmental plan as defined in Section 1.457-2(f) of the Income Tax Regulations.

1.9 Employee: Any individual who is a common law employee of an Employer and is a member of CalPERS or for whom the Board is otherwise authorized to administer this Plan under the Government Code. An Employee does not include an independent contractor.

1.10 Employer: Any political subdivision of the State of California, or any agency or instrumentality of the State of California or political subdivision of the State of California for which the Board is authorized to administer this Plan under the Government Code and that has become a participating employer under this Plan pursuant to Article 2. Where required by the context, references to the Employer shall mean the current or former Employer of the Employee or Participant.

1.11 Fund: The Public Employees' Deferred Compensation Fund that has been established as part of the Plan pursuant to section 21676 of the Government Code. For purposes of Section 9.1 of this Plan, the Fund shall not include the asset management and services account maintained pursuant to section 21678 of the Government Code.

1.12 Government Code: Those statutes of the State of California that have been codified as the Government Code.

1.13 Includible Compensation: A Participant's compensation, as defined in Section 415(c)(3) of the Code, for services performed for the Employer. Includible Compensation shall be determined without regard to any community property laws.

1.14 Investment Option: One of the available alternatives for crediting investment earnings to a Participant's Account, which shall be based upon the performance of one or a combination of the investment portfolios maintained under the Fund.

1.15 Normal Retirement Age: The age used to determine the three-year period in which a Participant may utilize the catch-up limitation under Section 4.3 A Participant may designate as his or her Normal Retirement Age the age that will be attained in any Year that is not earlier than the earliest Year in which the Participant will be eligible to retire without actuarial or similar reduction under CalPERS or another retirement system and that is not later than age 70-1/2.

Once a Participant has utilized the catch-up limitation under Section 4.3 or under a comparable provision of another Eligible Deferred Compensation Plan, that Participant's Normal Retirement Age may not thereafter be changed. An Employer sponsoring more than one Eligible Deferred Compensation Plan may not permit a Participant to have more than one Normal Retirement Age under the Eligible Deferred Compensation Plans it sponsors.

1.16 Participant: Any Employee or former Employee for whom a Deferral has been credited under the Plan and for whom an Account is maintained.

1.17 CalPERS: The California Public Employees' Retirement System.

1.18 Plan: The California Public Employees' Deferred Compensation Plan established pursuant to sections 21670 through 21685 of the Government Code, the terms of which are set forth in this Plan document. To the extent required under section 457 of the Code, each Employer's participation in this Plan shall be treated as a separate plan, and each Employer's separate plan shall be deemed to include any other Eligible Deferred Compensation Plan maintained by that Employer.

1.19 Required Beginning Date: April 1st of the Year following the Year of a Participant's attainment of age 70-1/2 or Severance from Employment, whichever is later.

1.20 Self-Managed Account: A brokerage account established by a Participant through which such Participant makes self-directed investments with respect to amounts reflected in the Participant's account. This self-directed brokerage window is only available to a Participant who is an Employee of an Employer that has adopted the Self-Managed Account option.

1.21 Severance from Employment: The date that the Employee dies, retires, or otherwise has a severance from employment with the Employer, as determined by the Employer (and taking into account guidance issued under the Code). An Employee's rights upon Severance from Employment with an Employer shall be unaffected by whether the Employee thereafter becomes an Employee of another Employer that has adopted this Plan.

1.22 Transfer: An amount credited to a Participant's Account by reason of a transfer from another Eligible Deferred Compensation Plan.

1.23 Trustee: The Board of Administration of CalPERS.

1.24 Unforeseeable Emergency: A severe financial hardship of the Participant resulting from: an illness or accident of the Participant, the Participant's spouse, the Participant's domestic partner pursuant to a state domestic relations law who is a designated primary Beneficiary or the Participant's dependent (as defined in Section 152(a) of the Code, without regard to Section 152(b)(1), (b)(2), and (d)(1)(B)); loss of the Participant's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, e.g., as a result of a natural disaster); the need to pay for the funeral expenses of the

Participant's spouse or dependent (as defined in Section 152(a) of the Code, without regard to Section 152(b)(1), (b)(2), and (d)(1)(B)); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. For example, the imminent foreclosure of or eviction from the Participant's primary residence may constitute an Unforeseeable Emergency.

In addition, the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an Unforeseeable Emergency. A need to send a child to college or to purchase a new home shall not constitute an Unforeseeable Emergency.

1.25 Year: A calendar year.

Article 2 - Employer Participation

2.1 Initial Participation: This Plan shall be available to the Employees of an Employer only if the Employer has executed an Adoption Agreement and provided the Board with such information as the Board deems necessary to administer the Plan on behalf of the Employer. CalPERS, in its sole discretion, will decide whether an Employer may participate in this Plan.

2.2 Terms of Participation: By executing an Adoption Agreement, an Employer agrees to adhere to all terms and conditions of the Plan, as amended from time to time, to invest all Deferrals and Transfers in the Fund, and to follow all administrative procedures established by the Board. Except as otherwise provided herein, the terms of this Plan shall apply on a uniform basis to all Employers participating hereunder. The Board may, in its sole discretion, upon sixty (60) days advance written notice terminate an Adoption Agreement with an Employer for participation of its Employees in the Plan.

2.3 Duration of Employer Participation: In the event that an Employer withdraws from participation in the Plan, all amounts credited to the Accounts of the Employer's participating Employees will continue to be held in the Fund and will be distributed in accordance with the terms of the Plan, except to the extent of any transfers from the Plan pursuant to Section 7.3.

Article 3 - Employee Participation

3.1 Eligibility: Except as provided in section 21670 of the Government Code, all Employees of an Employer shall be eligible to participate in the Plan. Notwithstanding the above, an Employee who is a minor may only participate in this Plan to the extent he or she may enter into an enforceable contract that cannot be disaffirmed by the minor.

3.2 Initial Enrollment: In order to become a Participant, an Employee must enter into a Deferral Agreement, which shall become effective no earlier than the calendar month following the month in which the agreement is made. A Deferral Agreement will be given effect only if the Deferral amount elected therein satisfies whatever minimum the Board may establish, and the Employee provides all information called for on the agreement form.

3.3 Effect of Deferral Agreement: Commencing with the effective date of an Employee's Deferral Agreement, his or her gross salary or wages shall be reduced by the Deferral amount specified in the Deferral Agreement. Deferrals shall continue to be made in such amount unless and until the Deferral Agreement is amended or the Employee has a Severance from Employment with the Employer. Subject to the limitations of Article 4, Deferrals shall not be subject to Federal or California income tax withholding and shall not be reported as gross income on the Employee's annual wage statement (Form W-2). However, Deferrals shall be subject to FICA taxation when earned.

3.4 Amendment of Deferral Agreement: A Participant may amend or revoke his or her Deferral Agreement at any time, provided, however, that no change in the amount of a Participant's Deferrals will become effective until the calendar month following the month in which the Deferral Agreement is amended.

3.5 Investment Options: Upon initial enrollment in the Plan, the Participant's future Deferral will be invested in the Plan's designated "default" option for investment of contributions unless the Participant makes an affirmative investment election to the contrary prior to the date his or her Deferral is first invested. To the extent the Participant does not wish to have his or her contributions invested in the designated "default" Investment Option, the Participant may designate another Investment Option or Investment Options to which his or her Deferrals are to be allocated or elect to make investments through a Self-Managed Account, as applicable. A Participant may thereafter re-allocate his or her Account balance among the available Investment Options or through a Self-Managed Account, as applicable. The minimum amounts or percentages that may be allocated among Investment Options and/or through a Self-Managed Account, as applicable, and the timing and frequency of re-allocations, shall be subject to such limitations and procedures as the Board may from time to time establish. In addition, investments and trading with respect to a Self-Managed Account will be subject to any rules or restrictions adopted by the third party provider that administers such accounts.

3.6 Beneficiary Designation: Upon enrollment, the Participant shall designate a Beneficiary to receive distributions from the Participant's Account in the event of the Participant's death. A Participant may change his or her designated Beneficiary at any time, provided that an amended Beneficiary designation shall be given effect only if it is signed by the Participant and delivered to a Plan representative (or post-marked for delivery) prior to the Participant's death. The last Beneficiary designation form signed by the Participant and delivered to a Plan representative as described above shall revoke all prior Beneficiary designations. A Participant may designate any

person or persons as Beneficiaries, except as described below. Unless otherwise provided in the Beneficiary designation form, each designated Beneficiary shall be entitled to equal shares of the benefits payable after the Participant's death. If the Participant fails to designate a Beneficiary, or if no designated Beneficiary survives the Participant for a period of fifteen (15) days, or a beneficiary designation form is not in good order, then the estate of the Participant shall be the Beneficiary. Notwithstanding the foregoing, a Participant's Beneficiary designation shall not be given effect and shall be overridden to the extent that such a designation would impair the rights of any surviving spouse under applicable law. For example, if the Participant is legally married or in a registered domestic partnership, the Participant may not designate a non-spouse or non-domestic partner as the Participant's sole primary Beneficiary, as applicable, without a valid written waiver from the Participant's spouse or domestic partner. Failure to satisfy state law requirements with respect to a Participant's Beneficiary designation shall invalidate the Beneficiary designation to such non-spouse or non-domestic partner.

3.7 Additional Deferrals: An Employer may make additional Fund investments with respect to any Employee, resulting in additional credits to the Account of such Employee. Any such additional credits shall be treated as Deferrals for all purposes of the Plan. The Employer shall notify the Board of any such additional Deferrals, and each Employee for whom such Deferrals are to be made must complete a Deferral Agreement, regardless of whether elective Deferrals are to be made by such Employee.

Article 4 - Deferral Limitations

4.1 General Limitation: Except as provided in Section 4.2 or 4.3, a Participant's Deferrals for a Year shall not exceed the lesser of:

- (a) the Applicable Dollar Amount, or
- (b) the Participant's Includible Compensation for the Year.

The Applicable Dollar Amount is the amount established under section 457(e)(15) of the Code, and is \$17,500 for 2013 and 2014.

The Applicable Dollar Amount is adjusted for the cost-of-living from time to time to the extent provided under Section 415(d) of the Code.

4.2 Age 50 Catch-up Deferral Contributions: A Participant who will attain age 50 or more by the end of the Year is permitted to elect an additional amount of Deferrals, up to the maximum Age 50 Catch-up Deferrals for the year. The maximum dollar amount of the Age 50 Catch-up Deferrals is \$5,500 for 2013 and 2014.

The maximum dollar amount of the Age 50 Catch-up Deferrals is adjusted for the cost-of-living from time to time to the extent provided under the Code.

4.3 Special Section 457 Catch-up Limitation: If a Participant has designated a proper Normal Retirement Age in the manner established by the Board, then for one or more of the three (3) Years ending before the Year in which a Participant attains that Normal Retirement Age, the Participant's Deferrals shall not exceed the lesser of:

(a) An amount equal to 2 times the Section 4.1 Applicable Dollar Amount for such year, or

(b) The sum of:

(1) An amount equal to (A) the aggregate Section 4.1 limit for the current year plus each prior calendar year beginning after December 31, 2001 during which the Participant was an Employee under the Plan, minus (B) the aggregate amount of salary and wages that the Participant deferred under the Plan during such years, plus

(2) An amount equal to (A) the aggregate limit referred to in Section 457(b)(2) of the Code for each prior calendar year beginning after December 31, 1978 and before January 1, 2002 during which the Participant was an Employee (determined without regard to Sections 4.2 and 4.3), minus (B) the aggregate contributions to Pre-2002 Coordination Plans for such years.

4.4 Special Rules: For purposes of this Section 4, the following rules shall apply:

(a) Participant Covered By More Than One Eligible Plan. If the Participant is or has been a participant in one or more other eligible plans within the meaning of Section 457(b) of the Code, then this Plan and all such other plans shall be considered as one plan for purposes of applying the foregoing limitations of this Section 4. For this purpose, the Employer shall take into account any other such eligible plan maintained by the Employer and shall also take into account any other such eligible plan for which the Employer receives from the Participant sufficient information concerning his or her participation in such other plan.

(b) Pre-Participation Years. In applying Section 4.3, a year shall be taken into account only if (i) the Participant was eligible to participate in the Plan during all or a portion of the year and (ii) salary and wages, if any, under the Plan during the year was subject to the Basic Annual Limitation described in Section 4.1 or any other plan ceiling required by Section 457(b) of the Code.

(c) Pre-2002 Coordination Years. For purposes of Section 4.3(b)(2)(B), "contributions to Pre-2002 Coordination Plans" means any employer contribution, salary reduction or elective contribution under any other eligible Code Section 457(b) plan, or a salary reduction or elective contribution under any Code Section 401(k) qualified cash or deferred arrangement, Code Section 402(h)(1)(B) simplified employee pension (SARSEP), Code Section 403(b) annuity contract, and Code Section 408(p) simple retirement account, or under any plan for which a deduction is allowed because of a contribution to an organization described in Section 501(c)(18) of the Code, including plans, arrangements or accounts maintained by the Employer or any employer for whom the Participant performed services. However, the contributions for

any calendar year are only taken into account for purposes of Section 4.3(b)(2)(B) to the extent that the total of such contributions does not exceed the aggregate limit referred to in Section 457(b)(2) of the Code for that year.

(d) Disregard Excess Deferral. For purposes of Sections 4.1, 4.2 and 4.3, an individual is treated as not having deferred compensation under a plan for a prior taxable year to the extent Excess Deferrals under the plan are distributed, as described in Section 4.6. To the extent that the combined deferrals for pre-2002 years exceeded the maximum deferral limitations, the amount is treated as an Excess Deferral for those prior years.

4.5 Deferrals Prior To or After Severance from Employment, Including Sick, Vacation, and Back Pay:

A participant who has not had a severance from employment may elect to defer accumulated sick pay, accumulated vacation pay, and back pay under the following terms:

(a) deferrals attributable to accumulated sick pay, accumulated vacation pay, and back pay may be deferred for any calendar month only if an agreement providing for the deferral is entered into before the beginning of the month in which the amounts would otherwise be paid or made available and the participant is an employee on the date the amounts would otherwise be paid or made available, or

(b) deferrals attributable to accumulated sick pay, accumulated vacation pay, and back pay may be made for former employees with respect to compensation described in Section 1.415(c)-2(e)(3)(ii) of the Income Tax Regulations (relating to certain compensation paid within 2½ months following severance from employment), compensation described in Section 1.415(c)-2(g)(4) of the Income Tax Regulations (relating to compensation paid to participants who are permanently and totally disabled), and compensation relating to qualified military service under Section 414(u) of the Code.

4.6 Correction of Excess Deferrals: If the Deferrals on behalf of a Participant for any calendar year exceed the limitations described above, or the Deferrals on behalf of a Participant for any calendar year exceed the limitations described above when combined with other amounts deferred by the Participant under another Eligible Deferred Compensation Plan for which the Participant provides information that is accepted by the Employer, then the Deferral, to the extent in excess of the applicable limitation (adjusted for any income or loss in value, if any, allocable thereto), shall be distributed to the Participant.

4.7 Protection of Persons Who Serve in a Uniformed Service: An Employee whose employment is interrupted by qualified military service under Section 414(u) of the Code or who is on a leave of absence for qualified military service under Section 414(u) of the Code may elect to make additional Deferrals upon resumption of employment with the Employer equal to the maximum Deferrals that the Employee could have elected during that period if the Employee's employment with the Employer had continued (at the same level of salary or wages) without the interruption or leave, reduced by the Deferrals, if any, actually made for the Employee during the period of the interruption or leave. This right applies for five years following the resumption of employment (or, if sooner, for a period equal to three times the period of the interruption or leave). Effective January 1, 2007, if a Participant dies while performing qualified military service (as defined in Section 414(u) of the Code), the Participant's Beneficiaries shall be entitled to receive any additional benefits (other than additional credits described in Section 3.7 or similar benefit accruals relating to the period of qualified military service) provided under the Plan, as if the Participant had resumed employment and subsequently experienced a Severance from Employment on account of death.

Article 5 - Participant Accounts

5.1 Crediting of Accounts: All Deferrals and Transfers with respect to a Participant shall be credited to the Participant's Account as of the date such amounts are invested in the Fund in accordance with the procedures established by the Board. The Employer shall remit to CalPERS all Deferrals and Transfers directed by Participants to be invested in the Fund as soon as reasonably practicable after such amounts are withheld from the Participant's salary or wages or are available from the transferor plan, as applicable.

5.2 Account Balances: The value, or balance, of each Participant's Account shall equal the aggregate value of the Fund investments held with respect to the Participant, based on the Investment Options selected by the Participant, and the method of valuation established by the Board. Each Participant shall periodically receive a statement which shows his or her Account balance and summarizes any credits or other transactions since the preceding statement. In the event that an individual has participated in this Plan by reason of employment with two or more Employers, separate Accounts shall be maintained for such individual with respect to each employment relationship.

Article 6 - Distributions

6.1 Commencement of Distributions upon Severance from Employment: Upon a Participant's Severance from Employment with an Employer (including a Severance from Employment described in Section 6.8), the Participant may elect to receive distributions under one of the optional distribution forms described in Section 6.2, or the Participant may elect a deferred commencement date under Section 6.3. If no election is made by the date the Participant attains age 70-1/2 (or, if later, 30 days after the Participant's Severance from Employment), distributions shall commence in accordance with Section 6.9.

6.2 Optional Distribution Forms: Prior to the commencement date under Section 6.1 or Section 6.3, as applicable, the Participant may elect to have his or her Account distributed in one of the following forms:

- (a) a single lump sum payment;
- (b) installment payments for a period of years (payable on an annual, semi-annual, quarterly, or monthly basis) which extends no longer than the life expectancy of the Participant or such longer period as permitted under Section 6.9(b);
- (c) partial lump sum payment of a designated amount;
- (d) any combination of the above forms of distribution; or
- (e) such other form of installment payments as may be approved by the Board consistent with the limitations of Section 6.9.

The Participant or a Beneficiary, after a Participant's death, may request a change to the form of distribution initially elected under this Section. Any such election must be made in writing at least 60 days prior to the effective date of the change. The Participant's distributions made under a subsequent election shall be under one of the optional distribution forms described in this Section.

6.3 Deferred Commencement Date: A Participant may elect a deferred commencement date for part or all of the Participant's Account balance at any time prior to the calendar year the Participant attains age 70-1/2 (or, if later, 30 days after the Participant's Severance from Employment). Such date may not be later than the Participant's Required Beginning Date.

6.4 In-Service Distributions From Rollover Account: If a Participant has a separate account attributable to rollover contributions to the Plan, the Participant may at any time elect to receive a distribution of all or any portion of the amount held in the rollover account under any optional distribution form described in Section 6.2.

6.5 Cash-outs and Combined Payments: The Board reserves the right to adopt guidelines, which shall be uniformly applied to all Plan Participants and Beneficiaries, under which Account balances below a specified level may be distributed in a lump sum upon Severance from Employment or at a deferred commencement date and installment payments below a specified amount may be combined and paid at less frequent intervals (but not less frequently than annually). In addition, the Board reserves the right, subject to the limitations of section 457(e)(9)(A) of the Code, to establish uniform guidelines under which a Participant's Account balances may be distributed in a lump sum either before or after the Participant's Severance from Employment, and either with or without the Participant's consent, provided that (i) the Participant's Account balance does not exceed \$1,000 in the case of a distribution without the Participant's consent (\$5,000 before March 28, 2005), (ii) the Participant's Account balance does not exceed \$5,000 in the case of a distribution with the Participant's consent, (iii) no Deferral has been credited to the Participant's Account in the preceding twenty-four (24) months, and (iv) no prior payment has been made to the Participant under Section 6.1 or this Section 6.5.

6.6 Unforeseeable Emergency Distributions: In the event of an Unforeseeable Emergency prior to or after the commencement of distributions, a Participant may apply to receive that part of the value of the Participant's Account that is reasonably needed to satisfy the emergency need, including any income tax resulting from the distribution. Payment will not be made to the extent that the financial hardship may be satisfied through cessation of Deferrals, insurance or other reimbursement, or a liquidation of other assets to the extent such liquidation would not itself cause severe financial hardship.

6.7 Death Benefits: Upon the Participant's death, the Participant's remaining Account balance shall be payable to the Beneficiary as soon as reasonably practicable after the Participant's death, unless the Beneficiary elects a deferred commencement date that is consistent with the limitations set forth below. Prior to the Beneficiary's commencement date, the Beneficiary may elect to receive the Participant's remaining Account balance under any optional distribution form described in Section 6.2, provided that the elected distribution form satisfies the limitations set forth below.

(a) If the Participant dies prior to the Participant's Required Beginning Date and the Beneficiary is the Participant's surviving spouse, the commencement date shall be no later than the last day of the Year in which the Participant would have attained age 70-1/2 (or, if later, the Year immediately following the Year of the Participant's death) and shall be paid over a period that does not exceed the Beneficiary's life expectancy using the single life table in Section 1.401(a)(9)-9, A-1, of the Income Tax Regulations for the spouse's age on the spouse's birthday for that year.

(b) If the Participant dies prior to the Participant's Required Beginning Date and the Beneficiary is not the Participant's surviving spouse, the entire Account balance shall be distributed no later than (i) the last day of the Year which includes the fifth (5th) anniversary of the Participant's death, or (ii) if distributions to the Beneficiary commence by the last day of the Year

immediately following the Year of the Participant's death, the entire Account balance shall be distributed over the Beneficiary's life expectancy determined in the year following the year of the Participant's death using the single life table in Section 1.401(a)(9)-9, A-1, of the Income Tax Regulations for the Beneficiary's age on the Beneficiary's birthday for that year, reduced by one for each year that has elapsed after that year.

(c) If the Participant dies after the Participant's Required Beginning Date or after the commencement of distributions in the form of an annuity, the Beneficiary may not elect to defer the commencement of death benefits, and the Participant's remaining Account shall be distributed at least as rapidly as under the method selected by the Participant.

(d) In the event that a Beneficiary dies before all payments to the Beneficiary have been completed, the remaining value of the Participant's Account shall be paid to the estate of the Beneficiary in a lump sum.

(e) If there are two or more Beneficiaries, the provisions of this Section 6.7 and Section 6.9 shall be applied separately to each Beneficiary with respect to that Beneficiary's share in the Participant's Account.

(f) No Beneficiary shall have any right of recovery against the Employer or the Plan for any distributions that are made in the name of the Participant before a Plan representative has been duly notified of the Participant's death.

6.8 Uniformed Service Member Distributions: Effective January 1, 2009, a Participant who is performing service in the uniformed services (as defined in chapter 43 of title 38, United States Code) and on active duty for a period of more than 30 days will be treated as if he has experienced a "Severance from Employment" under Section 6.1 above, in accordance with section 414(u)(12)(B) of the Code. Such Participant may elect to receive a distribution of all or a portion of his Account; provided, however, that the Participant will not be required to take a distribution under this Section 6.8. A Participant who elects to receive a distribution pursuant to this Section 6.8 will be precluded from making Deferrals to the Plan during the six (6) month period beginning on the date of such distribution.

6.9 Latest Distribution Date:

(a) In general. In no event shall any distribution under this Section 6 begin later than the Required Beginning Date. If distributions commence in the calendar year following the later of the calendar year in which the Participant attains age 70-1/2 or the calendar year in which the Severance from Employment occurs, the distribution on the date that distribution commences must be at least equal to the minimum installment payment for the year that the Participant has a Severance from Employment (determined under paragraph (b)) and an amount at least equal to the minimum installment payment for the year after Severance from Employment (determined under paragraph (b)) must also be paid before the end of the calendar year of commencement.

(b) Minimum installment amount. Unless a lower amount is permitted under Code Section 401(a)(9), the minimum installment amount is the amount payable equal to a fraction of the Account balance equal to one divided by the distribution period set forth in the Uniform Lifetime Table at Section 1.401(a)(9)-9, A-2, of the Income Tax Regulations for the Participant's age on the Participant's birthday for that year. If the Participant's age is less than age 70, the distribution period is 27.4 plus the number of years that the Participant's age is less than age 70. The Account balance for this calculation (other than the final installment payment) is the Account balance as of the end of the year prior to the year for which the distribution is being calculated.

6.10 Distributions/Rollovers from Fund:

(a) In general. Except as otherwise provided herein, all distributions shall be made directly from the Fund to the Participant or Beneficiary. To the extent required by law, income and other taxes shall be withheld from each benefit payment, and payments shall be reported to the appropriate governmental agency or agencies.

(b) Rollover Distributions. A Participant, the surviving spouse of a Participant (or a Participant's former spouse who is the alternate payee under a domestic relations order, as defined in Section 414(p) of the Code), or a nonspouse Beneficiary who is entitled to an eligible rollover distribution may elect, at the time and in the manner prescribed by the Board, to have all or any portion of the distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover.

(c) Definitions. For purposes of this Section 6.11, an eligible rollover distribution means any distribution of all or any portion of a Participant's Account balance, except that an eligible rollover distribution does not include (a) any installment payment under Section 6.2 for a period of 10 years or more (b) any distribution made under Section 6.6 as a result of an unforeseeable emergency, or (c) for any other distribution, the portion, if any, of the distribution that is a required minimum distribution under Section 401(a)(9). In addition, an eligible retirement plan means an individual retirement account described in Section 408(a) of the Code, an individual

retirement annuity described in Section 408(b) of the Code, a qualified trust described in Section 401(a) of the Code, an annuity plan described in Section 403(a) or 403(b) of the Code, an eligible governmental plan described in Section 457(b) of the Code, or a Roth individual retirement account described in Section 408A of the Code, that accepts the eligible rollover distribution.

Article 7 - Transfers

7.1 Acceptance of Transfers: A Transfer will be accepted and credited to a Participant's Account under the Plan if such Transfer is made from another Eligible Deferred Compensation Plan maintained by the Employer or another employer and is made in cash or other property that the Board accepts for investment in the Fund. Any Transfer so credited to a Participant's Account shall be invested in the Fund, and the portion of the Participant's Account balance attributable to such Transfer shall be distributed in accordance with the terms of the Plan.

7.2 Eligible Rollover Contributions to the Plan:

(a) A Participant who is an Employee and who is entitled to receive an eligible rollover distribution from another eligible retirement plan may request to have all or a portion of the eligible rollover distribution paid to the Plan. The Board may require such documentation from the distributing plan as it deems necessary to effectuate the rollover in accordance with Section 402 of the Code and to confirm that such plan is an eligible retirement plan within the meaning of Section 402(c)(8)(B) of the Code.

(b) For purposes of this Section 7.2, an eligible rollover distribution means any distribution of all or any portion of a Participant's benefit under another eligible retirement plan, except that an eligible rollover distribution does not include (1) any installment payment for a period of 10 years or more, (2) any distribution made as a result of an unforeseeable emergency or other distribution which is made upon hardship of the employee, or (3) for any other distribution, the portion, if any, of the distribution that is a required minimum distribution under Section 401(a)(9) of the Code. In addition, an eligible retirement plan means an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, a qualified trust described in Section 401(a) of the Code, an annuity plan described in Section 403(a) or 403(b) of the Code, or an eligible governmental plan described in section 457(b) of the Code, that accepts the eligible rollover distribution.

(c) The Plan shall establish and maintain for the Participant a separate account for any eligible rollover distribution paid to the Plan from any eligible retirement plan that is not an eligible governmental plan under Section 457(b) of the Code. In addition, the Plan shall establish and maintain for the Participant a separate account for any eligible rollover distribution paid to the Plan from any eligible retirement plan that is an eligible governmental plan under Section 457(b) of the Code.

7.3 Transfers to other Plans:

(a) At the election of a Participant, all or a portion of the Participant's Account balance may be transferred to another Eligible Deferred Compensation Plan maintained by the Employer or another employer of the Participant, provided that such other plan accepts transfers and the transfer is otherwise in accordance with Section 457(e)(10) of the Code and Section 1.457-10(b) of the Income Tax Regulations.

(b) In connection with an Employer withdrawal from participation in the Plan, such Employer may direct the transfer of all Participant Account balances to another Eligible Deferred Compensation Plan, provided that such other plan accepts transfers and the transfer is otherwise in accordance with Section 457(e)(10) of the Code and Section 1.457-10(b) of the Income Tax Regulations.

7.4 Transfer Conditions: The Board reserves the right to limit the terms and conditions under which Transfers will be accepted from or made to other Eligible Deferred Compensation Plans, including requiring such documentation from the other plan as it deems necessary to effectuate the transfer in accordance with Section 457(e)(10) of the Code and Section 1.457-10(b) of the Income Tax Regulations and to confirm that the other plan is an Eligible Deferred Compensation Plan.

7.5 Permissive Service Credit Transfers: If a Participant is also a participant in a tax-qualified defined benefit governmental plan (as defined in Section 414(d) of the Code) that provides for the acceptance of plan-to-plan transfers with respect to the Participant, then the Participant may elect to have any portion of the Participant's Account balance transferred to such defined benefit governmental plan as may be permitted by such defined benefit governmental plan. A transfer under this Section 7.5 may be made before the Participant has had a Severance from Employment; provided, however, that such a transfer may be made only if the transfer is either for the purchase of permissive service credit (as defined in Section 415(n)(3)(A) of the Code) under the receiving defined benefit governmental plan or a repayment to which Section 415 of the Code does not apply by reason of Section 415(k)(3) of the Code.

Article 8 – Loans

8.1 Loans: A Participant who is an Employee of an Employer that has adopted the Loan Provision for its Employees may apply for and receive a loan from his or her Account Balance as provided in this Section 8. Any such loan may not be for an amount less than \$1,000.

8.2 Maximum Loan Amount: No loan to a Participant hereunder may exceed the lesser of:

(a) \$50,000, reduced by the greater of (i) the outstanding balance on any loan from the Plan to the Participant on the date the loan is made or (ii) the highest outstanding balance on loans from the Plan to the Participant during the one-year period ending on the day before the date the loan is approved by the Plan (not taking into account any payments made during such one-year period), or

(b) one half of the value of the Participant's vested Account Balance (as of the Valuation Date immediately preceding the date on which such loan is approved by the Plan).

For purposes of this Section 8.2, any loan from any other plan maintained by a participating employer shall be treated as if it were a loan made from the Plan, and the Participant's vested interest under any such other plan shall be considered a vested interest under this Plan; provided, however, that the provisions of this paragraph shall not be applied so as to allow the amount of a loan under this Section 8.2 to exceed the amount that would otherwise be permitted in the absence of this paragraph.

8.3 Terms of Loan: The terms of the loan shall:

(a) require level amortization with payments not less frequently than quarterly throughout the repayment period, except that alternative arrangements for repayment may apply in the event that the borrower is on an bona fide unpaid leave of absence for a period not to exceed one year for leaves other than a qualified military leave within the meaning of Section 414(u) of the Code or for the duration of a leave which is due to qualified military service;

(b) require that the loan be repaid within five years; and

(c) provide for interest at a rate equal to one percentage point above the prime rate as published in the Wall Street Journal on the first business day of the month in which the loan is approved by the Plan.

8.4 Security for Loan; Default:

(a) Security. Any loan to a Participant under the Plan shall be secured by the pledge of the portion of the Participant's interest in the Plan invested in such loan.

(b) Default. In the event that a Participant fails to make a loan payment under this Section 8 within the last day of the quarter following the quarter when the payment is due, a default on the loan shall occur. The rules that apply in the event of such a default shall be governed by separate loan procedures to be adopted by the Board.

8.5 Repayment: The Participant shall be required, as a condition to receiving a loan, to enter into an irrevocable agreement authorizing the Employer to make payroll deductions from his or her Compensation as long as the Participant is an Employee and to transfer such payroll deduction amounts to the Trustee in payment of such loan plus interest. Repayments of a loan shall be made by payroll deduction of equal amounts (comprised of both principal and interest) from each paycheck, with the first such deduction to be made as soon as practicable after the loan funds are disbursed; provided however, that a Participant may prepay the entire outstanding balance of his loan at any time (but may not make a partial prepayment); and provided, further, that if any payroll deductions cannot be made in full because a Participant is on an unpaid leave of absence or is no longer employed by a participating employer (that has consented to make payroll deductions for this purpose) or the Participant's paycheck is insufficient for any other reason, the Participant shall pay directly to the Plan the full amount that would have been deducted from the Participant's paycheck, with such payment to be made by the last business day of the calendar month in which in which the amount would have been deducted.

Article 9 - Participant Rights

9.1 Participants' Interest in the Fund: The Fund shall constitute a trust held for the exclusive benefit of Participants and Beneficiaries under the Plan. The Board is the Trustee of the Fund. No part of the corpus or income of the Fund shall be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries, and no Employer or creditor of an Employer shall have any interest in or claim against any part of the assets of the Fund.

9.2 Benefits Based on Account Balances: The benefits payable to each Participant (and his or her Beneficiary) shall be measured by and limited to the amounts properly credited to the Participant's Account. A Participant shall have no claim under the Plan for any loss or diminution of his or her Account balance that is attributable to any loss in the value of the investment portfolios of the Fund that correspond with the Investment Options selected by the Participant or in connection with any other investment selected by the Participant through a Self-Managed Account.

9.3 Nonassignability: Except as provided in Section 9.4, the rights of a Participant or Beneficiary under this Plan may not be sold, assigned, pledged, committed, transferred, or otherwise conveyed, and any attempt to assign or transfer rights or benefits under this Plan shall not be recognized. Except as otherwise required by law, the rights of a Participant or Beneficiary under this Plan shall not be subject to attachment, garnishment, or execution, or to transfer by operation of law in the event of bankruptcy or insolvency of the Participant or Beneficiary or otherwise.

9.4 Transfers under Domestic Relations Orders: To the extent required under a final judgment, decree, or order (including approval of a property settlement agreement) made pursuant to a state domestic relations law, any portion of a Participant's Account may be paid or set aside for payment to a spouse, former spouse, or child of the Participant. Where necessary to carry out the terms of such an order, a separate account shall be established with respect to the spouse, former spouse, or child who shall be entitled to choose Investment Options in the same manner as the Participant. Any amount so set aside for a spouse, former spouse, or child shall be paid out in a lump sum, unless the judgment, decree, or order directs a different form of payment. The Board also may adopt administrative procedures to permit payment to be made without regard to whether the Participant is eligible for a distribution under the Plan. Nothing in this Section 9.4 shall be construed to authorize any amount to be distributed under the Plan at a time or in a form that is not permitted under Section 457 of the Code.

9.5 Release from Liability to Participant: A Participant's right to receive benefits under the Plan shall be reduced to the extent that any portion of a Participant's Account has been paid or set aside for payment to a spouse, former spouse, or child pursuant to Section 9.4 or to the extent that the Employer or the Plan is otherwise subject to a binding judgment, decree, or order for the attachment, garnishment, or execution of any portion of the Participant's Account or of any distributions therefrom. The Participant shall be deemed to have released the Employer and the Plan from any claim with respect to such amounts in any case in which (i) the Employer, the Plan, or any Plan representative has been served with legal process or otherwise joined in a proceeding relating to such amounts, (ii) the Participant has been notified of the pendency of such proceeding in the manner prescribed by the law of the jurisdiction in which the proceeding is pending for service of process or by mail from the Employer or a Plan representative to the Participant's last known mailing address, and (iii) the Participant fails to obtain an order of the court in the proceeding relieving the Employer and the Plan from the obligation to comply with the judgment, decree, or order.

9.6 Participation in Legal Proceedings: Neither the Employer nor any Plan representative shall be obligated to incur any cost to defend against or set aside any judgment, decree, or order relating to the division, attachment, garnishment, or execution of the Participant's Account or of any distribution therefrom. Notwithstanding the foregoing, if the Employer, the Plan, or a Plan representative is joined in any such proceeding, a Plan representative shall take such steps as it deems necessary and appropriate to protect the terms of the Plan.

Article 10 - Terms of Fund Investments

10.1 Use of Fund: Except as otherwise provided herein, the Fund shall serve as the exclusive investment vehicle for amounts held under this Plan. By executing an Adoption Agreement, each participating Employer shall agree to accept the terms and conditions of Fund investments set forth herein and to invest all Deferrals and Transfers with respect to its Employees in the Fund. Except as otherwise authorized by the Board, Fund investments shall be restricted to participating Employers that have adopted this Plan.

10.2 Administration of Fund: As provided in section 21677 of the Government Code, the Board has the exclusive control of the administration and investment of the Fund. As provided in section 21676 of the Government Code, the Board may retain a bank or trust company to serve as a custodian for safekeeping, recordkeeping, delivery, securities valuation, investment performance reporting, or other services in connection with the investment of the Fund. In addition, the Board may retain one or more investment managers or investment advisors to manage or participate in the management of the investment portfolios of the Fund. All expenses and fees incurred in the administration of the Fund shall be treated as Plan expenses under Section 11.4.

10.3 Investment Options: The Board shall establish such Investment Options as it deems necessary to provide Participants with a diversified range of alternatives, including but not limited to Investment Options of the type described in section 21673 of the Government Code. The Board may designate a “default” Investment Option under the Plan in accordance with the procedures and investment policy established by the Board. Each Investment Option shall be based upon the investment performance of one or a combination of separate investment portfolios maintained under the Fund. The Board shall specify the investment objectives and characteristics of each Investment Option and the corresponding investment portfolio or portfolios and shall provide Employers and eligible Employees with a written description of each available Investment Option. The Board, in its sole discretion, may add, eliminate, or consolidate Investment Options and corresponding investment portfolios from time to time. In the event that an Investment Option is eliminated, the Board shall provide prior notice of such elimination, and if the Participants whose Accounts were wholly or partially allocated to that Investment Option do not make a re-allocation, the Board shall re-allocate such amounts to the available Investment Option or Investment Options that the Board in its sole discretion deems most comparable to the eliminated Investment Option.

10.4 Fund Investments: Subject to the limitations of applicable law and such further limitations as the Board may establish, each investment portfolio of the Fund may hold any form of investment that is consistent with its investment objectives. Without limiting the generality of the foregoing, the investment portfolios may hold equity or debt securities (other than securities issued by any Employer), fixed or variable annuity contracts (including deposit administration contracts) issued by life insurance companies, certificates of deposit or fixed rate investment

contracts issued by a bank or similar institution, and such short-term instruments or deposits as the Board deems necessary to satisfy the liquidity needs of the Fund. In addition, each investment portfolio may hold shares, units, or participating interests in regulated investment companies, common or collective trust funds maintained by banks or similar institutions, investment partnerships, or other pooled investment funds or trusts that may issue participating interests to Eligible Deferred Compensation Plans. Notwithstanding the foregoing, the Board, in its sole discretion, may also permit Employers to elect to allow their Employees to invest in a Self-Managed Account. Amounts invested by a Participant in a Self-Managed Account will be retained within the Plan and a Participant may be required to sell or exchange such investments and/or transfer amounts invested through a Self-Managed Account into one or more Investment Options made available under the Fund before taking a distribution from the Plan. Unlike the Investment Options made available under the Fund, the investments available under the Self-Managed Account are not selected, reviewed, or monitored by the Board. The Board may eliminate the availability of Self-Managed Accounts at any time.

10.5 Valuation and Accounting: Each investment portfolio of the Fund shall be valued at least monthly, and the value of each Participant's Account shall be determined by reference to the portion of the Participant's Account allocable to each investment portfolio. The valuation of each investment portfolio shall reflect income received and accrued, realized and unrealized gains and losses, and allocable Fund expenses. The value of each Participant's interest in an investment portfolio may be measured in units, shares, or dollars. In addition, the Board shall maintain records showing the value of the Fund investments allocable to all Participants (and deceased Participants) whose entitlement to benefits under the Plan is attributable to employment with each participating Employer.

10.6 Redemption Restrictions: No Employer shall have any right to redeem, revoke, sell, or otherwise liquidate any contribution to or investment in the Fund, except as may be necessary to:

(a) effectuate a Participant's election to transfer all or a portion of his or her Account balance to another Eligible Deferred Compensation Plan pursuant to Section 7.3(a);

(b) effectuate a transfer of Participant Account balances to another Eligible Deferred Compensation Plan as part of an Employer's withdrawal from this Plan pursuant to Section 7.3(b); or

(c) correct an investment in the Fund made by reason of a mistake of fact.

Nothing in paragraphs (a) through (c), above, shall give any Employer the right to redeem, revoke, sell, or otherwise liquidate any Fund investment, unless the Board or its designee has been provided with adequate evidence of the Employer's right to do so.

Article 11 - Administration of Plan

11.1 Duties of Board: Except as provided in Section 11.3, the administration of the Plan shall be under the exclusive control of the Board. The decisions of the Board shall be final, binding, and conclusive on all interested persons for all purposes. No member of the Board shall be entitled to act on or decide any matters relating solely to himself or herself or any of his or her rights or benefits under the Plan. To the maximum extent permitted by law, each member of the Board shall be held harmless for all acts performed in good faith in connection with the Plan.

11.2 Delegation of Authority: The Board may delegate to any individual member of the Board, any employee or employees of CalPERS, or any independent contractor the authority to act as the Board's agent with respect to any matter within the control of the Board, provided that any such delegation of authority shall be subject to revocation by the Board. Any act that the Board is required or authorized to perform under the terms of this Plan, including any communication to be made or received by the Board and the adoption of any supplementary guidelines or procedures, may be performed by an agent of the Board, provided such person is acting within the scope of that person's delegation of authority from the Board. To the maximum extent permitted by law, each employee of CalPERS shall be held harmless for any act performed in good faith in connection with the Plan.

11.3 Duties of Employer: In accordance with procedures established by the Board, the Employer shall be responsible:

- (a) to assure that participation in the Plan is limited to Employees of the Employer and to make the Plan available to all eligible Employees;
- (b) to assure that Deferrals are properly deducted from the salaries and wages of participating Employees and remitted on a timely basis and as soon as reasonably practicable to the Fund and to report the amount of such Deferrals on Employee's wage statements in the manner required under applicable law;
- (c) to assure that Deferrals, taking account of amounts deferred under any other Eligible Deferred Compensation Plan maintained by the Employer, do not exceed the limitations described in Article 4;
- (d) to approve distribution elections and applications, including applications for withdrawals on account of Unforeseeable Emergencies, in accordance with the requirements of Article 6;
- (e) to assure that an Employee's Severance from Employment described in Section 1.20 is reported to CalPERS timely and in the manner prescribed by the Board.
- (f) to provide the Board with such information and in such form as the Board deems necessary for the proper administration of the Plan; and

(g) to carry out such other responsibilities as the Employer and the Board may agree.

11.4 Plan Expenses: The expenses of administering the Plan and Fund, including (i) expenses incurred by the Board in the administration of the Plan and Fund, (ii) fees and expenses approved by the Board for investment advisory, custodial, recordkeeping, and other plan administration and communication services, and (iii) any other expenses or charges allocable to the Plan or the Fund that have been approved by the Board shall be charged to the Fund or, as appropriate, to a particular Investment Option or Investment Options under the Fund and shall be reflected in Participants' Account balances as provided in Section 5.2. Brokerage fees, transfer taxes, and any other costs incident to the purchase or sale by the Fund of securities or other investments shall be deemed to be part of the cost of such securities or investments or deducted in computing the sales proceeds therefrom and shall be accounted for accordingly. Notwithstanding the foregoing, the Board reserves the right, as provided in section 21675 of the Government Code, to enter into arrangements with Employers under which specified administration costs are borne by such Employers or charged against additional Deferrals under Section 3.7 at the time invested in the Fund.

11.5 Communications from Participants: All enrollments, elections, designations, applications and other communications by or from an Employee, Participant, Beneficiary, or legal representative of any such person regarding that person's rights under the Plan shall be made in the form and manner established by the Board and shall be deemed to have been made and delivered only upon actual receipt by the person designated by the Board to receive such communication. Neither the Board nor the Employer shall be required to give effect to any such communication that is not made on the prescribed form and in the prescribed manner and that does not contain all information called for on the prescribed form. The Employer shall promptly furnish the Board or its designee a copy of any such communication that is delivered or transmitted to the Employer.

11.6 Communications to Employers: All notices, statements, reports, and other communications from the Board to any Employer shall be deemed to have been duly given when delivered to, including electronic delivery, or when mailed by first class mail, to the official of the Employer who has been designated by the Employer in connection with its Adoption Agreement (or as a modification of the information provided in connection with its Adoption Agreement) to receive such communications.

11.7 Communications to Participants: All notices, statements, reports, and other communications from the Board or an Employer to any Employee, Participant, Beneficiary, or legal representative of any such person shall be deemed to have been duly given when delivered to, including electronic delivery, or when mailed by first class mail, to such person at his or her last mailing address appearing on the Plan records.

11.8 Time Periods: As necessary or desirable to facilitate the proper administration of the Plan and consistent with the requirements of section 457 of the Code, the Board may further restrict the time periods during which a Participant or Beneficiary is required to make any election under the Plan, including the making or amending of a Deferral Agreement, the making or amending of Investment Option selections, the election of distribution commencement dates or distribution forms.

Article 12 - General Provisions

12.1 Amendment: Subject to the requirements of the Government Code, the Board reserves the right at any time to amend or modify the Plan without the consent of any Employer, Participant, or Beneficiary. The Board shall give notice of any such amendment or modification to participating Employers. Except as may be required to maintain the status of the Plan as an Eligible Deferred Compensation Plan under section 457 of the Code or to comply with other applicable law, no amendment or modification shall impair any individual's right to benefits under the Plan or expand any Employer's obligation to provide benefits with respect to amounts previously credited to Participants' Accounts.

12.2 Effect on Employment: Nothing contained herein shall give any Employee the right to be retained in the employment of an Employer or affect the right of an Employer to terminate any Employee's employment.

12.3 Binding Contract: The terms of this Plan, as duly amended from time to time, shall constitute a contract between each Participant and the Employer and shall be binding, as applicable, upon their heirs, administrators, trustees, successors, assigns, and Beneficiaries.

12.4 Supplementary Information and Procedures: Any explanatory brochures, pamphlets, or notices distributed by the Board to Employees, Participants, Beneficiaries, or Employers shall be distributed for information purposes and shall not override any provision of this Plan or give any person any claim or right not provided for under this Plan. Notwithstanding the foregoing, to the extent that the terms of this Plan document authorize the Board to adopt supplementary guidelines or procedures, any publication announcing such guidelines or procedures may be relied upon by the persons to whom it is distributed, unless and until modified by a subsequent publication. Any procedural requirement described in any such publication shall be binding upon the Employee, Participant, Beneficiary, or Employer, as applicable, to the same extent as if such requirement were set forth in this Plan document.

12.5 Incompetence of Payee: If an Employer or the Board shall find that any person to whom any amount is payable under the Plan is unable to care for his or her affairs, is a minor, or has died, any payment due him or her, or his or her estate, may be paid to his or her spouse, a child, a relative, or any other person having maintaining or having custody of such person, unless a prior claim therefor has been made by a duly appointed legal representative. Any such payment shall be a complete discharge of all liability under the Plan thereof.

12.6 Inability to Locate Beneficiary: Each Participant and each Beneficiary designated by the Participant (to the extent the Participant is deceased) shall be responsible for filing with the Board the Participant's or Beneficiary's (as applicable) current mailing address and other contact information that may be requested by the Board. Any communication, statement or notice addressed to a Participant or Beneficiary at the mailing address on file with the Board shall be binding on the Participant and each Beneficiary for all purposes of the Plan. If the Board notifies a Participant or Beneficiary at such mailing address that the Participant or Beneficiary is entitled to payment, and the Participant or Beneficiary fails to claim the his or her benefits or is not able to be located after reasonable diligence within three (3) years after such notification, the Participant's or Beneficiary's benefits shall escheat to the state of California, to the extent permitted by applicable law.

12.7 Applicable Law: This Plan shall be construed under the laws of the State of California and in conformity with the requirements of section 457 of the Code and all regulations thereunder applicable to Eligible Deferred Compensation Plans.

Employer Adoption Agreement

The employer identified below (the “Employer”) adopts the CalPERS Supplemental Income 457 Plan (the “CalPERS 457 Plan” or the “Plan”) for the benefit of its employees and agrees to be bound by and subject to the terms of the Plan, as it may be amended from time to time. The Employer further agrees and represents as follows:

1. The Employer is a political subdivision of the State of California and is eligible to adopt the Plan.
2. The Employer has duly adopted a resolution (copy attached) or taken such other official action as required for its lawful adoption and implementation of the Plan and has authorized the undersigned to execute this Agreement on its behalf.
3. The Employer has received and has had the opportunity to review the following documents and information:
 - The Plan document;
 - A description of the optional provisions of the Plan;
 - A description of the investment options available to Plan participants and historical performance data for those investment options;
 - A complete description of fees and expenses that will or may be charged to Plan participants including, but not limited to, investment fees and administrative expenses; and
 - The Enrollment Kit for eligible employees, which includes forms and information for employees to participate in the Plan.

Contributions

4. The Employer understands that its employees will have the opportunity to defer their own compensation by designating an amount or percentage to be withheld from each paycheck and contributed to the Plan on the employee’s behalf.
5. The Employer understands that the Plan must be made available to all employees and agrees to offer all employees the opportunity to participate in the Plan.
6. The Employer understands that the Plan cannot be made available to individuals who are not the Employer’s common law employees and agrees not to offer such individuals the opportunity to participate in the Plan.
7. The Employer understands that each employee’s deferrals under the Plan and any other eligible deferred compensation plan maintained by the Employer are subject to certain limits imposed by the Plan and the federal tax code. The Employer agrees to limit employees’ deferrals under all plans maintained by the Employer to amounts that do not exceed applicable limitations.
8. The Employer agrees to deduct deferral amounts from employees’ salaries and wages in accordance with the employees’ elections, to remit all amounts deducted to the Plan as soon as reasonably practicable after such amounts are withheld, and to accurately report the amounts remitted.
9. The Employer understands and agrees that all amounts deferred under the Plan shall be 100% vested and shall be deposited in the Public Employees’ Deferred Compensation Fund (the “Fund”), a trust established to hold such amounts, for the exclusive benefit of participants and their beneficiaries. The Employer shall have no right to Fund assets or to sell, redeem, or otherwise liquidate Fund assets, except as provided Plan section 10.6.

Investments

- 10. The Employer understands and agrees that employees who defer compensation under the Plan will have the right to direct the investment of their individual Plan accounts by choosing among the investment options selected by the CalPERS Board of Administration (the "Board") and offered under the Plan. The Employer further understands and agrees that any employee who does not provide timely directions for investing his or her account will be deemed to have selected the Plan's default investment. The Plan's default investment is currently the CalPERS Target Retirement Fund designated for an employee, based on his or her expected retirement date. The Employer understands and agrees that the Board, in its sole discretion, may add, eliminate, or consolidate investment options offered under the Plan, including the Plan's default investment option.
- 11. The Employer further understands and agrees that certain fees are charged to Plan participants for investment and administration expenses, and that such fees will be offset against investment returns or deducted from participants' Plan accounts periodically.

Administration

- 12. The Employer understands and agrees that, except as specifically set forth in the Plan, the administration of the Plan and Fund is subject to the exclusive control of the Board and that the Board has the authority to retain third parties to provide investment services, record keeping, accounting, or other services for the Plan.
- 13. The Employer agrees to assist and cooperate in providing Plan information to employees and to follow administrative procedures established by the Board or its designee(s) from time to time.
- 14. The Employer has completed the attached New Employer Data Sheet, which is incorporated by reference. The Employer hereby certifies that all information provided in connection with its adoption of the Plan is true and accurate.
- 15. The Employer understands and agrees that the Board has retained the power and authority to amend the Plan from time to time, subject to limitations set forth in the California Government Code and the Plan. The Employer may not amend the Plan.
- 16. The Employer understands and agrees that its participation in the Plan may be terminated by the Employer or by the Board upon sixty (60) days advance written notice. Upon termination, all amounts held for participants will continue to be held in the Fund for the exclusive benefit of participants and their beneficiaries, except for distributions or transfers permitted under the Plan terms.

Name of Employer: _____

By: _____

Title: _____

Date: _____

Accepted by CalPERS (or an agent duly appointed by the Board) on behalf of the Board of Administration of the California Public Employees' Retirement System

Name of Employer: _____

By: _____

Title: _____

Date: _____

New Employer Information Sheet

I. General Information CalPERS ID _____

Employer Name _____ Number of Employees _____

Employer Tax Identification Number ____ - _____ Fiscal Year End Date ____ / ____ / ____

Employer Address _____
Street

City State Zip

Payroll Contact _____ Email _____ Telephone _____

Administrative Contact _____ Email _____ Telephone _____

Choose one :

Add CalPERS as a Plan Provider (new enrollments only)

Add CalPERS as an exclusive Plan Provider and convert assets
 – See Section III Asset Transfer Information

II. Contribution Information

Frequency of Payroll Deductions Weekly Bi-weekly Semi Monthly Monthly

I understand a payroll contribution file will be submitted through my|CalPERS

EFT Debit payment will be submitted via my|CalPERS EFT Credit payment will be submitted via my|CalPERS

Check payment will be submitted with my|CalPERS Remittance Advice

Make check payable to CalPERS 457 Supplemental Income Plan and include Plan ID #, and submit by standard mail or overnight.

Please mail your documentation to one of the following addresses:

Standard Delivery: (Standard Mail)
 CalPERS Supplemental Income 457 Plan
 P.O. Box 942713
 Sacramento, CA 94229-2713

Overnight Delivery:
 CalPERS Supplemental Income 457 Plan
 400 Q Street
 Sacramento, CA 95811



New Employer Information Sheet

III. Asset Transfer Information

(Complete ONLY if conducting a conversion into the CalPERS 457 Plan)

Former Plan Provider _____ Total number of employees _____

Address _____
Street

City State Zip

Contact _____ Email _____ Telephone _____

IV. Signatures

Print Name _____ Title _____

Employer Signature _____ Date ____ / ____ / ____

New Employer Plan Number assigned by CalPERS: 452 ____ ____ ____

Employer Loan Provision Form

I. General Information

Agency/Employer Plan Number: 45 _____

Employer Name _____

Telephone # _____

Contact Name _____

Email Address _____

II. Adoption of CalPERS 457 Loan Program

The Employer referenced above adopted the CalPERS Supplemental Income 457 Plan (Plan) effective _____, and is a sponsor of the Plan. The individual signing below hereby certifies that he or she is duly authorized to execute this form on behalf of the Employer and that all necessary action has been taken by the Employer to authorize and approve this action. The Employer hereby elects to offer the CalPERS 457 Loan Program Option to its employees. This election may be revoked at any time; employees with outstanding loans at the time of revocation will be permitted to pay off the loans, but will not be permitted to take out new loans.

The loan provisions are set forth in Section 8 of the CalPERS 457 Deferred Compensation Plan Document. The Employer acknowledges that it has received a copy of the current Plan document and has had the opportunity to review the terms for the Loan Program. Here is a summary of the program:

- The minimum loan amount is \$1,000; the maximum loan amount is the lesser of 50% of a participant's account balance or \$50,000 (reduced by the highest balance of any loan outstanding in the last twelve months). The maximum limit is applied taking into account all loans outstanding from any retirement plan sponsored by the Employer.
- Loans must use level amortization, require payments at least quarterly, and may not have a term longer than five years.
- Interest on a loan is charged at a rate equal to prime plus 1% and the loan must be secured by the participant's account balance.
- Loan payments must be made by payroll deduction and are made on an "after-tax" basis.
- A participant may pay off the balance of an outstanding loan, in full, with no prepayment penalty. Partial payments are not accepted.
- Weekly feedback reports are provided via the Sponsor Website. These feedback reports provide information regarding any new loans issued or loans paid during the prior week. In addition, an automated email is sent to the Employer's designated contact advising when new feedback reports become available. It is the Employer's responsibility to ensure that contact information for the Employer's designated contact is current and correct. Additionally, it is the Employer's responsibility to monitor weekly feedback reports.
- If the Employer has multiple plan providers which permit participant loans, it is the Employer's responsibility to monitor that a participant has not exceeded the maximum loan limit as described by the IRS. (\$50,000). Please contact CalPERS immediately if you become aware of an issue. Participants submitting online loan requests are notified of IRS loan limits at the time the request is made, however, the Employer also agrees to monitor aggregate balances of participants with loans from multiple providers.

III. Signature

I hereby acknowledge and agree to the terms of this form.

Employer Signature _____

Date _____ / _____ / _____

Printed Name _____

Title _____

Accepted by CalPERS (or an agent duly appointed by the Board) on behalf of the Board of Administration of the California Public Employees' Retirement System.

By _____

Title _____

Effective Date _____ / _____ / _____

Employer Election To Offer Self-Managed Accounts

I. General Information

Agency/Employer Plan Number: 45 _____

Employer Name _____ Telephone #: _____

Contact Name _____ Email Address: _____

II. Adoption of CalPERS 457 Self-Managed Account Option

The Employer referenced above adopted the CalPERS Supplemental Income 457 Plan (Plan) effective _____, and is a sponsor of the Plan. The individual signing below hereby certifies that he or she is duly authorized to execute this form on behalf of the Employer and that all necessary action has been taken by the Employer to authorize and approve this action.

The Employer hereby elects to offer the CalPERS 457 Self-Managed Account Option to its employees as an investment option under the Plan. *This election may be revoked at any time; however, employees participating in the Self-Managed Account Option at the time of revocation will be permitted to continue participation.*

The Employer acknowledges that it has received and has had the opportunity to review the terms and conditions for the Self-Managed Account Option, and has been advised of the current fees that will be charged to employees who elect to establish a Self-Managed Account. The fees include the following items (the specific percentages or dollar amount are subject to change from time to time):

- Annual fee;
- Fees charged by mutual funds that participants select, which may include front or back-end loads, 12b-1 fees, and other fees and expenses;
- Where applicable, a discount brokerage fee per transaction.

In addition, Self-Managed Accounts remain subject to standard annual plan administration fees, which are currently calculated as a percentage of the value of a participant's Plan account.

The Self-Managed Account Option allows employees to invest in certain mutual funds available under this option. Unlike the other "core" Plan investment options, mutual funds available through the Self-Managed Account Option are not selected, reviewed or monitored by the Board of Administration. Employees are not permitted to invest directly in shares of stock, bonds, or investments other than the specified mutual funds through the Self-Managed Account Option. By selecting the Self-Managed Account Option, employees may be subject to greater risks, higher fees, or other risks that may be limited in the core Plan investment options.

The Employer agrees to offer the Self-Managed Account Option to all employees and acknowledges that the Self-Managed Account Option is designed for participants who are experienced investors who can make informed investment decisions, taking into account risks that may not be present or may be limited in the Plan's core investment options. The Self-Managed Account Option may not be suitable for all employees.

III. Signatures

Employer Signature _____ Date __ __ / __ __ / __ __

Accepted by CalPERS (or an agent duly appointed by the Board) on behalf of the Board of Administration of the California Public Employees' Retirement System.

By _____ Title _____

Effective Date __ __ / __ __ / __ __

*Charles Schwab & Co., Inc. ("Schwab")

A simple way to save for your future: CalPERS Supplemental Income 457 Plan

Saving for retirement is an important goal. A pension and Social Security are a good start, but they might not be enough to provide the lifestyle you want. Most of us need additional savings to fill the income gap. That's where the CalPERS 457 Plan comes in.



Why CalPERS?

For more than 80 years, CalPERS has been a not-for-profit public entity in service to those who serve California.

Committed to providing industry leading retirement benefits for employees, retirees and their families, CalPERS offers a complete retirement picture:

- the largest public pension fund in the U.S., and
- the CalPERS Supplemental Income 457 Plan, a deferred compensation plan

As the largest pension provider in the state, you can rely on CalPERS to help you get the most from your retirement benefits. Your pension and the CalPERS 457 Plan are designed to complement each other.

The CalPERS 457 Plan gives you low cost investment choices, plus the latest in investor education, tools and services from Voya Financial™, a national leader in defined contribution plans who is the Plan's record keeper.

Of course, the CalPERS 457 Plan is a voluntary retirement savings plan, and you may be looking at others. There are so many choices, and at times it may be overwhelming.

This brochure is intended to help you understand the many benefits of the CalPERS 457 Plan. We hope it is useful to you in comparing plans before making your decision.

A convenient way to save.

The CalPERS 457 Plan allows you to automatically save a portion of your salary. You decide how much to contribute (up to the IRS annual limits), and the amount is deducted pre-tax from your paycheck. Your current taxable income is reduced by the amount you save, which may lower your tax bill. In addition, your contributions and any earnings can benefit from the power of tax-deferred compounding. This means that you won't pay taxes on your investments or earnings until you start to take withdrawals, usually in retirement.

A lower cost plan.

This is a very competitively priced retirement plan. CalPERS recognizes that costs matter. The less you pay to invest, the more of your investment returns you keep — an advantage that really adds up over time. That's why CalPERS reviews the fees for the CalPERS 457 Plan investments on an ongoing basis, aiming to keep expense ratios as low as possible. In fact, taking a close look at expense ratios can help you make your investment decisions, since low cost funds consistently produce higher returns than expensive funds*. You can use the **Plan Comparison Worksheet** to compare fees for the CalPERS 457 Plan investments with those of other plans.

* "How Expense Ratios and Star Ratings Predict Success," by Russel Kinnel, Director of Fund Research and Editor, Morningstar Fund Investor, August 2010.

Quality investments.

The CalPERS 457 Plan offers a simple approach to investing to match your investor style, whether you want to do it yourself or get help. The core investments are managed by CalPERS staff and professional managers under contract to CalPERS. The target retirement date funds are specifically designed for public employees. If your employer contracts for the discount brokerage provision, an optional Schwab Personal Choice Retirement Account® (PCRA) provides even wider investment choices.

See your savings as future income.

Your 457 Plan account is designed to deliver a personalized, interactive experience to help you make smart money decisions. myOrangeMoney™ shows you the income you may need each month during retirement, how much progress you've already made toward that goal and any gap you'll need to close to eventually reach your retirement goal. Your Personal Financial Dashboard, a convenient tool for organizing your finances, updates automatically and gives you a current view of your complete financial picture.



With myOrangeMoney, you can use the sliders to try out various savings, investing and retirement age scenarios until you find the combination that's right for you. When you're ready to take action, just click on the **Make the change** button and follow the prompts. It's that simple!

Manage your account your way.

Whether shopping, traveling or investing for retirement, many of us like to do things for ourselves — yet appreciate personal assistance when we need help. That's why the CalPERS 457 Plan gives you many different choices whenever you want service and support.

▶ Self-Service

24/7 account management, retirement planning and investing tools

Automated phone line

(800) 260-0659

Plan website

<https://calpers.voyaplans.com>

Mobile account access

Voya Retire app for iPhone®, iPod touch® and Android™ devices

iPhone and iPod touch are trademarks of Apple Inc., registered in the U.S. and other countries.

App Store is a service mark of Apple Inc. Android is a trademark of Google Inc.

Education from hire to retire

Online reading, calculators, seminars and videos

<https://calpers.voyaplans.com>

▶ Personal Service

One-on-one assistance and individual account reviews

Licensed experienced local representatives available by telephone and in person

(888) 713-8244

www.calpers457.checkappointments.com

Education from hire to retire

Live webinars, worksite group sessions and individual meetings with local representatives (888) 713-8244



How to join.

You're immediately eligible to participate if your employer has adopted the CalPERS 457 Plan. Call toll free **(888) 713-8244** to request a *Participant Enrollment Kit*. Once you complete the enrollment form, it must be signed by an employer representative before you can enroll.

See how the Plan stacks up.

If you're still not sure this is the right supplemental retirement savings plan for you, use this Plan Comparison Worksheet as you gather more information. The features and benefits of the CalPERS 457 Plan are filled in so you can ask questions and make notes about other plan providers and types of accounts.

Account Features	CalPERS 457 Plan	Other Plans	
		Option A	Option B
Minimum Account Balance	None		
Annual Account Fees	None		
Fund Management Fees	0.40% - 0.55%		
Self-Directed Brokerage Option	Yes		
Target Date Funds	Yes, the funds are specially designed for Public Sector Employees		
Account Access (Phone & Online)	Yes		
Trading Fees	None*		
Retirement Planning Tools & Services	Yes		
Sales Commission Fees	None*		
Investment & Trade Restrictions	None**		
Distribution Options	A. Rollover to Eligible Retirement Plan B. Installment Payments C. Lump Sum Distribution IRS rules governing early distribution penalties may apply if you haven't attained age 59½.		

* There are certain fees associated with the Self-Managed Brokerage Account (an optional program offered by a select number of contracting employers).

** CalPERS has a frequent trading policy to secure the investment performance of the SIP funds for the benefit of all investing in the funds. As the funds are designed to achieve participants' long-term retirement income goals, short-term trading will be limited. Multiple round trip trades into and out of a fund is subject to these restrictions. For more information visit: <http://www.calpers.ca.gov/index.jsp?bc=/investments/policies/other/home.xml>

We're ready to help.

 If you have any questions or need information, call toll free **(888) 713-8244** to talk with local representatives who know the CalPERS 457 Plan well.

Self-Managed Account Overview

What is The Self-Managed Account?

The Self-Managed Account (SMA) is a brokerage option offered through your CalPERS 457 Plan (the "Plan"). It affords you more flexibility in choosing your own retirement savings investments, with access to thousands of different mutual funds from hundreds of fund families¹. Investments are limited to mutual funds made available by the Schwab Personal Choice Retirement Account® (PCRA). Direct investments in stocks, bonds, etc., are not permitted. The mutual funds available under the SMA option are not selected, reviewed or monitored by CalPERS. The SMA account is not designed for all investors. It is designed for participants who are experienced investors that can make informed decisions and understand the risks associated with the investment decisions made. CalPERS is not responsible for losses that result from the participant's investment selections.

How Do I Open An SMA?

You can open an SMA entirely online. To start the process:

1. Go to <https://calpers.voya.com> to log into your account. Once you are logged in, click on **Investments**, then **Fund Information**, scroll down to **DO-IT-MYSELF**. To log into your Schwab account or open a new account, please select the **Schwab Self Directed Brokerage** link.
2. The Retirement ID is your six digit Plan Number with a capital C at the end (example 450001C). Your plan number may be found on your Quarterly Statement, by calling the CalPERS Information Line, or by asking your employer.
3. Follow the steps to complete the online PCRA Application.
4. Once you click **Submit**, you will receive your new PCRA number instantly on the screen, and you'll be automatically re-directed to Schwab.com.
5. Once on **Schwab.com**, click **New User** (under **LOG IN**), then click **Register** to set up your PCRA for online access. You'll need to input your SSN, new PCRA number, Date of Birth and Home Phone Number for this step.
6. Your PCRA is now ready to be funded, and you can begin researching investment opportunities. You will receive welcome materials from Schwab in a few days.

The minimum initial transfer amount is \$1,000. For subsequent transfers the minimum is \$250, however you must maintain a minimum of \$1,000 in your core fund balance at all times. You may transfer a portion of your Plan account to the SMA all at once or from time to time, subject to certain restrictions. Contact the CalPERS Information Line at **1-800-260-0659** or go to the Plan website at <https://calpers.voya.com> to initiate a transfer.

Managing Your SMA

You can place trades and manage your PCRA balance in several convenient ways.

- Place trades and manage your account through Schwab's electronic channels, such as **Schwab.com**, mobile applications and automated phone services.
- For **Schwab.com**, log in and select your PCRA number to manage your account.
- For phone services, call **1-888-393-PCRA (7272)** to speak with a Schwab PCRA Registered Representative. PCRA Registered Representatives are available Monday through Friday, 6:00 a.m. to 4:30 p.m. (PT).

Fees and Costs

The following annual fees are deducted pro rata on a monthly basis from your core fund investments in your CalPERS 457 account:

- an annual plan administration fee of 38 basis points, and
- \$50 annual maintenance fee.

In addition to the annual SMA fee, fees associated with the funds you choose may apply. For more information and a fund prospectus, you may call Schwab's dedicated PCRA Call Center at **1-888-393-PCRA (7272)**.

Termination of Account

If you wish to no longer participate in the Self-Managed Account, send a notification requesting to terminate enrollment to:

Voya Financial®
CalPERS Supplemental Income 457 Plan
P.O. Box 5166
Boston, MA 02206-5166

or fax to 888.228.6185

Your Plan account will be charged the annual \$50 fee until your request is received and processed.

Here's How It Works

After your Schwab PCRA is established, you fund your PCRA by transferring money from your CalPERS 457 Plan core investments. Assets transferred from your CalPERS 457 core investments are automatically allocated into the sweep money market fund in your PCRA within approximately two business days. Once the money is in your SMA account, you may then purchase the mutual funds of your choice. You may transfer money from your Plan to your SMA or from your SMA into your Plan as often as you like on any business day, subject to any trading restrictions.

Money moves from your payroll deductions into your CalPERS 457 Plan core fund investments, and then into your Self-Managed Account.



- Transfers completed before 1:00 p.m. Pacific Time (PT) will be processed the same business day, and your money generally will be available in your brokerage account the following day.
- Transfers completed after 1:00 p.m. (PT) will be processed the next business day and your money generally will be available in your brokerage account on the second business day thereafter.

To transfer money out of the SMA, you must place a sell order. Sell trades are subject to a trade settlement period.

- If your purchase/trade is completed before 1:00 p.m. (PT), your money typically will be available for a transfer into your core investment funds following the trade settlement period (generally three business days).
- If your purchase/trade is completed after 1:00 p.m. (ET), it will be processed the next business day and then your money typically will be available following the trade settlement period (generally three business days).

Loans, withdrawals and distributions cannot be made directly from the SMA. You must first sell your mutual fund holdings and transfer the money into your core investment funds in the Plan to complete these transactions.

Confirmations and Statements

You will receive transaction confirmations by mail for all activity as well as quarterly brokerage statements. If you have activity during a given month, you will receive a brokerage statement for that month.

For More Information

Visit <https://calpers.voya.com> or call **1-800-260-0659**.

¹ An investment in a money market fund and mutual funds is not a bank deposit and not insured or guaranteed by the Federal Deposit Corporation (FDIC), any other government agency, Charles Schwab & Co., Inc., or the Plan. Purchases of mutual funds involve investment risks, including the possible loss of the principal amount invested and there is no guarantee of future performance with respect to any investment. Mutual funds can fluctuate in value, and the price at which you redeem may be more or less than the price you paid. For most mutual funds, the minimum transaction size is \$250.00. For more information and a fund prospectus, you may call Schwab's dedicated PCRA Call Center at 1-888-393-PCRA (7272). You may also request a prospectus online at www.schwab.com/prospectus. Investors should read the prospectus carefully before making an investment.



CalPERS Supplemental Income 457 Plans

Why employers
like you choose
this plan



A long history of building retirement security

CalPERS is a government agency with an 80-year proven track record of building retirement and health security for state, school and public agency members who invest their lifework in public service.

As a public retirement trust authorized by California statutes in 1995, CalPERS offers retirement plans and services to the state's public employers. We combine strength and stability as an industry leader with a deep understanding of what employers in California need.





The top 3 reasons employers choose this **457 Plan**

As an employer weighing which retirement plan to offer, you want to add a valuable benefit that that your employees will appreciate.

The CalPERS Supplemental Income 457 Plan is a deferred compensation that gives public agency and school employees a convenient way to save for retirement through payroll deduction.

There is no cost to your agency and costs to participants are low.

CalPERS administers the 457 Plan for over 760 public agencies and school employers throughout California, with record keeping and participant education services provided by Voya®, the fifth-largest defined contribution plan record keeper in the nation¹.

While there are many reasons why employers choose the CalPERS 457 Plan, these are the top three.

¹ Pension & Investments Defined Contribution Record Keepers Survey, April 2016 (based on data as of 9/30/2015)

1

Your fiduciary responsibility, simplified.

Providing a retirement plan comes with certain fiduciary duties, such as careful decision-making plus selecting and monitoring the plan's investment options.

To help you manage your fiduciary role, CalPERS assists with many of the responsibilities. We act as trustee of your employees' deferred compensation assets. We also select and monitor the investment options.



We make your life easier in other ways, large and small. Plan administration, record keeping and participant education are handled for you. We leverage your existing payroll deduction feeds to receive your employees' 457 Plan deferrals and loan repayments. Our staff offers 457 Plan reviews upon request to keep you updated on the latest improvements and trends.

2

Investing, simplified.

To provide a simpler approach to investing, the 457 Plan offers a streamlined lineup of investment options. Based on their level of interest in investing, your employees can decide among Help-Me-Do-It or Do-It-Myself choices.

CalPERS has selected six index funds in different asset classes that serve as the 457 Plan's core funds. These funds also comprise the 457 Plan's target retirement date funds which offer a diversified portfolio in one fund. Participants select a fund, and CalPERS manages the asset allocation of each fund.



Participants who prefer to select and manage their asset allocation instead of picking a target retirement date fund can choose among the 457 Plan's core funds. A Self-Managed Account is available for more educated investors who wish to invest in options outside of the core funds.

3

Lower fees, more value.

CalPERS understands that low costs are essential to successful long-term investing for retirement.

The 457 Plan's "all-in" fee structure is simple, fair and includes all administrative/recordkeeping fees as well as investment fees. There are no hidden costs, such as revenue sharing. CalPERS keeps close tabs on the industry to assure fees remain competitive.

But lower cost doesn't mean skimping on quality or the conveniences that your employees deserve.

The 457 Plan delivers value to you and your employees, including the latest in financial education, plus planning and investing tools from Voya®. Participants can access their accounts, education and tools 24/7 using the 457 Plan website, toll free telephone number and mobile devices.



Our regional account managers support your employees and retirees with on-site and online education services, including one-on-one appointments, upon request. We can also help your employees coordinate their 457 Plan account with other retirement benefits.

Your choice, simplified.

Please contact our Sales Manager,
Michael Kleczek, for more information about
the CalPERS Supplemental Income 457 Plan.



 Call: **916-521-2943**

 Email: **michael.kleczek@voya.com**

 Visit: **calpers-sip.com**

Santa Ana Watershed Project Authority
Cash Transaction Report
Month of December 2017

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	\$	1,105,977.80
Net Investment Transfers		4,524,095.91
Cash Disbursements		<u>(6,394,891.30)</u>
Net Change for Month	\$	(764,817.59)
Balance at Beginning of Month		<u>1,447,252.48</u>
Balance at End of Month per General Ledger	\$	<u><u>682,434.89</u></u>
Collected Balance per Bank Statement	\$	719,965.91

ACCOUNTS PAYABLE RECONCILIATION

Accounts Payable Balance @ 11/30/17	\$	5,513,455.30
Invoices Received for December 2017		3,540,659.49
Invoices Paid by check/wire during December 2017 (see attached register)		<u>(5,622,064.41)</u>
Accounts Payable Balance @ 12/31/17	\$	<u><u>3,432,050.38</u></u>

CASH RECEIPTS

Brine Line Operating Revenues	\$	850,227.93
Other Grant Funds (DAC Grant)		216,807.61
Participant Fees		11,153.00
LESJWA Admin Reimbursement		18,756.56
Other		<u>9,032.70</u>
Total Receipts and Deposits	\$	1,105,977.80

INVESTMENT TRANSFERS

Transfer of Funds:		
From (to) LAIF	\$	4,500,000.00
From (to) Grant Retention (USB)		-
From (to) CalTRUST (USB)		-
From (to) Legal Defense Fund		-
From (to) Investments		<u>24,095.91</u>
Total Investment Transfers	\$	4,524,095.91

CASH DISBURSEMENTS

By Check:		
Payroll	\$	2,754.83
Operations		<u>5,854,734.04</u>
Total Checks Drawn	\$	5,857,488.87
By Cash Transfer:		
Payroll	\$	168,273.39
Payroll Taxes		67,535.05
Wire Transfer - US Bank Credit Card		15,330.37
Wire Transfer - Investment Purchase		248,000.00
Wire Transfer - CalPERS		35,451.76
Take Care (AFLAC)		<u>2,811.86</u>
Total Cash Transfers	\$	537,402.43
Total Cash Disbursements	\$	<u><u>6,394,891.30</u></u>

Santa Ana Watershed Project Authority
Check Detail
December 2017

Category	Check #	Check Date	Type	Vendor	Check Amount
Accured Volumetric Costs	EFT01654	12/8/2017	CHK	Orange County Sanitation District	\$715,952.24
				Accured Volumetric Costs Total	\$715,952.24
Audit Costs	2886	12/22/2017	CHK	White Nelson Diehl Evans LLC	\$630.00
				Audit Costs Total	\$630.00
Benefits	2849	12/8/2017	CHK	ACWA/JPIA	\$49,343.92
Benefits	2851	12/8/2017	CHK	AFLAC	\$560.55
Benefits	2855	12/8/2017	CHK	Cal PERS Long Term Care Program	\$102.04
Benefits	2859	12/8/2017	CHK	Mutual Of Omaha	\$2,899.54
Benefits	2867	12/14/2017	CHK	State Compensation Ins Fund	\$4,953.75
Benefits	2882	12/22/2017	CHK	Cal PERS Long Term Care Program	\$102.04
Benefits	2889	12/22/2017	CHK	WageWorks	\$128.00
Benefits	2890	12/22/2017	CHK	Mutual Of Omaha	\$2,917.12
Benefits	EFT01657	12/8/2017	CHK	Vantagepoint Transfer Agents	\$13,130.32
Benefits	EFT01665	12/8/2017	CHK	Vantagepoint Transfer Agents	\$338.46
Benefits	EFT01683	12/22/2017	CHK	Vantagepoint Transfer Agents	\$8,584.04
Benefits	EFT01691	12/22/2017	CHK	Vantagepoint Transfer Agents	\$338.46
Benefits	P032273	12/7/2017	WDL	Public Employees' Retirement	\$17,873.65
Benefits	P032403	12/22/2017	WDL	Public Employees' Retirement	\$17,578.11
Benefits	WDL000004312	12/5/2017	WDL	Takecare	\$185.18
Benefits	WDL000004313	12/7/2017	WDL	Takecare	\$846.50
Benefits	WDL000004315	12/8/2017	WDL	Takecare	\$54.14
Benefits	WDL000004316	12/11/2017	WDL	Takecare	\$130.20
Benefits	WDL000004322	12/12/2017	WDL	Takecare	\$300.00
Benefits	WDL000004323	12/13/2017	WDL	Takecare	\$333.45
Benefits	WDL000004324	12/15/2017	WDL	Takecare	\$280.95
Benefits	WDL000004331	12/20/2017	WDL	Takecare	\$65.00
Benefits	WDL000004334	12/21/2017	WDL	Takecare	\$370.36
Benefits	WDL000004337	12/27/2017	WDL	Takecare	\$185.18
Benefits	WDL000004338	12/28/2017	WDL	Takecare	\$60.90
				Benefits Total	\$121,661.86
Building Lease	2894	12/22/2017	CHK	Wilson Property Services, Inc	\$1,386.00
				Building Lease Total	\$1,386.00
Car,Repair, Maint - Gas	2870	12/14/2017	CHK	County of Riverside	\$392.20
Car,Repair, Maint - Gas	2872	12/14/2017	CHK	County of Riverside/Transportation	\$952.50
				Car,Repair, Maint - Gas Total	\$1,344.70
Car,Repair,Maint - Maintenace	2871	12/14/2017	CHK	Riverside Transmission Center	\$2,065.09
				Car,Repair,Maint - Maintenace Total	\$2,065.09
Construction	EFT01666	12/8/2017	CHK	WEKA Inc	\$1,583,586.90
				Construction Total	\$1,583,586.90
Consulting	2892	12/22/2017	CHK	The Technology Depot	\$101.25
Consulting	EFT01667	12/8/2017	CHK	Trussell Technologies, Inc.	\$1,501.54
Consulting	EFT01679	12/14/2017	CHK	RMC Water and Environment	\$8,059.62
Consulting	EFT01686	12/22/2017	CHK	West Coast Advisors	\$6,000.00
Consulting	EFT01690	12/22/2017	CHK	CDM Smith, Inc.	\$12,494.62
Consulting	EFT01693	12/22/2017	CHK	Accent Computer Solutions Inc	\$4,001.50
Consulting	EFT01694	12/22/2017	CHK	Dudek	\$13,540.00
Consulting	EFT01697	12/22/2017	CHK	Vali Cooper & Associates, Inc	\$82,419.67
Consulting	EFT01699	12/22/2017	CHK	DeGrave Communications	\$1,957.04
Consulting	EFT01702	12/22/2017	CHK	Hammons Strategies	\$3,750.00
				Consulting Total	\$133,825.24
Credit Card	P032404	12/11/2017	WDL	US Bank	\$15,330.37
				Credit Card Total	\$15,330.37
Debt Service	2868	12/14/2017	CHK	State Water Resources Control Board	\$1,044,273.23
				Debt Service Total	\$1,044,273.23
Director Costs	2861	12/8/2017	CHK	Gil Navarro	\$69.02
Director Costs	2893	12/22/2017	CHK	Gil Navarro	\$242.90
Director Costs	EFT01655	12/8/2017	CHK	Philip Anthony	\$98.44
Director Costs	EFT01656	12/8/2017	CHK	Eastern Municipal Water District	\$427.82
Director Costs	EFT01668	12/8/2017	CHK	Jasmin Hall	\$83.46

Santa Ana Watershed Project Authority

Check Detail

December 2017

Category	Check #	Check Date	Type	Vendor	Check Amount
Director Costs	EFT01673	12/8/2017	CHK	Susan Longville	\$96.30
Director Costs	EFT01674	12/8/2017	CHK	Kati Parker	\$28.89
Director Costs	EFT01675	12/8/2017	CHK	Bruce Whitaker	\$128.40
Director Costs	EFT01682	12/22/2017	CHK	Eastern Municipal Water District	\$655.64
Director Costs	EFT01684	12/22/2017	CHK	Western Municipal Water District	\$408.56
Director Costs	EFT01695	12/22/2017	CHK	Jasmin Hall	\$84.00
Director Costs	EFT01698	12/22/2017	CHK	Susan Longville	\$96.30
Director Costs	EFT01705	12/22/2017	CHK	Kati Parker	\$57.78
Director Costs	EFT01706	12/22/2017	CHK	Bruce Whitaker	\$160.50
				Director Costs Total	\$2,638.01
Dues	2887	12/22/2017	CHK	The Climate Registry	\$750.00
				Dues Total	\$750.00
Employee Reimbursement	EFT01670	12/8/2017	CHK	Mike Antos	\$354.20
Employee Reimbursement	EFT01672	12/8/2017	CHK	Nicole Weideman	\$36.67
Employee Reimbursement	EFT01677	12/14/2017	CHK	Marie Jauregui	\$125.00
Employee Reimbursement	EFT01692	12/22/2017	CHK	Carlos Quintero	\$131.12
Employee Reimbursement	EFT01703	12/22/2017	CHK	Alison L Lewis	\$470.70
				Employee Reimbursement Total	\$1,117.69
Equipment - Rented	2853	12/8/2017	CHK	Konica Minolta Business Solutions	\$764.77
Equipment - Rented	2860	12/8/2017	CHK	Mobile Mini	\$212.29
Equipment - Rented	2881	12/22/2017	CHK	Pitney Bowes Global Financial	\$345.78
Equipment - Rented	2891	12/22/2017	CHK	GreatAmerica Financial Services	\$1,452.56
				Equipment - Rented Total	\$2,775.40
Facility Repair & Maintenance	2857	12/8/2017	CHK	Burrtec Waste Industries Inc	\$77.00
Facility Repair & Maintenance	2858	12/8/2017	CHK	TNT Elevator Inc	\$230.00
Facility Repair & Maintenance	2885	12/22/2017	CHK	Xylem Dewatering Solutions Inc	\$297.35
Facility Repair & Maintenance	2895	12/22/2017	CHK	CR&R Incorporated	\$469.66
Facility Repair & Maintenance	EFT01660	12/8/2017	CHK	Yeier Janitorial Service	\$1,370.00
Facility Repair & Maintenance	EFT01663	12/8/2017	CHK	Santa Ana Watershed Association	\$6,413.08
Facility Repair & Maintenance	EFT01669	12/8/2017	CHK	Houston Harris PCS, Inc.	\$3,052.50
Facility Repair & Maintenance	EFT01681	12/22/2017	CHK	Inland Empire Utilities Agency	\$3,411.80
Facility Repair & Maintenance	EFT01685	12/22/2017	CHK	Western Exterminator Co.	\$109.50
Facility Repair & Maintenance	EFT01687	12/22/2017	CHK	Haz Mat Trans, Inc.	\$4,970.00
Facility Repair & Maintenance	EFT01696	12/22/2017	CHK	Douglas Environmental Group	\$1,300.00
Facility Repair & Maintenance	EFT01704	12/22/2017	CHK	Lawnscap Systems	\$1,390.00
				Facility Repair & Maintenance Total	\$23,090.89
Investments	WDL00004319	12/14/2017	WDL	US Bank Treasury	\$973,220.11
Investments	WDL00004320	12/14/2017	WDL	US Bank Treasury	\$999,166.11
Investments	WDL00004332	12/20/2017	WDL	US Bank Treasury	\$248,000.00
				Investments Total	\$2,220,386.22
Lab Costs	EFT01662	12/8/2017	CHK	E. S. Babcock & Sons, Inc.	\$2,647.00
Lab Costs	EFT01678	12/14/2017	CHK	E. S. Babcock & Sons, Inc.	\$2,447.00
Lab Costs	EFT01688	12/22/2017	CHK	E. S. Babcock & Sons, Inc.	\$1,754.00
				Lab Costs Total	\$6,848.00
Legal Costs	2869	12/14/2017	CHK	Best Best & Krieger LLP	\$4,495.90
Legal Costs	EFT01671	12/8/2017	CHK	Hunt Ortmann Palffy Nieves Dahl	\$149,726.33
				Legal Costs Total	\$154,222.23
Office Expense	2850	12/8/2017	CHK	Aramark Corporation Refreshments	\$265.72
Office Expense	2866	12/14/2017	CHK	Konica Minolta Business Solutions	\$914.16
Office Expense	EFT01658	12/8/2017	CHK	Capital One Commercial- 7003	\$15.99
				Office Expense Total	\$1,195.87
Offsite Storage	EFT01689	12/22/2017	CHK	Iron Mountain	\$1,324.31
				Offsite Storage Total	\$1,324.31
Other Contract Services	2873	12/14/2017	CHK	Community Action Partnership	\$13,744.84
Other Contract Services	2874	12/14/2017	CHK	Community Action Partnership	\$5,652.50
Other Contract Services	2875	12/14/2017	CHK	University Enterprises Corporation	\$7,562.25
Other Contract Services	2876	12/14/2017	CHK	California Rural Water Assoc	\$18,762.22
Other Contract Services	EFT01659	12/8/2017	CHK	Western Municipal Water District	\$9,037.36
Other Contract Services	EFT01664	12/8/2017	CHK	Orange County Coastkeeper	\$13,663.61
Other Contract Services	EFT01676	12/14/2017	CHK	Water Education Foundation	\$3,369.01
Other Contract Services	EFT01680	12/14/2017	CHK	Local Government Commission	\$25,233.27

Santa Ana Watershed Project Authority
Check Detail
December 2017

<u>Category</u>	<u>Check #</u>	<u>Check Date</u>	<u>Type</u>	<u>Vendor</u>	<u>Check Amount</u>
Other Contract Services	EFT01700	12/22/2017	CHK	EcoTech Services Inc	\$1,137.20
Other Contract Services	EFT01701	12/22/2017	CHK	Green Media Creations	\$8,089.45
				Other Contract Services Total	\$106,251.71
Payroll	2848	12/8/2017	CHK	Payroll Check - Gil Navarro	\$548.70
Payroll	2877	12/22/2017	CHK	Payroll Check - Gil Navarro	\$1,646.10
Payroll	2878	12/22/2017	CHK	Payroll Check - Benjamin Wilson	\$560.03
Payroll	WDL000004306	12/8/2017	WDL	Direct Deposit 12/8/2017	\$79,761.05
Payroll	WDL000004307	12/8/2017	WDL	PR Tax - Federal	\$25,636.35
Payroll	WDL000004308	12/8/2017	WDL	PR Tax - State	\$6,101.24
Payroll	WDL000004327	12/22/2017	WDL	Direct Deposit 12/22/2017	\$6,979.58
Payroll	WDL000004328	12/22/2017	WDL	Direct Deposit 12/22/2017	\$81,532.76
Payroll	WDL000004329	12/22/2017	WDL	PR Tax - Federal	\$28,795.70
Payroll	WDL000004330	12/22/2017	WDL	PR Tax - State	\$7,001.76
				Payroll Total	\$238,563.27
Permit Fees	2883	12/22/2017	CHK	State Water Resources Control Board	\$2,088.00
				Permit Fees Total	\$2,088.00
Safety	2884	12/22/2017	CHK	Calolympic Safety	\$468.30
Safety	2888	12/22/2017	CHK	SafeT	\$2,975.25
Safety	EFT01661	12/8/2017	CHK	Underground Service Alert	\$179.95
				Safety Total	\$3,623.50
Software Support	EFT01693	12/22/2017	CHK	Accent Computer Solutions	\$5,259.32
				Software Support Total	\$5,259.32
Shipping/Postage	2864	12/14/2017	CHK	Federal Express	\$75.35
Shipping/Postage	2879	12/22/2017	CHK	Overnite Shipping	\$11.10
				Shipping/Postage Total	\$86.45
Utilities	2852	12/8/2017	CHK	Riverside, City of	\$1,859.41
Utilities	2854	12/8/2017	CHK	AT&T	\$768.91
Utilities	2856	12/8/2017	CHK	Southern California Edison	\$225.24
Utilities	2862	12/8/2017	CHK	Riverside, City of	\$84.12
Utilities	2863	12/8/2017	CHK	AT&T	\$1,079.70
Utilities	2865	12/14/2017	CHK	Verizon Wireless	\$14.16
Utilities	2880	12/22/2017	CHK	AT&T	\$583.26
				Utilities Total	\$4,614.80
				Grand Total	\$6,394,891.30

	Accounts Payable
Checks	\$ 3,882,347.82
Wire Transfers	\$ 2,271,168.35
	<u>\$ 6,153,516.17</u>

Bank Fees

Take Care	\$ 2,811.86
Other	
Payroll	\$ 238,563.27
	<u>\$ 6,394,891.30</u>

Total Disbursements for December 2017

Santa Ana Watershed Project Authority
 Consulting
 December 2017

Check #	Check Date	Task #	Task Description	Vendor Name	Total Contract	Check Amount	Remaining Contract Amount	Notes/Comments
EFT01693	12/22/2017	ACS100-09	IT Support	Accent Computer Solutions	\$ 42,000.00	\$ 3,406.50	\$ 2,311.25	
EFT01693	12/22/2017	ACS100-10	Office 365 Migration	Accent Computer Solutions	\$ 17,500.00	\$ 595.00	\$ 3,867.00	
EFT01690	12/22/2017	CDM374-01	Triennial Ambient Water Quality Update	CDM Smith	\$ 405,113.00	\$ 3,185.00	\$ -	
EFT01690	12/22/2017	CDM386-12	SAR Bacteria Monitoring Program	CDM Smith	\$ 317,046.00	\$ 9,309.62	\$ 125,251.75	
EFT01699	12/22/2017	DEGR392-03	Social Media Support - EC TF	DeGrave Communications	\$ 30,000.00	\$ 1,957.04	\$ 18,900.97	
EFT01694	12/22/2017	DUDK326-05	Litigation Support	Dudek	\$ 50,000.00	\$ 900.00	\$ 15,560.00	
EFT01694	12/22/2017	DUDK326-06	Reach V Rehab, Phase I, Task 3-4	Dudek	\$ 134,900.00	\$ 12,640.00	\$ 61,616.87	
EFT01702	12/22/2017	HAMM326-01	Strategic Communication Services	Hammons Strategies	\$ 68,000.00	\$ 3,750.00	\$ 500.00	
EFT01679	12/14/2017	RMC504-401-01	SARCCUP Program Management Services	RMC Water and Environment	\$ 310,429.00	\$ 8,059.62	\$ 200,879.56	
2892	12/22/2017	TTD100-03	Phone System Support	The Technology Depot	\$ 6,000.00	\$ 101.25	\$ 350.25	
EFT01667	12/8/2017	TRU240-20	BL Water Quality Analysis	Trussell Technologies	\$ 49,885.00	1501.54	\$ 45,113.46	
EFT01697	12/22/2017	VALI326-04	IEBL Reach V Rehabilitation	Vali Cooper & Associates	\$ 1,252,400.00	\$ 82,419.67	\$ 534,878.14	
EFT01686	12/22/2017	WCA100-03-02	State Legislative Consulting FY16-18	West Coast Advisors	\$ 345,000.00	\$ 6,000.00	\$ 107,000.00	
						\$ 133,825.24		

COMMISSION MEMORANDUM NO. 2018.18

DATE: February 20, 2018
TO: SAWPA Commission
SUBJECT: Inter-Fund Borrowing – December 2017
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 December 2017. 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	11/30/17 Balance	Loan Receipts	New Charges	12/31/17 Balance
130	Proposition 84 Admin	\$73,652.72	(\$0.00)	\$8,478.63	\$82,131.35
135	Proposition 84 Admin R2	64,767.69	(0.00)	5,487.36	70,255.05
140	Proposition 84 Admin R3	44,019.91	(0.00)	6,679.84	50,699.75
145	Proposition 84 Admin R4	106,059.09	(0.00)	11,066.13	117,125.22
398	Proposition 1 – DACI Grant	184,289.14	(169,880.53)	62,944.23	77,352.84
477	LESJWA Administration	17,394.62	(18,756.56)	16,805.84	15,443.90
504	Prop 84 - Drought Projects	133,974.01	(0.00)	7,798.14	141,772.15
	Total Funds Borrowed	\$624,157.18	(\$188,637.09)	\$119,260.17	\$554,780.26
	General Fund Reserves Balance		\$3,394,953.24		
	Less Amount Borrowed		<u>554,780.26</u>		
	Balance of General Fund Reserves		\$2,840,172.98		

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/Quarterly	Up to 4 months
398 – Proposition 1 – DACI Grant	DWR – Prop 1 Grant	Monthly	Up to 4 months
477 – LESJWA Admin	Reimbursement from LESJWA	Monthly	2 to 4 weeks
504 - Proposition 84 Drought Projects	DWR – Prop 84 Grant	Monthly	Up to 4 months
504 – Proposition 84 SARCCUP Projects	DWR – Prop 84 Grant	Monthly/Quarterly	Up to 4 month

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 2018.

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 monthly 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 398

This fund is for the Proposition 1 DACI grant project. These funds will be billed monthly once the contracts with DWR have been signed.

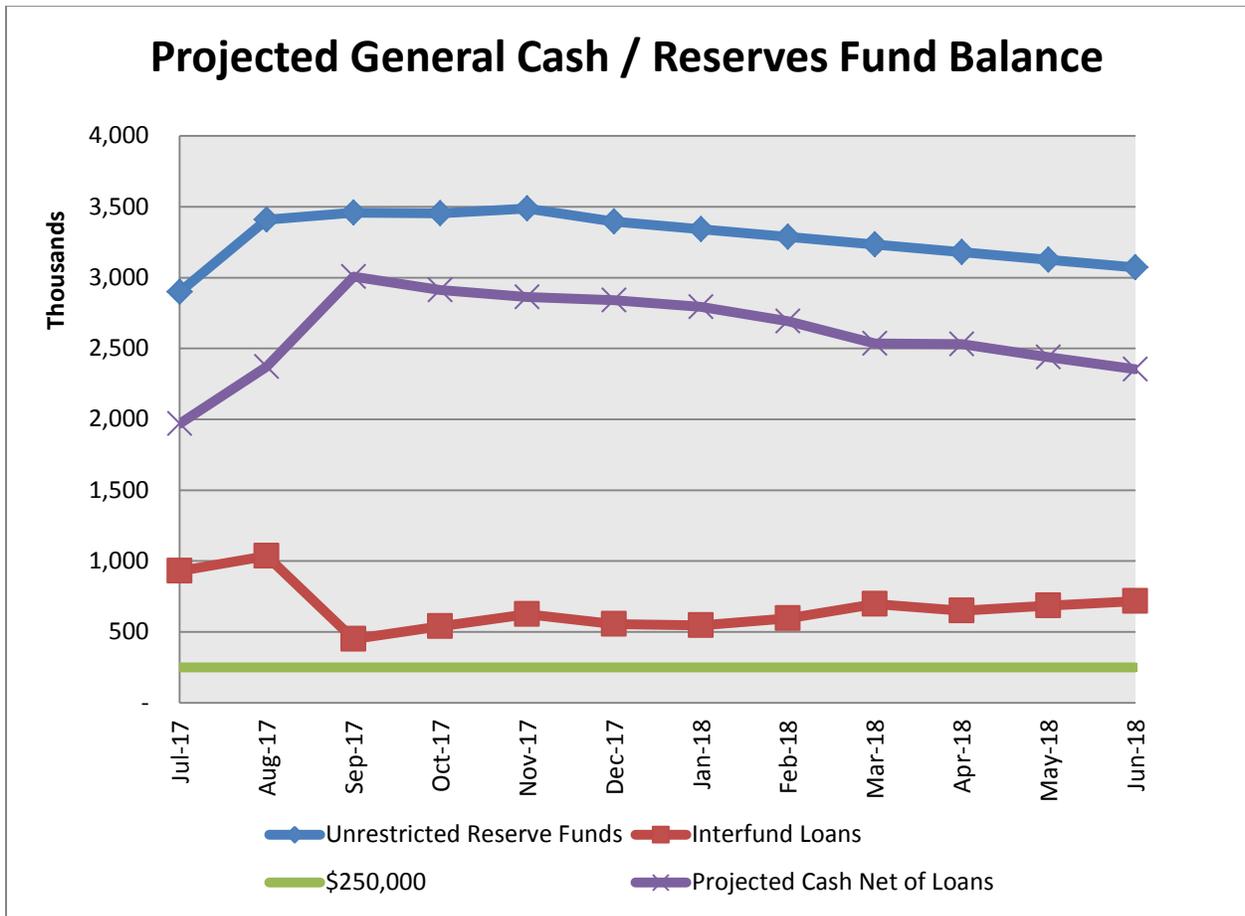
Fund 477

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 and SARCCUP 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 2018. The projected loan balance is expected to remain over the \$250,000 aggregate limit through June 2018 because of Proposition 1 and 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. There is sufficient cash available to cover proposed borrowings and to pay budgeted expenditures for the General Fund.

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COMMISSION MEMORANDUM NO. 2018.19

DATE: February 20, 2018
TO: SAWPA Commission
SUBJECT: Performance Indicators and Financial Reporting – December 2017
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.
List of SAWPA Funds	Shows each SAWPA Fund with the fund description and fund group.
Debt Service Funding Analysis	Shows total annual income by source used to make debt service payments through debt maturity at FYE 2048.
Debt Service Payment Schedule	Shows total debt service interest and principal payments through debt maturity at FYE 2048.

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.
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Performance Indicators

Average Daily Flow by Month	Shows total flow in the Brine Line 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 Indirect Cost 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 Indirect Cost 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 | 10. Reserve Account Analysis |
| 2. Revenue & Expense by Fund Type | 11. Twelve-Month Maturity Schedule - Securities |
| 3. Accounts Receivable Aging Report | 12. Treasurer's Report |
| 4. Open Task Order Schedule | 13. Average Daily Flow by Month |
| 5. List of SAWPA Funds | 14. Summary of Labor Multipliers |
| 6. Debt Service Funding Analysis | 15. General Fund Costs |
| 7. Debt Service Payment Schedule | 16. Benefits |
| 8. Total Cash and Investments (chart) | 17. Labor Hours Budgeted vs. Actual |
| 9. Cash Balance & Source of Funds | |

Santa Ana Watershed Project Authority
Balance Sheet by Fund Type
For the Five Months Ending Thursday, November 30, 2017

	General Fund	Brine Line Enterprise	Capital Projects	OWOW Projects	Roundtable Projects	Fund Totals
Assets						
Current Assets						
Cash and Investments	\$4,410,826.76	\$46,762,527.10	(\$9,574,156.03)	\$1,165,397.12	\$1,918,210.58	\$44,682,805.53
Accounts Receivable	47,582.50	1,895,864.55	3,413,013.77	3,647,538.02	189,409.06	9,193,407.90
Installment Notes Receivable	0.00	3,448,437.13	0.00	0.00	0.00	3,448,437.13
Interest Receivable	0.00	68,771.49	0.00	0.00	0.00	68,771.49
Prepays and Deposits	540,638.68	127,112.68	0.00	0.00	0.00	667,751.36
Total Current Assets	4,999,047.94	52,302,712.95	(6,161,142.26)	4,812,935.14	2,107,619.64	58,061,173.41
Fixed Assets						
Property, Plant & Equipment						
less accum depreciation	1,128,299.19	62,711,096.74	0.00	0.00	0.00	63,839,395.93
Work In Process	0.00	0.00	29,107,650.39	0.00	0.00	29,107,650.39
Total fixed assets	1,128,299.19	62,711,096.74	29,107,650.39	0.00	0.00	92,947,046.32
Other Assets						
Wastewater treatment/disposal rights, net of amortization	0.00	28,584,604.23	0.00	0.00	0.00	28,584,604.23
Inventory - Mitigation Credits	0.00	0.00	0.00	0.00	1,910,560.00	1,910,560.00
Total Other Assets	0.00	28,584,604.23	0.00	0.00	1,910,560.00	30,495,164.23
Total Assets	\$6,127,347.13	\$143,598,413.92	\$22,946,508.13	\$4,812,935.14	\$4,018,179.64	\$181,503,383.96
Liabilities and Fund Equity						
Current Liabilities						
Accounts Payable/Accrued Expenses	\$639,600.82	\$2,232,218.01	\$2,325,985.48	\$2,980,918.67	\$81,064.56	\$8,259,787.54
Accrued Interest Payable	0.00	280,256.23	88,960.82	0.00	0.00	369,217.05
Noncurrent Liabilities						
Long-term Debt	3,104,742.00	17,705,127.96	7,404,008.00	0.00	0.00	28,213,877.96
Deferred Revenue	0.00	72,719,287.50	0.00	0.00	0.00	72,719,287.50
Total Liabilities	3,744,342.82	92,936,889.70	9,818,954.30	2,980,918.67	81,064.56	109,562,170.05
Fund Equity						
Contributed Capital	0.00	20,920,507.03	0.00	0.00	0.00	20,920,507.03
Retained Earnings	2,752,388.00	28,766,923.00	13,269,138.70	949,951.40	3,697,486.05	49,435,887.15
Revenue Over/Under Expenditures	(369,383.69)	974,094.19	(141,584.87)	882,065.07	239,629.03	1,584,819.73
Total Fund Equity	2,383,004.31	50,661,524.22	13,127,553.83	1,832,016.47	3,937,115.08	71,941,213.91
Total Liabilities & Fund Equity	\$6,127,347.13	\$143,598,413.92	\$22,946,508.13	\$4,812,935.14	\$4,018,179.64	\$181,503,383.96

Santa Ana Watershed Project Authority
Revenue & Expenses by Fund Type
For the Five Months Ending Thursday, November 30, 2017

	General Fund	Brine Line Enterprise	Capital Projects	OWOW Projects	Roundtable Projects	Fund Totals
Operating Revenue						
Discharge Fees	\$0.00	\$4,867,449.27	\$0.00	\$0.00	\$0.00	\$4,867,449.27
Grant Proceeds	0.00	0.00	0.00	2,234,936.35	0.00	2,234,936.35
Financing Proceeds	0.00	0.00	0.00	0.00	86,100.59	86,100.59
Total Operating Revenue	0.00	4,867,449.27	0.00	2,234,936.35	86,100.59	7,188,486.21
Operating Expenses						
Labor	662,845.53	369,934.98	120.41	231,088.92	57,943.76	1,321,933.60
Benefits	221,195.51	161,661.58	52.62	100,985.86	25,321.36	509,216.93
Indirect Costs	0.00	521,978.22	169.89	326,066.47	81,758.67	929,973.25
Education & Training	5,711.61	245.00	0.00	125.00	0.00	6,081.61
Consulting & Professional Services	141,423.82	16,883.32	152,005.29	522,583.09	440,376.52	1,273,272.04
Operating Costs	1,219.94	1,189,588.85	0.00	0.00	83.92	1,190,892.71
Repair & Maintenance	27,603.23	98,510.76	0.00	0.00	0.00	126,113.99
Phone & Utilities	28,429.01	2,961.61	0.00	0.00	0.00	31,390.62
Equipment & Computers	79,169.18	40,165.20	0.00	149.32	0.00	119,483.70
Meeting & Travel	10,129.72	264.47	0.00	8,010.46	514.68	18,919.33
Other Administrative Costs	42,863.61	6,553.26	0.00	16,056.96	10,081.53	75,555.36
Benefits Applied	41,381.01	0.00	0.00	0.00	0.00	41,381.01
Indirect Costs Applied	(1,036,368.15)	0.00	0.00	0.00	0.00	(1,036,368.15)
Other Expenses	11,005.89	45,604.28	0.00	0.00	0.00	56,610.17
Construction	0.00	0.00	0.00	1,734,029.58	0.00	1,734,029.58
Total Operating Expenses	236,609.91	2,454,351.53	152,348.21	2,939,095.66	616,080.44	6,398,485.75
Operating Income (Loss)	(236,609.91)	2,413,097.74	(152,348.21)	(704,159.31)	(529,979.85)	790,000.46
Nonoperating Income (Expense)						
Member Contributions	646,115.00	0.00	0.00	776,000.00	20,000.00	1,442,115.00
Other Agency Contributions	0.00	0.00	0.00	793,610.00	745,002.00	1,538,612.00
Interest Income	9,425.18	159,492.81	0.00	2,922.02	4,606.88	176,446.89
Interest Expense - Debt Service	0.00	(461,073.82)	0.00	0.00	0.00	(461,073.82)
Other Income	979.74	(7,162.48)	10,763.34	13,692.36	0.00	18,272.96
Use of Reserves	(25,814.94)	0.00	0.00	0.00	0.00	(25,814.94)
Total Nonoperating Income (Expense)	630,704.98	(308,743.49)	10,763.34	1,586,224.38	769,608.88	2,688,558.09
Excess Rev over (under) Exp	<u>\$394,095.07</u>	<u>\$2,104,354.25</u>	<u>(\$141,584.87)</u>	<u>\$882,065.07</u>	<u>\$239,629.03</u>	<u>\$3,478,558.55</u>

Aging Report
Santa Ana Watershed Project Authority
Receivables as of December 31, 2017

Customer Name	Project	Total	Current	0-30 Days	31-60 Days	61 and Over
Beaumont, City of	Basin Monitoring TF	14,019.00				14,019.00
Chino Basin Desalter Authority	Brine Line	335,748.16		167,861.78	167,886.38	
Chino Basin Watermaster	Basin Monitoring TF	12,254.00				12,254.00
Department of Water Resources	Prop 84, WECAN	2,928,024.47			98,068.12	2,829,956.35
Eastern Municipal Water District	Brine Line	275,241.68		158,255.21	116,986.47	
Elsinore Valley Municipal Water District	Basin Monitoring TF, Emerging Constituents	17,096.00				17,096.00
Inland Empire Utilities Agency	Brine Line	266,827.35		132,743.64	134,083.71	
Jurupa Community Services District	Basin Monitoring TF	14,019.00				14,019.00
Lake Elsinore & San Jacinto Watersheds Authority	LESJWA Administration	16,836.34		16,836.34		
Orange County Water District	Member Agency Contributions	46,000.00				46,000.00
Redlands, City of	Basin Monitoring TF	12,254.00				12,254.00
Rialto, City of	Basin Monitoring TF	14,019.00				14,019.00
Riverside, City of (Public Utilities)	Basin Monitoring TF	7,009.50				7,009.50
RIX Treatment	Basin Monitoring TF	14,019.00				14,019.00
San Bernardino Valley Municipal Water District	Brine Line	166,092.55		82,974.83	83,117.72	
Temescal Valley Water District	Basin Monitoring TF	11,387.00				11,387.00
Western Riverside County Regional Wastewater Authority	Basin Monitoring TF	14,019.00				14,019.00
Western Municipal Water District	Brine Line, SARCCUP Cost Share	833,684.15		372,541.00	370,421.15	90,722.00
Yucaipa Valley Water District	Basin Monitoring TF	14,019.00				14,019.00
Total Accounts Receivable		5,012,569.20	-	931,212.80	970,563.55	3,110,792.85

Santa Ana Watershed Project Authority
Open Task Orders Schedule
December 2017
(Reflects Invoices Received as of 01/15/18)

Task Order No. Project Contracts	Fund No.	Vendor Name	Task Description	Begin Date	End Date	Original Contract	Change Orders	Total Contract	Billed To Date	Contract Balance	SAWPA Manager	Comments
ACS100-09	100-00	Accent Computer Solutions	IT Support	04/11/2017	03/30/2018	\$ 42,000.00	\$ -	\$ 42,000.00	\$ 39,688.75	\$ 2,311.25	Dean Unger	
ACS100-10	100-00	Accent Computer Solutions	Office 365 Migration	05/01/2017	06/30/2018	\$ 17,500.00	\$ -	\$ 17,500.00	\$ 13,633.00	\$ 3,867.00	Dean Unger	
INSOL100-10	100-00	Integrated Systems Solutions	GP Software Annual Technical Support	07/01/2017	06/30/2018	\$ 4,000.00	\$ -	\$ 4,000.00	\$ 1,336.50	\$ 2,663.50	Dean Unger	
NICO100-05	100-00	Nicolay Consulting Group	GASB 45/75 Transisiton Plan	08/22/2017	06/30/2019	\$ 7,200.00	\$ -	\$ 7,200.00	\$ -	\$ 7,200.00	Karen Williams	
WCA100-03-02	100-03	West Coast Advisors	State Legislative Consulting FY16-18	11/24/2015	12/31/2018	\$ 345,000.00	\$ -	\$ 345,000.00	\$ 238,000.00	\$ 107,000.00	Rich Haller	
DOUG240-02	240	Douglas Environmental	Brine Line Meter Calibration	07/01/2017	06/30/2018	\$ 4,970.00	\$ 9,855.00	\$ 14,825.00	\$ 5,785.00	\$ 9,040.00	Carlos Quintero	On Call
WO2018-05	240	E S Babcock	Brine Line Sample Collection & Analysis	07/01/2017	06/30/2018	\$ 87,578.00	\$ -	\$ 87,578.00	\$ 30,460.00	\$ 57,118.00	Carols Quintero	
HAZ240-08	240	Haz Mat Trans Inc	Brine Line Facility Repair & Maintenance	07/01/2017	06/30/2018	\$ 35,000.00	\$ -	\$ 35,000.00	\$ 18,987.34	\$ 16,012.66	Carlos Quintero	On Call
HAZ240-07	240	Haz Mat Trans Inc	On Call Draining & Emergency Clean Up	06/29/2015	06/30/2018	\$ 98,215.00	\$ -	\$ 98,215.00	\$ 5,055.00	\$ 93,160.00	Carlos Quintero	On Call
HOU240-02	240	Houston Harris PCS Inc	Brine Line On Call Pipeline Cleaning	06/16/2015	06/30/2018	\$ 318,120.00	\$ 225,000.00	\$ 543,120.00	\$ 304,657.50	\$ 238,462.50	Carlos Quintero	On Call
HOU240-03	240	Houston Harris PCS Inc	Brine Line On Call Inspection Services	07/01/2017	06/30/2018	\$ 38,000.00	\$ -	\$ 38,000.00	\$ 8,046.65	\$ 29,953.35	Carlos Quintero	On Call
WO2018-10	240	IEUA	Reach IV-A Upper Support	07/01/2017	06/30/2018	\$ 10,000.00	\$ -	\$ 10,000.00	\$ 3,411.80	\$ 6,588.20	Carlos Quintero	
INN240-02	240	Innerline Engineering Inc	Brine Line On-Call Line Cleaning	06/29/2015	06/30/2018	\$ 46,900.00	\$ 50,000.00	\$ 96,900.00	\$ 59,191.34	\$ 37,708.66	Carlos Quintero	On Call
RFT240-01	240	Raftelis Financial	Rate Model	11/28/2017	06/30/2018	\$ 79,517.00	\$ -	\$ 79,517.00	\$ 6,376.63	\$ 73,140.37	Carlos Quintero	
SAWA323-01	240	SAWA	Habitat Mitigation in Prado Basin	01/29/2010	10/31/2017	\$ 245,000.00	\$ -	\$ 245,000.00	\$ 226,951.46	\$ 18,048.54	Carlos Quintero	
TKE240-02	240	TKE Engineering & Planning	Brine Line On-Call Land Surveying	06/26/2015	06/30/2018	\$ 30,300.00	\$ -	\$ 30,300.00	\$ 11,545.00	\$ 18,755.00	Carlos Quintero	On Call
TRU240-20	240	Trussell Technologies	BL Water Quality Analysis	09/07/2017	08/31/2018	\$ 49,885.00	\$ -	\$ 49,885.00	\$ 4,771.54	\$ 45,113.46	Carlos Quintero	
WO2018-01	240	WMWD	Sample Collection & Analysis	07/01/2017	06/30/2018	\$ 90,000.00	\$ -	\$ 90,000.00	41,351.81	\$ 48,648.19	David Ruhl	
WO2018-02	240	WMWD	Brine Line Operations & Maintenance	07/01/2017	06/30/2018	\$ 25,000.00	\$ -	\$ 25,000.00	4,663.87	\$ 20,336.13	David Ruhl	
DUDK326-05	326	Dudek	Litigation Support	11/28/2016	12/31/2017	\$ 25,000.00	\$ 25,000.00	\$ 50,000.00	\$ 34,440.00	\$ 15,560.00	David Ruhl	
DUDK326-06	326	Dudek	Reach V Rehabilitation - Ph I, Tasks 3-4	03/03/2017	06/30/2018	\$ 134,900.00	\$ -	\$ 134,900.00	\$ 73,283.13	\$ 61,616.87	David Ruhl	
HAMM326-01	326	Hammons Strategies	Strategic Communication Services	05/24/2016	12/31/2017	\$ 18,500.00	\$ 60,750.00	\$ 79,250.00	\$ 78,750.00	\$ 500.00	Rich Haller	
WO2018-03	326	PSI Lab	CIPP Sampling	07/01/2017	06/30/2018	\$ 30,010.00	\$ -	\$ 30,010.00	\$ 24,920.00	\$ 5,090.00	David Ruhl	158
VALI326-04	326	Vali Cooper & Associates Inc	IEBL Reach V Rehabilitation	03/15/2017	06/30/2018	\$ 1,252,400.00	\$ -	\$ 1,252,400.00	\$ 717,521.86	\$ 534,878.14	David Ruhl	

Santa Ana Watershed Project Authority
Open Task Orders Schedule
December 2017
(Reflects Invoices Received as of 01/15/18)

Task Order No. Project Contracts	Fund No.	Vendor Name	Task Description	Begin Date	End Date	Original Contract	Change Orders	Total Contract	Billed To Date	Contract Balance	SAWPA Manager	Comments
PO3379 Const	326	WEKA	IEBL Reach V Rehab & Improvement	09/13/2016	01/16/2018	\$ 2,044,602.00	\$ 13,283,733.99	\$ 15,328,335.99	\$ 14,193,660.58	\$ 1,134,675.41	David Ruhl	
CDM374-01	374	CDM Smith	Triennial Ambient Water Quality Update	08/15/2016	09/30/2017	\$ 349,960.00	\$ 55,153.00	\$ 405,113.00	\$ 405,410.77	\$ (297.77)	Mark Norton	
CDM374-02	374	CDM Smith	CEQA Supplemental doc & analysis	09/27/2016	12/31/2017	\$ 29,527.00	\$ 10,000.00	\$ 39,527.00	\$ 38,707.65	\$ 819.35	Mark Norton	
GEOS374-01	374	GeoScience Support Service	SAR WLA Model Update	02/01/2017	06/30/2018	\$ 249,800.00	\$ -	\$ 249,800.00	\$ 198,410.00	\$ 51,390.00	Mark Norton	
RISK374-07	374	Risk Sciences	Basin Monitoring TF	11/06/2017	06/30/2018	\$ 73,150.00	\$ -	\$ 73,150.00	\$ 6,612.37	\$ 66,537.63	Mark Norton	
SCH381-01	381	Scheevel Engineering	S.A. Sucker - Beneficial Use Project	04/18/2017	12/31/2018	\$ 96,725.00	\$ -	\$ 96,725.00	\$ 49,704.00	\$ 47,021.00	Ian Achimore	
AMEC384-01	384-01	Amec Foster Wheeler	Tier 2 - Bacteria Source Investigation	07/18/2017	06/30/2018	\$ 49,960.00	\$ -	\$ 49,960.00	\$ 37,443.08	\$ 12,516.92	Rick Whetsel	
CDM384-15	384-01	CDM Smith	CBRP Implementation Support	02/08/2017	12/31/2017	\$ 12,135.00	\$ -	\$ 12,135.00	\$ 5,399.64	\$ 6,735.36	Mark Norton	
RISK384-08	384-01	Risk Sciences	MSAR TMDL Task Force	07/12/2015	06/30/2018	\$ 87,300.00	\$ -	\$ 87,300.00	\$ 53,117.32	\$ 34,182.68	Rick Whetsel	
CDM386-12	386	CDM Smith	Regional Bacteria Monitoring Program	04/18/2017	06/30/2018	\$ 317,046.00	\$ 13,625.00	\$ 330,671.00	\$ 205,419.25	\$ 125,251.75	Rick Whetsel	
DEGR392-03	392	DeGrave Communications	Social Media Support - EC TF	07/01/2017	06/30/2018	\$ 30,000.00	\$ -	\$ 30,000.00	\$ 12,886.01	\$ 17,113.99	Mark Norton	
PO3289	397	CAPOC	Green House Gas Contract - WECAN	06/27/2016	10/31/2018	\$ 16,628.00	\$ -	\$ 16,628.00	\$ 3,623.58	\$ 13,004.42	Mike Antos	
PO3377	397	CAPR	Green House Gas Contract - WECAN	10/31/2016	10/31/2018	\$ 85,000.00	\$ -	\$ 85,000.00	\$ 39,100.00	\$ 45,900.00	Mike Antos	
PO3285	397	CAPSB	Green House Gas Contract - WECAN	06/20/2016	10/31/2017	\$ 868,153.00	\$ -	\$ 868,153.00	\$ 276,456.19	\$ 591,696.81	Mike Antos	
ECOT397-01	397	Ecotech	WECAN Landscaping Project	05/26/2016	10/31/2018	\$ 1,300,000.00	\$ 2,000.00	\$ 1,302,000.00	\$ 840,950.90	\$ 461,049.10	Mike Antos	
ECOT397-02	397	Ecotech	WECAN Landscaping Project	04/04/2017	10/30/2018	\$ 612,000.00	\$ -	\$ 612,000.00	\$ 74,960.00	\$ 537,040.00	Mike Antos	
GMC397-01	397	Green Media Creations	WECAN Outreach and Management	05/26/2016	10/31/2018	\$ 170,000.00	\$ -	\$ 170,000.00	\$ 152,276.85	\$ 17,723.15	Mike Antos	
GMC397-02	397	Green Media Creations	WVWD Turf Removal	04/11/2017	10/30/2018	\$ 80,000.00	\$ -	\$ 80,000.00	\$ 79,744.32	\$ 255.68	Mike Antos	
PO3466	398	California Rural Water Association	Disadvantaged Communities Grant	07/19/2017	04/30/2020	\$ 240,000.00	\$ -	\$ 240,000.00	\$ 38,217.28	\$ 201,782.72	Mike Antos	
IEW398-02	398	Inland Empire Waterkeeper	Disadvantaged Communities Grant	08/01/2017	12/22/2017	\$ 14,000.00	\$ -	\$ 14,000.00	\$ -	\$ 14,000.00	Mike Antos	
PO3375	398	Local Government Commission	Civic Spark WaterCorps Services	10/17/2016	09/30/2017	\$ 37,000.00	\$ -	\$ 37,000.00	\$ 34,511.23	\$ 2,488.77	Mike Antos	
PO3463	398	Local Government Commission	Disadvantaged Communities Grant	07/19/2017	04/30/2020	\$ 442,000.00	\$ -	\$ 442,000.00	\$ 112,365.72	\$ 329,634.28	Mike Antos	
PO3551	398	UC Irvine	Disadvantaged Communities Grant	11/06/2017	04/30/2020	\$ 105,000.00	\$ -	\$ 105,000.00	\$ -	\$ 105,000.00	Mike Antos	

Santa Ana Watershed Project Authority
Open Task Orders Schedule
December 2017
(Reflects Invoices Received as of 01/15/18)

Task Order No. Project Contracts	Fund No.	Vendor Name	Task Description	Begin Date	End Date	Original Contract	Change Orders	Total Contract	Billed To Date	Contract Balance	SAWPA Manager	Comments
PO3465	398	University Enterprises Corporation	Disadvantaged Communities Grant	07/19/2017	04/30/2020	\$ 1,290,500.00	\$ -	\$ 1,290,500.00	\$ 30,335.30	\$ 1,260,164.70	Mike Antos	
PO3464	398	Water Education Foundation	Disadvantaged Communities Grant	07/19/2017	04/30/2020	\$ 150,000.00	\$ -	\$ 150,000.00	\$ 3,519.01	\$ 146,480.99	Mike Antos	
CVS504-301-01	504-00	CV Strategies	FAQ on Conservation Based Rates	11/29/2016	08/31/2018	\$ 25,000.00	\$ 600.00	\$ 25,600.00	\$ 18,488.75	\$ 7,111.25	Ian Achimore	
MSS504-301-01	504-00	Miller Spatial Services	Geocoding & Business Type Classification	08/24/2017	12/31/2018	\$ 300,000.00	\$ -	\$ 300,000.00	\$ 13,660.11	\$ 286,339.89	Rick Whetsel	
OMNI504-301-01	504-00	OmniEarth Inc	Web Based Water Consumption Reporting	09/21/2015	12/31/2017	\$ 1,500,000.00	\$ -	\$ 1,500,000.00	\$ 822,863.85	\$ 677,136.15	Mark Norton	
RMC504-401-02	504-04	RMC Water and Environment	SARCCUP Program Mgmt Services	07/01/2017	06/30/2018	\$ 260,515.00	\$ -	\$ 260,515.00	\$ 59,635.44	\$ 200,879.56	Mark Norton	
										<u>\$ 7,846,405.61</u>		

**LIST OF SAWPA FUNDS
AS OF 12/31/17**

Fund No.	Fund Description	Fund Group
100-00	General Fund	General
100-03	State Lobbying	General
100-04	Federal Lobbying	General
100-05	Grant Applications	General
130	Proposition 84 – Program Management - Round 1	OWOW
135	Proposition 84 – Program Management – Round 2	OWOW
140	Proposition 84 – Program Management – Drought Round	OWOW
145	Proposition 84 – Program Management – 2015 Round	OWOW
240	Brine Line Enterprise	Brine Line
320-01	Brine Line Protection – Downstream Prado	Capital Projects
320-03	Brine Line Protection Above Prado	Capital Projects
320-04	Brine Line Protection D/S Prado in Riverside County	Capital Projects
326	Reach V Capital Repairs	Capital Projects
327	Reach IV-D Corrosion Repair	Capital Projects
370-01	Basin Planning General	OWOW
370-02	USBR Partnership Studies	OWOW
372	Imported Water Recharge Work Group	Roundtable
373	Watershed Management (OWOW)	OWOW
374	Basin Monitoring Program Task Force	Roundtable
381	Santa Ana River Fish Conservation	Roundtable
384-01	MSAR TMDL Task Force	Roundtable
386	Regional Water Quality Monitoring Task Force	Roundtable
387	Arundo Management & Habitat Restoration	Roundtable
392	Emerging Constituents Task Force	Roundtable
396	Forest First	Roundtable
397	Energy – Water DAC Grant Project	OWOW
398	Proposition 1 - DACI	OWOW
477	LESJWA Administration	Roundtable
504-01	Proposition 84 – Capital Projects Round 1 & 2	OWOW
504-00	Proposition 84 – Drought Capital Projects	OWOW
504-04	Proposition 84 – Final Round SARCCUP	OWOW

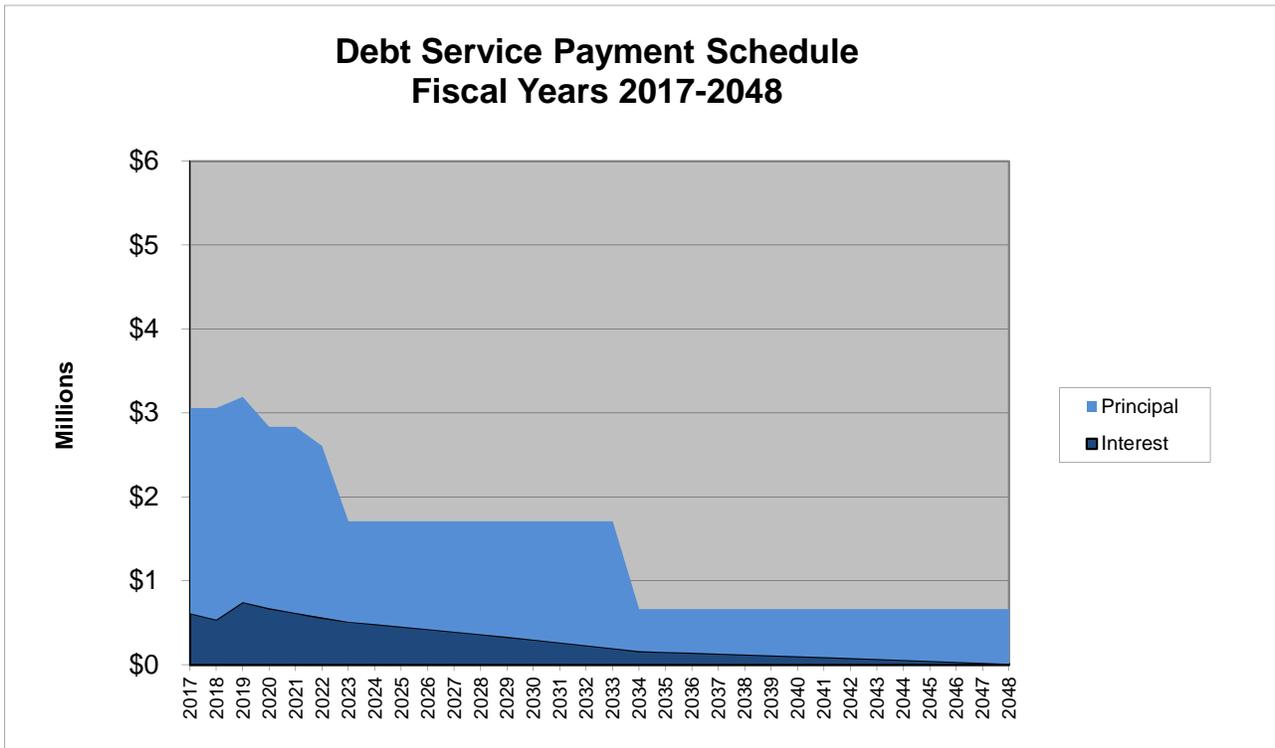
Santa Ana Watershed Project Authority
 Brine Line Debt Service Funding Analysis
 December 31, 2017

FYE	T-Strip Maturity	Capacity Loan Receipts	Rates	Loan Pymts	Interest Earned *	Excess Cash	Ending Cash Balance
	Beginning Balance						3,509,025
2017	949,000	356,251	1,552,521	(3,060,725)	27,407	(175,546)	3,333,479
2018	949,000	356,251	2,136,173	(3,060,725)	66,670	447,368	3,780,848
2019	395,000	89,053	1,708,750	(3,191,277)	26,392	(972,082)	2,808,766
2020	395,000	-	1,708,750	(2,835,027)	56,175	(675,102)	2,133,664
2021	-	-	1,708,750	(2,835,027)	42,673	(1,083,604)	1,050,060
2022	-	-	1,708,750	(2,607,713)	21,001	(877,961)	172,099
2023	-	-	1,708,750	(1,708,750)	3,442	3,442	175,541
2024	-	-	1,708,750	(1,708,750)	3,511	3,511	179,051
2025	-	-	1,708,750	(1,708,750)	3,581	3,581	182,632
2026	-	-	1,708,750	(1,708,750)	3,653	3,653	186,285
2027	-	-	1,708,750	(1,708,750)	3,726	3,726	190,010
2028	-	-	1,708,750	(1,708,750)	3,800	3,800	193,811
2029	-	-	1,708,750	(1,708,750)	3,876	3,876	197,687
2030	-	-	1,708,750	(1,708,750)	3,954	3,954	201,640
2031	-	-	1,708,750	(1,708,750)	4,033	4,033	205,673
2032	-	-	1,708,750	(1,708,750)	4,113	4,113	209,786
2033	-	-	1,708,749	(1,708,749)	4,196	4,196	213,982
2034	-	-	664,476	(664,476)	4,280	4,280	218,261
2035	-	-	664,476	(664,476)	4,365	4,365	222,628
2036	-	-	664,476	(664,476)	4,452	4,452	227,079
2037	-	-	664,476	(664,476)	4,541	4,541	231,621
2038	-	-	664,476	(664,476)	4,632	4,632	236,253
2039	-	-	664,476	(664,476)	4,725	4,725	240,978
2040	-	-	664,476	(664,476)	4,819	4,819	245,797
2041	-	-	664,476	(664,476)	4,916	4,916	250,713
2042	-	-	664,476	(664,476)	5,014	5,014	255,727
2043	-	-	664,476	(664,476)	5,114	5,114	260,841
2044	-	-	664,476	(664,476)	5,217	5,217	266,058
2045	-	-	664,476	(664,476)	5,321	5,321	271,379
2046	-	-	664,476	(664,476)	5,427	5,427	276,806
2047	-	-	664,476	(664,476)	5,536	5,536	282,342
2048	-	-	664,476	(664,476)	5,647	5,647	287,990
	2,688,000	801,554	39,287,083	(46,353,883)	356,209	(3,221,036)	-

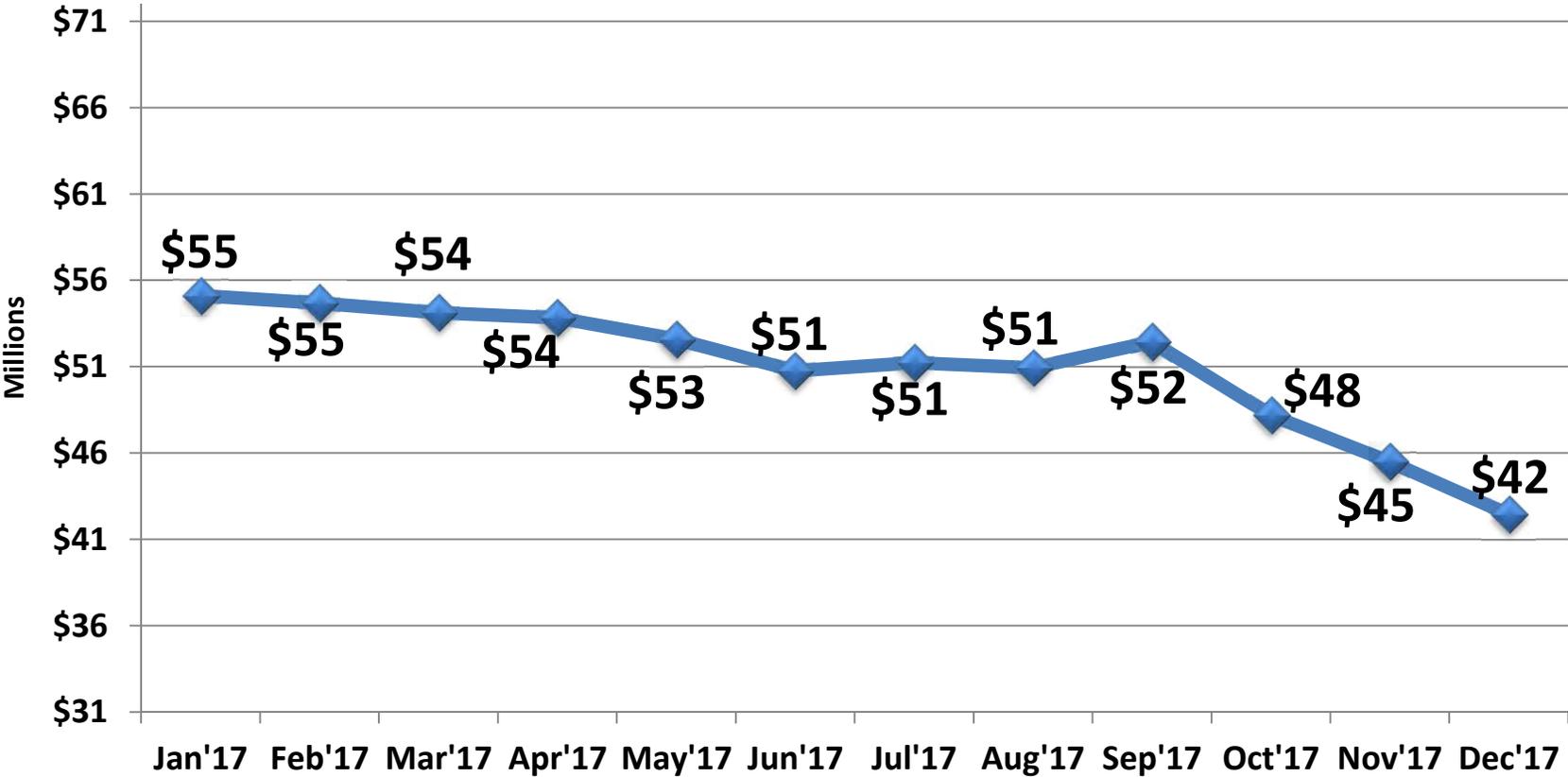
*Interest earned is based on a conservative 2.00% average return over the period

Santa Ana Watershed Project Authority
 Brine Line Debt Service Payment Schedule
 December 31, 2017

FYE	Interest	Principal	Total Payment	New SRF Loan	Remaining Principal
2017	615,366	2,445,358	3,060,725	-	19,706,942
2018	539,727	2,520,997	3,060,725	15,088,592	32,274,537
2019	748,142	2,443,135	3,191,277	-	29,831,402
2020	674,909	2,160,119	2,835,027	-	27,671,283
2021	620,485	2,214,543	2,835,027	-	25,456,740
2022	564,670	2,043,043	2,607,713	-	23,413,697
2023	514,020	1,194,730	1,708,750	-	22,218,967
2024	485,808	1,222,942	1,708,750	-	20,996,026
2025	456,917	1,251,833	1,708,750	-	19,744,193
2026	427,330	1,281,420	1,708,750	-	18,462,774
2027	397,030	1,311,719	1,708,750	-	17,151,054
2028	366,000	1,342,750	1,708,750	-	15,808,304
2029	334,221	1,374,529	1,708,750	-	14,433,776
2030	301,675	1,407,074	1,708,750	-	13,026,701
2031	268,344	1,440,405	1,708,750	-	11,586,296
2032	234,208	1,474,541	1,708,750	-	10,111,755
2033	199,248	1,509,501	1,708,749	-	8,602,254
2034	163,443	501,033	664,476	-	8,101,220
2035	153,923	510,553	664,476	-	7,590,667
2036	144,223	520,254	664,476	-	7,070,413
2037	134,338	530,138	664,476	-	6,540,275
2038	124,265	540,211	664,476	-	6,000,064
2039	114,001	550,475	664,476	-	5,449,589
2040	103,542	560,934	664,476	-	4,888,655
2041	92,884	571,592	664,476	-	4,317,063
2042	82,024	582,452	664,476	-	3,734,611
2043	70,958	593,519	664,476	-	3,141,092
2044	59,681	604,796	664,476	-	2,536,297
2045	48,190	616,287	664,476	-	1,920,010
2046	36,480	627,996	664,476	-	1,292,014
2047	24,548	639,928	664,476	-	652,087
2048	12,390	652,087	664,477	-	(0)



Total Cash & Investments





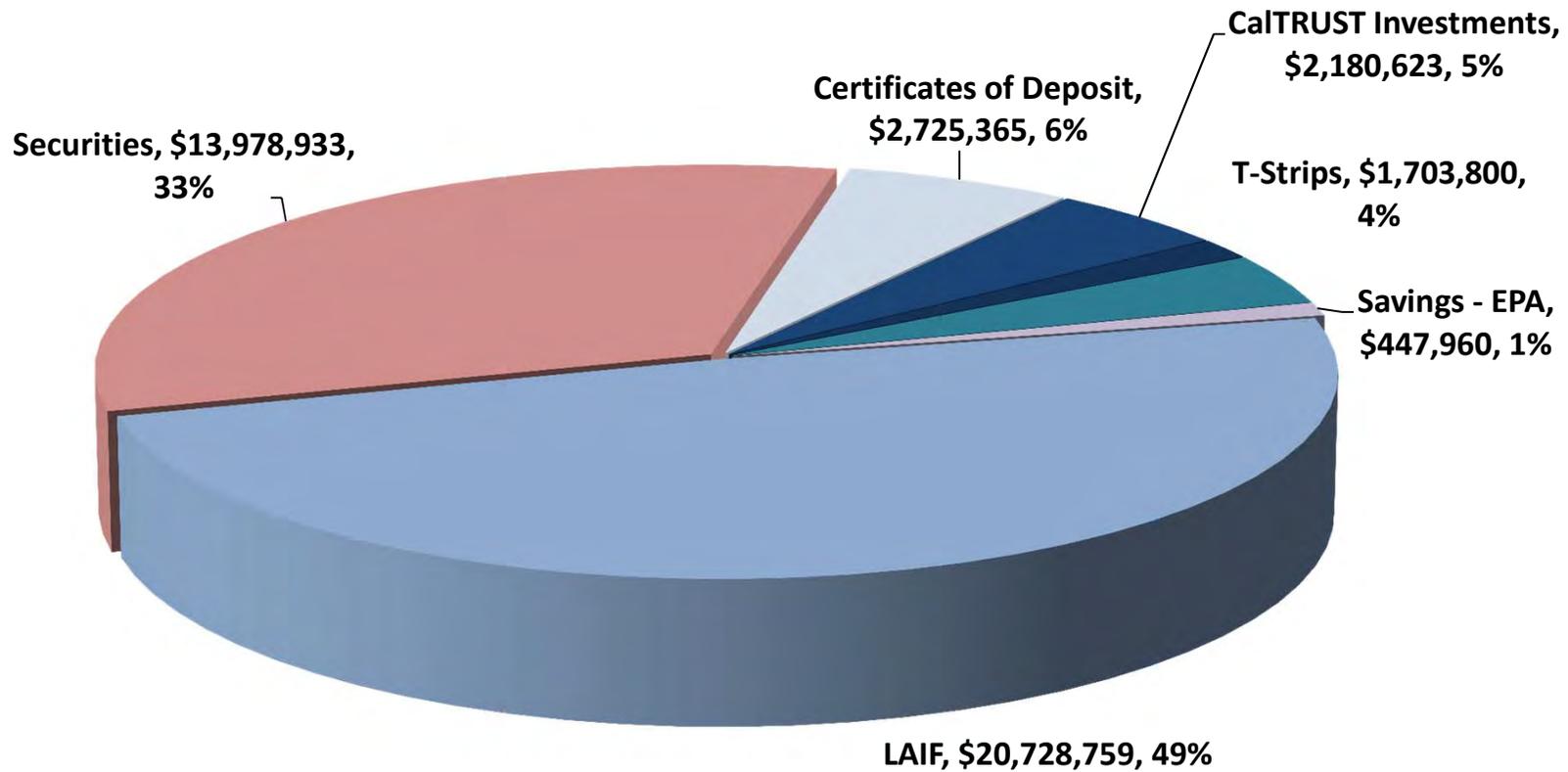
CASH BALANCE & SOURCE OF FUNDS

December 31, 2017

Reserve Accounts		Cash and Investments								
	Total	Checking (Cash)	CalTRUST Investments	LAIF Account	Savings EPA	Investment Securities	Certificates of Deposit	Treasury Strips	Total	
100	General Fund	\$ 2,840,173	682,935	-	2,157,238	-	-	-	\$ 2,840,173	
100	Building Reserve	\$ 922,837	-	-	922,837	-	-	-	\$ 922,837	
370	Basin Planning General	\$ 241,835	-	-	241,835	-	-	-	\$ 241,835	
370	USBR Partnership Studies	\$ 39,420	-	-	39,420	-	-	-	\$ 39,420	
373	Watershed Management Plan	\$ 276,736	-	-	276,736	-	-	-	\$ 276,736	
240	Self Insurance Reserve	\$ 3,912,763	-	-	3,912,763	-	-	-	\$ 3,912,763	
240	Brine Line Debt Retirement	\$ 5,686,294	-	-	-	3,982,494	-	1,703,800	\$ 5,686,294	
240	Brine Line - Pipeline Replacement	\$ 9,009,296	-	-	-	9,009,296	-	-	\$ 9,009,296	
240	Brine Line - OCS D Rehabilitation	\$ 3,536,190	-	2,180,623	368,424	987,143	-	-	\$ 3,536,190	
240	Brine Line - Capacity Management	\$ 7,920,025	-	-	7,920,025	-	-	-	\$ 7,920,025	
240	Brine Line - OCS D Future Capacity	\$ 1,733,766	-	-	-	-	1,733,766	-	\$ 1,733,766	
240	Brine Line - Flow Imbalance Reserve	\$ 87,448	-	-	-	-	87,448	-	\$ 87,448	
240	Brine Line - Operating Reserve	\$ 2,683,419	-	-	1,779,268	-	904,151	-	\$ 2,683,419	
401	Legal Defense Fund	\$ 447,960	-	-	-	447,960	-	-	\$ 447,960	
372	Imported Water Recharge	\$ 8,975	-	-	8,975	-	-	-	\$ 8,975	
374	Basin Monitoring Program TF	\$ 191,268	-	-	191,268	-	-	-	\$ 191,268	
381	SAR Fish Conservation	\$ 212,411	-	-	212,411	-	-	-	\$ 212,411	
384	Middle SAR TMDL TF	\$ 189,278	-	-	189,278	-	-	-	\$ 189,278	
386	RWQ Monitoring TF	\$ 279,614	-	-	279,614	-	-	-	\$ 279,614	
387	Mitigation Bank Credits	\$ 951,264	-	-	951,264	-	-	-	\$ 951,264	
392	Emerging Constituents TF	\$ 89,826	-	-	89,826	-	-	-	\$ 89,826	
397	Energy - Water DAC Grant	\$ 865,464	-	-	865,464	-	-	-	\$ 865,464	
504	Prop 84 - SARCCUP Projects	\$ 322,114	-	-	322,114	-	-	-	\$ 322,114	
		\$ 42,448,375	\$ 682,935	\$ 2,180,623	\$ 20,728,759	\$ 447,960	\$ 13,978,933	\$ 2,725,365	\$ 1,703,800	\$ 42,448,375

Cash & Investments - December 31, 2017

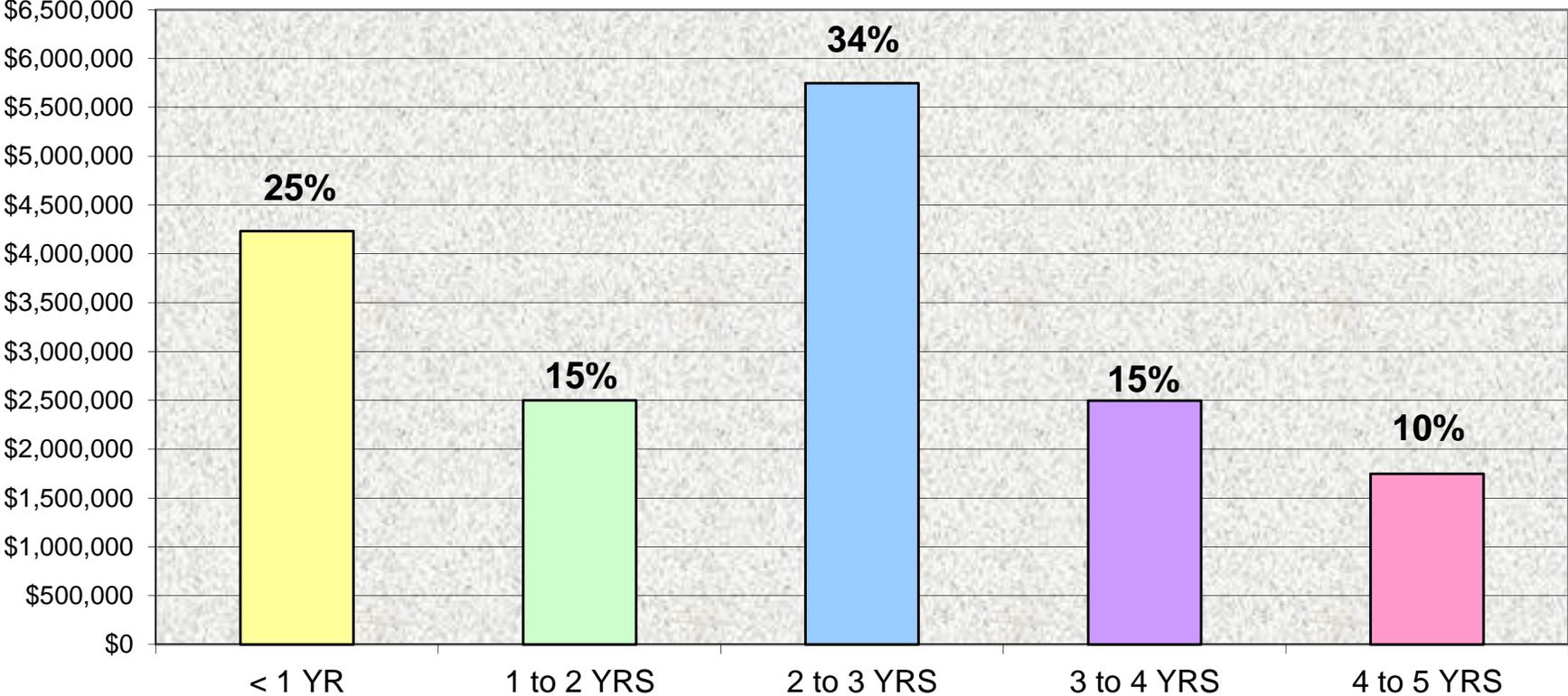
\$42,448,375



Santa Ana Watershed Project Authority
Reserve Account Analysis
December 31, 2017

Reserve Account	Balance @ 6/30/2017	Interest Earned	Fund Contributions	Loan/T-Strip Receipts	Debt Service Payments	Inter-Fund Loans	Fund Expenses	Balance @ 12/31/2017	Estimated Fund Changes	Balance @ 6/30/2018
Brine Line Operating Reserve	4,545,484	21,007	3,892,517				(5,775,589)	2,683,419	-	2,683,419
Flow Imbalance Reserve	84,608	417	2,423					87,448	-	87,448
OCSD Future Capacity	1,725,296	8,469						1,733,766	-	1,733,766
Capacity Management	7,851,194	20,727	48,105					7,920,025	-	7,920,025
Pipeline Replacement	13,807,175	38,037	6,593,450				(11,429,366)	9,009,296	3,964,834	12,974,130
OCSD Rehabilitation	7,506,389	29,801	(4,000,000)					3,536,190	-	3,536,190
Debt Retirement	3,333,479	16,956	2,112,360	690,251	(2,170,551)			3,982,495	1,504,113	5,486,609
Self Insurance	3,846,181	16,582	50,000					3,912,763	(50,000)	3,862,763
General Fund	3,263,214	14,063	663,429			(554,780)	(545,752)	2,840,173	-	2,840,173
Building Reserve	818,646	4,191	100,000					922,837	-	922,837
	46,325,606	170,250	9,462,283	690,251	(2,170,551)	(554,780)	(17,750,707)	36,628,412	5,418,947	42,047,359

Twelve Month Maturity Schedule Securities



Investment T-Strips
 Safekeeping US Bank

SAWPA
TREASURER'S REPORT
 As of December 31, 2017

T-STRIPS	Debt	Purchase Date	Maturity Date	PAR	Cost	Initial Discount	Current Discount	Book Value	Market Value	Interest Rate
USB	WEST RIV	07/12/1999	05/15/2018	220,000.00	67,632.00	152,367.60	7,151.22	212,848.78	28,762.94	6.36%
USB	TVRI	02/11/2000	05/15/2020	1,185,000.00	353,177.40	831,822.60	80,686.96	1,104,313.04	1,155,462.30	6.39%
				\$ 1,405,000.00	\$ 420,809.40	\$ 984,190.20	\$ 87,838.18	1,317,161.82	\$ 1,184,225.24	6.38%

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	511,461.00	3.75%
Agency	FHLMC	9/16/2016	8/12/2021	100.00	\$ 990,060.00	\$ 1,000,000.00	\$ 1,000,000.00	964,375.00	1.125%
Agency	FHLMC	4/17/2017	1/13/2022	102.55	\$ 512,767.00	\$ 500,000.00	\$ 500,000.00	503,787.00	2.375%
Agency	FHLB	5/26/2015	6/14/2019	100.80	\$ 504,015.00	\$ 500,000.00	\$ 500,000.00	498,668.00	1.63%
Agency	FHLB	6/16/2016	6/12/2020	102.61	\$ 1,026,088.00	\$ 1,000,000.00	\$ 1,000,000.00	992,761.00	1.75%
Agency	FHLB	12/14/2017	6/10/2022	99.89	\$ 998,930.00	\$ 1,000,000.00	\$ 1,000,000.00	992,247.00	2.125%
Agency	FNMA	3/27/2014	2/19/2019	100.40	\$ 501,975.00	\$ 500,000.00	\$ 500,000.00	500,130.00	1.88%
Agency	FNMA	3/27/2013	3/27/2018	100.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	999,007.00	1.00%
Agency	FNMA	12/28/2015	12/28/2020	100.21	\$ 1,002,140.00	\$ 1,000,000.00	\$ 1,000,000.00	994,842.00	1.88%
Agency	FNMA	6/16/2016	11/30/2020	101.52	\$ 1,015,157.00	\$ 1,000,000.00	\$ 1,000,000.00	984,803.00	1.50%
Agency	USTN	11/17/2015	11/30/2018	100.00	\$ 1,002,500.00	\$ 1,000,000.00	\$ 1,000,000.00	995,000.00	1.25%
Agency	USTN	11/17/2015	10/31/2020	100.00	\$ 1,005,312.50	\$ 1,000,000.00	\$ 1,000,000.00	993,594.00	1.75%
Agency	USTN	11/17/2015	11/30/2019	100.00	\$ 1,001,210.94	\$ 1,000,000.00	\$ 1,000,000.00	992,422.00	1.50%
Agency	USTN	6/17/2016	8/31/2020	101.13	\$ 507,070.31	\$ 500,000.00	\$ 500,000.00	492,363.50	1.38%
Agency	USTN	6/16/2016	9/30/2020	101.12	\$ 506,992.19	\$ 500,000.00	\$ 500,000.00	492,031.00	1.38%
Agency	USTN	6/16/2016	10/31/2020	101.12	\$ 506,914.06	\$ 500,000.00	\$ 500,000.00	491,582.00	1.38%
Agency	USTN	12/14/2017	7/31/2021	96.91	\$ 969,062.50	\$ 1,000,000.00	\$ 1,000,000.00	966,289.00	1.125%
CORP	Toyota Motor Credit	9/15/2016	7/13/2018	100.00	\$ 504,057.50	\$ 500,000.00	\$ 500,000.00	499,501.00	1.55%
CD	Ally Bank	4/20/2017	4/20/2020	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,000.00	1.80%
CD	American Exp Centurion	4/19/2017	4/19/2021	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,000.00	2.25%
CD	American Express BK FSB	5/10/2017	5/10/2021	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,000.00	2.20%
CD	CIT Bank	3/13/2013	3/13/2018	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	247,896.51	1.10%
CD	GE Capital Retail	1/31/2014	1/31/2018	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,077.65	1.45%
CD	Capital Bank FL	5/27/2015	5/29/2018	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	247,653.79	1.10%
CD	Capital One Bank USA NA	9/30/2015	10/1/2018	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	247,976.51	1.65%
CD	Capital One NA	9/30/2015	10/1/2018	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	247,976.51	1.65%
CD	Wells Fargo Bank NA	12/2/2015	12/3/2018	100.00	\$ 245,000.00	\$ 245,000.00	\$ 245,000.00	244,508.00	1.45%
CD	Goldman Sachs Bank USA	12/20/2017	12/20/2022	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,000.00	2.50%
CD	National Bank of NY	6/18/2014	6/18/2018	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	247,700.42	1.30%
					\$ 16,825,902.00	\$ 16,725,000.00	\$ 16,725,000.00	16,588,652.89	1.68%

**Santa Ana Watershed Project Authority
Treasurer's Report
As of December 31, 2017**

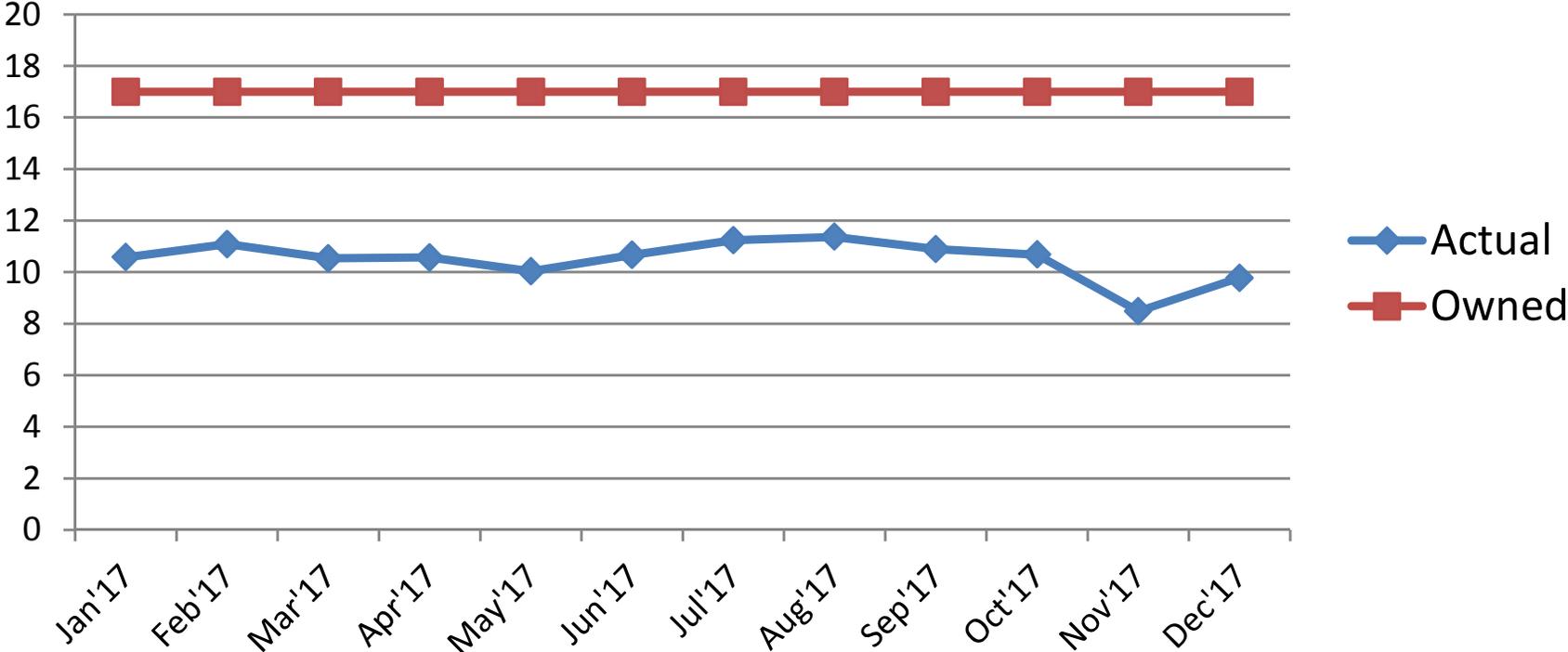
Investment T-Strips
Issuer U.S.Gov't
Banker USB
Source of MV US Bank
Debt Service WEST RIV.

Purchase Date	Maturity Date	Months to Maturity	PAR	Cost	Initial Discount	Current Discount	Book Value	Market Value	Interest Rate
07/12/1999	05/15/2018	5	220,000.00	67,632.00	152,367.60	7,151.22	212,848.78	218,762.94	6.36%
			<u>\$ 220,000.00</u>	<u>\$ 67,632.00</u>	<u>\$ 152,367.60</u>	<u>\$ 7,151.22</u>	<u>212,848.78</u>	<u>\$ 218,762.94</u>	6.36%

Investment T-Strips
Issuer U.S.Gov't
Banker USB
Source of MV US Bank
Debt Service TVRI

Purchase Date	Maturity Date	Months to Maturity	PAR	Cost	Initial Discount	Current Discount	Book Value	Market Value	Interest Rate
02/11/2001	05/15/2018	5	395,000.00	124,500.05	270,499.95	13,103.10	381,896.90	392,778.92	6.43%
02/11/2002	05/15/2019	17	395,000.00	117,646.80	277,353.20	27,131.95	367,868.05	385,068.91	6.39%
02/11/2000	05/15/2020	29	395,000.00	111,030.55	283,969.45	40,451.91	354,548.09	377,614.47	6.36%
			<u>\$ 1,185,000.00</u>	<u>\$ 353,177.40</u>	<u>\$ 831,822.60</u>	<u>\$ 80,686.96</u>	<u>\$ 1,104,313.04</u>	<u>\$ 1,155,462.30</u>	6.39%

Average Daily Flow by Month





SUMMARY OF LABOR MULTIPLIERS

		Benefit Rate
Total Employee Benefits	598,827	0.349
Total Payroll	1,713,714	
Gross Indirect Costs	1,589,724	
Less: Member Contributions & Other Revenue	(225,000)	
Indirect Costs for Distribution	1,364,724	
		Indirect Rate
Direct Labor	885,536	1.541
Indirect Costs	1,364,724	

FY 2017-18 Labor multiplier - thru 12/31/17	1.891
FY 2016-17 Labor multiplier	<u>1.901</u>
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>



BENEFITS SUMMARY

(Distributed based on Actual Labor)

<u>G/L Acct</u>	<u>Description</u>	<u>Budget</u>	<u>Actual @ 12/31/17</u>	<u>Projected FYE 2018</u>
70101	FICA Expense	185,067 \$	68,622 \$	137,244
70102	Medicare Expense	52,612 \$	22,817 \$	45,634
70103	State Unemployment Insurance	5,712 \$	910 \$	6,300
70104	Worker's Compensation Insurance	80,165 \$	8,866 \$	68,288
70105	State Disability Insurance	24,702 \$	8,047 \$	16,094
70106	PERS Pension Plan	662,665 \$	241,039 \$	482,078
70111	Medical Expense	445,725 \$	197,296 \$	394,592
70112	Dental Expense	31,680 \$	13,796 \$	27,592
70113	Vision Insurance	8,014 \$	3,549 \$	7,098
70114	Life Insurance Expense	15,491 \$	7,008 \$	14,016
70115	Long Term Disability	17,956 \$	8,083 \$	16,166
70116	Wellness Program Expense	3,500 \$	794 \$	1,588
70117	401a Profit Sharing - Employers Contribution	-	-	-
70120	Car Allowance	36,000 \$	18,000 \$	36,000
	Total Benefits	1,569,289	598,827	1,252,690
	Total Payroll	3,592,414 \$	1,713,714 \$	3,427,428
	Benefits Rate	43.7%	34.9%	36.5%

Santa Ana Watershed Project Authority
Labor Hours Budget vs Actual
Month Ending December 31, 2017

	Fund	Budget	Actual	%
100	General & Administrative	23,953	12,956	54.09%
130	Prop 84 Round 1 Administration	925	404	43.65%
135	Prop 84 Round 2 Administration	865	333	38.47%
140	Prop 84 2014 Drought Administration	655	390	59.47%
145	Prop 84 Final Round Administration	1,750	364	20.80%
240	Brine Line Enterprise	17,550	8,079	46.03%
320	Brine Line Protection	250	2	0.90%
326	Reach V Capital Repairs	2,171	1,096	50.48%
327	Reach IV-D Corrosion Repairs	755	-	0.00%
370-01	General Basin Planning	2,480	1,023	41.26%
370-02	USBR Partnership Studies	115	10	8.91%
372	Imported Water Recharge	45	21	46.67%
373	Watershed Management Plan	2,895	935	32.28%
374	Basin Monitoring Program	435	198	45.46%
381	SAR Fish Conservation	200	176	88.13%
384-01	Chino TMDL Facilitation	150	92	61.00%
386MONIT	Storm Water Quality Standards TF	110	70	63.18%
386STORM	Storm Water Quality Standards TF	-	-	100.00%
387	Arundo Removal & Habitat Restoration	185	63	33.92%
392	Emerging Constituents	56	40	71.88%
396	Forest First	30	-	0.00%
397	Water-Energy Grant Administration	480	146	30.31%
397EXPAN	Water-Energy WWWD Administration	-	16	100.00%
398ADMIN	DACI Grant	2,395	409	17.08%
477TMDL	LESJWA - TMDL Task Force	760	356	46.78%
477-02	LESJWA - Administration	355	242	68.30%
504-301A	Prop 84 2014 Drought Implementation	995	164	16.51%
504-301C	Prop 84 2014 Drought Implementation	685	353	51.46%
504-401I	Prop 84 Final Round Implementation	140	26	18.39%
504-401PA23	Prop 84 Final Round Implementation	430	94	21.86%
504-402SMART	Prop 84 Final Round Implementation	265	2	0.57%
		62,080	28,056	45.19%

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Santa Ana Watershed Project Authority
 General Manager - Expense Report
 2nd Quarter FYE 2018

Staff	Haller
-------	--------

Sum of Amount		Expn Type		
Posting Date	Activity	Hotel	Meals	Grand Total
10/31/2017	Manager's meeting at Wicke's		104.81	104.81
10/31/2017 Total			104.81	104.81
11/30/2017	Lunch Meeting (Haller, Evans, Hall) - Mission Inn		69.81	69.81
11/30/2017 Total			69.81	69.81
12/31/2017	ACWA Conferene - Marriott	407.46		407.46
	Lunch with Joe Grindstaff - Wicks		39.17	39.17
12/31/2017 Total		407.46	39.17	446.63
Grand Total		407.46	213.79	621.25



Santa Ana Watershed Project Authority

Staff - Expense Report

2nd Quarter FYE 2018

Sum of Amount			Expn Type							
Staff	Posting Date	Activity	Airfare	Hotel	Meals	Mileage	Misc	Parking	Registration	Grand Total
Achimore	10/31/2017	File Documents for Sucker Project					19.26			19.26
		Forest First and SARCCUP Meetings					34.24			34.24
	11/30/2017	Chino Hills City Council to discuss Conservation Based Rates					21.40			21.40
		City of Hemet to discuss Conservation Based Rates					23.54			23.54
		Forest First Meeting					18.73			18.73
		MWDOC for Turf Removal meeting					9.63			9.63
		Riverside County Recorder					5.89			5.89
	12/31/2017	Army Corps Sucker Fish Site					11.77			11.77
		OC Coastkeeper to sign agreement					11.77			11.77
		Riverside County Recorder					38.52			38.52
San Jacinto City Council to discuss Conservation Based Rates						43.34			43.34	
		SBVMWD for Habitat Conservation meeting				20.33			20.33	
Achimore Total						258.42				258.42
Antos	10/31/2017	Committee on Env. In San Bernardino					13.38			13.38
		DWR Climate Change		54.17	17.22			12.00		83.39
		DWR Climate Change - LYFT						26.40		26.40
		Jose Solorio in Santa Ana					14.45			14.45
		Meeting with LGC					11.24			11.24
		Stormwater Pillar Meeting					12.84			12.84
		Water Plan Plenary		54.18					12.00	66.18
			Water Plan Plenary - LYFT					27.39		27.39
	11/30/2017	AWRA Conference - LYFT						52.31		52.31
		AWRA Conference - Red Lion		835.95						835.95
		AWRA Conference (Baggage)						25.00		25.00
		AWRA Conference (Meals)				139.50				139.50
		AWRA Conference Parking							69.00	69.00
		CA Water Plan Caucus - LYFT						43.46		43.46
		CA Water Plan Caucus - ONT Airport							13.00	13.00
		CA Water Plan Caucus - Southwest		227.96						227.96
		DCI Meeting - Curbside Parking							2.50	2.50
		Hole Lake Site Visit					10.70			10.70
	12/31/2017	Integrated Climate Advisory Council		182.96						182.96
		Meeting (Antos, Haller, Solorio) Olive Garden				11.67				11.67
Homelessness & Water Symposium						32.10			32.10	
		ICARP Meeting - LYFT					43.41		43.41	
		ICARP Meeting - ONT Airport						13.00	13.00	
		Meeting with CBWCD				28.36			28.36	
Antos Total			410.92	944.30	168.39	123.07	217.97	121.50		1986.15
Blancas	10/31/2017	Basin Monitor Task Force Meeting			75.50					75.50
		Commission Meeting Goods					34.94		34.94	
	11/30/2017	Commission Meeting Goods - Ralphs						39.98		39.98
		Ops Field Interview - Jimmy Johns				17.25				17.25
		Riverwalk - Bakers Dozen Donuts				45.77				45.77
	12/31/2017	Commission meeting catering - McGrath's				352.08				352.08
Commission meeting catering (J. Rossi retirement) Baguette					289.17				289.17	
		Managers Meeting - Jimmy Johns			62.17				62.17	

Blancas Total			841.94		74.92		916.86	
Gilbert	11/30/2017	OCSD/SAWPA Meeting - El Torito	64.53				64.53	
Gilbert Total			64.53				64.53	
Lewis	11/30/2017	CSMFO Meeting Registration			40.00		40.00	
	12/31/2017	CSMFO Conference Registration			370.00		370.00	
		Mission Inn for CSMFO Meeting	10.70				10.70	
Lewis Total			10.70		410.00		420.70	
McKenney	12/31/2017	So Cal Water Committee			75.00		75.00	
McKenney Total					75.00		75.00	
Munson	10/31/2017	LESJWA Board Meeting & mailings			30.50		30.50	
Munson Total					30.50		30.50	
Norton	10/31/2017	ASCE Convention	384.60	367.14	183.37			935.11
		ASCE Convention - Airport Shuttle			44.00		44.00	
		Russian River Pilot Meeting	182.95					182.95
		Sustainable Infrastructure Conference (Food)			206.85			206.85
		Sustainable Infrastructure Conference (Hotel)			1000.65			1000.65
		Sustainable Infrastructure Conference (Parking)					59.40	59.40
	Sustainable Infrastructure Conference (Taxi & Car Service)					150.36	150.36	
11/30/2017	Dinner with DWR/SAWPA - Café Sevilla			240.11			240.11	
	Salinity Coalition Summit - Tuscany Suites	89.57				89.57		
	Salinity Coalition Summit			275.00		275.00		
Norton Total			567.55	1457.36	630.33	194.36	59.40	275.00
Oldenburg	10/31/2017	MISAC Conference			31.19			31.19
		MISAC Conference (Rental Car / Gas)			319.13		319.13	
Oldenburg Total					31.19	319.13	350.32	
Patterson	10/31/2017	ARMA Meeting			20.00		20.00	
		ARMA Meeting in Perris			27.82			27.82
		Costco Trip			3.21			3.21
		Pick up goods for meetings			4.82			4.82
		Steering Committee Goods					102.63	102.63
	11/30/2017	Costco / Home Depot trip			4.81			4.81
		Costco Trip			1.61			1.61
12/31/2017	WMWD Meeting			23.01			23.01	
	Costco for Commission meeting goods			3.21			3.21	
	Costco for PTP meeting goods			3.21			3.21	
Meeting at WVWD			32.10			32.10		
Patterson Total					103.80	122.63	226.43	
Plasencia	10/31/2017	Pre-Treatment Meetings (Dart and CDA II)			22.98		22.98	
Plasencia Total					22.98		22.98	
Quintero	11/30/2017	Parking - Meeting w/SCE			7.50		7.50	
Quintero Total					7.50		7.50	
Unger	10/31/2017	MISAC Conference (Meals)	143.60				143.60	
		MISAC Conference (Rental Car / Gas)			358.60		358.60	
		MISAC Conference Parking			170.45		170.45	
11/30/2017	Meeting with Konica Minolta - Wicks	45.67				45.67		
	PA22 Workshop Goods - Stater Bros.			23.94		23.94		
Unger Total			189.27		382.54	170.45	742.26	
Villa	10/31/2017	7-11, Ice for SA Riverwalk			1.07			1.07
		Brea for Nuts & Bolts Workshop			31.57			31.57
		Ralps for GM Meeting goods			2.14			2.14
	11/30/2017	Commission Meeting Goods - Ralps			48.63		48.63	
		Meeting Goods			2.14		2.14	
		OWOW Steering Committee Lunch - EZ Cater	734.97				734.97	
		Ralps for Meeting Goods			2.14			2.14
	Riverwalk Lunch - Strawhat Pizza	262.32				262.32		
	12/31/2017	Commission Meeting Goods - Ralps			87.12		87.12	
		GM Meeting Goods - Ralps			35.08		35.08	
Meeting Goods				2.14		2.14		
Ralps for Meeting Goods				2.14			2.14	

Villa Total			997.29	39.06	175.11			1211.46		
Weideman	10/31/2017	Prop84 Project Meeting			18.78			18.78		
	11/30/2017	Prop84 R2 Project Sites with DWR			36.67			36.67		
Weideman Total					55.45			55.45		
Williams	11/30/2017	CSMFO Meeting Registration				80.00		80.00		
		Lunch Meeting with Member Agency CFO's		62.64				62.64		
	12/31/2017	CGFO Conference				380.00		380.00		
		CSMFO Conference				370.00		370.00		
		GFOA Conference - Southwest	353.46					353.46		
Williams Total			353.46	62.64		830.00		1246.10		
Grand Total			1331.93	2401.66	2985.58	643.98	1561.66	358.85	1515.00	10798.66

Lake Elsinore & San Jacinto Watersheds Authority



City of Lake Elsinore • City of Canyon Lake • County of Riverside
Elsinore Valley Municipal Water District • Santa Ana Watershed Project Authority

LESJWA Water Summit

April 18, 2018, 9:30 a.m. – 1:00 p.m.

Lake Elsinore Stadium, Diamond Club
500 Diamond Drive
Lake Elsinore, CA 92530

Registration

9:30 a.m. - 10:00 a.m.

Welcome

LESJWA Chair, Robert Magee
10:00 a.m. - 10:05 a.m.

LESJWA Accomplishments and Recent Lake Activities

Mark Norton, LESJWA Authority Administrator
10:05 a.m. - 10:30 a.m.

Panel Session

TMDL Update and Compliance Strategies

Hope Smythe, Executive Officer, Santa Ana Regional Water Quality Control Board
Jason Uhley, General Manager, Riverside County Flood Control and Water Conservation District
Pat Boldt, Executive Director, Western Riverside County Agricultural Coalition
10:30 a.m. - 11:25 a.m.

Break

Lake Elsinore Advanced Pumped Storage (LEAPS) Project

Greg Kahlen, The Kahlen Group
11:40 a.m. - 12:00 p.m.

Lunch Served (Video Presentation)

12:00 p.m. - 12:20 p.m.

Canyon Lake and Lake Elsinore: TMDL Update Impacts and Our Lakes Future Special Lunch Hour Keynote

Tim Moore, Risk Sciences
12:20 p.m. - 1:00 p.m.

Close

Lake Elsinore & San Jacinto Watersheds Authority



City of Lake Elsinore • City of Canyon Lake • County of Riverside
Elsinore Valley Municipal Water District • Santa Ana Watershed Project Authority

Wednesday, April 18, 2018

9:30 a.m. to 1:30 p.m.

The Diamond Stadium - Diamond Club

500 Diamond Drive, Lake Elsinore Registration

\$30 per person, lunch included

Register Now!



As a member of our watershed, the [Lake Elsinore & San Jacinto Watersheds Authority](#) (LESJWA) invites you to the 2018 LESJWA Water Summit. Our watershed faces unique challenges that require action and agency collaboration to seek solutions for watershed management. The [Lake Elsinore and Canyon Lake Total Maximum Daily Load \(TMDL\) Task Force](#) is an active partner in improving watershed challenges throughout the San Jacinto Watershed. The Summit will feature information on how the TMDL Task Force has worked with the Santa Ana Regional Water Quality Control Board to implement watershed monitoring, mitigation projects, modeling and a variety of other solutions to meet TMDL targets.

This year, the task force will complete critical revisions to the TMDLs. These revisions impact our watershed. Therefore, we highly encourage you and other key representatives from your agency to join us at this event to learn more about these TMDLs and how these revisions may affect our watershed, starting in the San Jacinto Mountains, traveling downstream through Canyon Lake and eventually ending in Lake Elsinore.

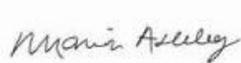
In addition, you will learn about lake accomplishments and possible future activities; the Lake Elsinore Advanced Pumped Storage (LEAPS) Project, a proposed hydroelectric facility; and future impacts of the TMDL on the watershed. A panel session will be included with representatives from the Santa Ana Regional Water Quality Control Board, Riverside County Flood Control and Water Conservation District and the Western Riverside County Agricultural Coalition who will discuss how agencies are addressing TMDLs

and improving their overall impact on water quality.

The 2018 Water Summit will take place on **Wednesday, April 18, 2018** from 9:30 a.m. to 1:30 p.m. (registration is at 9:30 a.m., the event begins at 10 a.m.). The event will be held at Diamond Stadium in the Diamond Club located at 500 Diamond Drive, Lake Elsinore, CA 92530. Registration is \$30 and will include lunch. Register [online](#) or contact Liselle DeGrave of DeGrave Communications at (951) 764-0865 or email directly at liselle@degravepr.com.

We look forward to your participation!

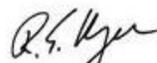
Regards,



Supervisor Marion Ashley



Supervisor Kevin Jeffries



LESJWA Chair Bob Magee

[View Event Agenda](#)



[Sponsor Application Click Here!](#)

SPONSORSHIP OPPORTUNITIES

Presenting Sponsor

\$1,000

Event booth space

Logo on opening PPT

Large logo on event signage, e-invitation & collateral

Ability to put collateral material on all event tables

4 meal tickets

Supporting Sponsor

\$500

Event booth space

Name on event signage & collateral

2 meal tickets

Lake Elsinore & San Jacinto Watersheds Authority

11615 Sterling Avenue

Riverside, CA 92503

See what's happening in the watersheds on our Facebook page





General Manager's Report

February 2018

Santa Ana Watershed Project Authority | 11615 Sterling Avenue, Riverside, CA 92503 | www.sawpa.org

INSIDE THE FEBRUARY REPORT

- 1 Reach 4B Upper
- 2 Brine Line Air Release and Vacuum Valve
- 3 Brine Line DigAlert Tickets
- 4 Santa Ana Sucker Habitat Project

Reach 4B Upper

SAWPA embarked on a two week maintenance effort on Reach 4B Upper. The activities included condition assessment of all sealed manholes, inspection (CCTV) of 4 miles of pipe, and line cleaning to remove scale. Scale formation has been significantly reduced since Western Municipal Water District began adding an anti-scalant solution to the Arlington Desalter discharge to the Brine Line in 2015.



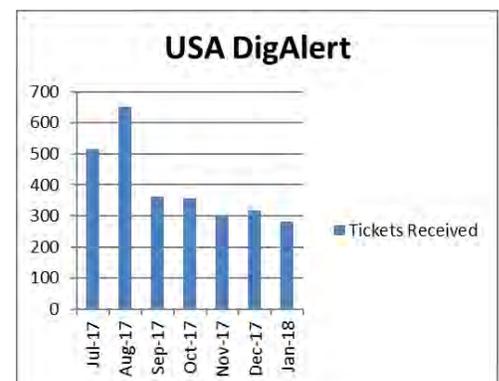
Brine Line Air Release and Vacuum Valve

The Brine Line Air Release and Vacuum Valve (AirVac) overhaul is continuing. SAWPA has undertaken an aggressive maintenance program of all AirVacs to ensure that all parts are corrosion free to reduce the failure frequency and potential spills. All 54 AirVacs on Reach 5 are overhauled at a minimum of once per year.



Brine Line DigAlert Tickets

During the Month of January, SAWPA received a total of 281 DigAlert tickets. A summary of USA DigAlerts received since July 2017 is shown to the right. There has been a downward trend on DigAlert tickets since USA DigAlert switched from Thomas Guide to GIS based notifications in November 2017.



Santa Ana Sucker Habitat Project

Staff and SAWPA consultant, Scheevel Engineering, visited the U.S. Army Corps of Engineers (Corps) Santa Ana Sucker Habitat Project site near Martha McLean Park in Riverside to gather data for the final design of SAWPA's Santa Ana Sucker Habitat Project. Sucker fish were seen using portions of the habitat structures that were constructed using cobble and boulders in December 2017. Some of the structures were covered by sand, likely moved into the area by a January 2018 storm where flows reached approximately 3,000 CFS near the Park. Scheevel Engineering is currently incorporating lessons learned from the Corps project into the final design of SAWPA's project in order to produce documents ready for public works construction.

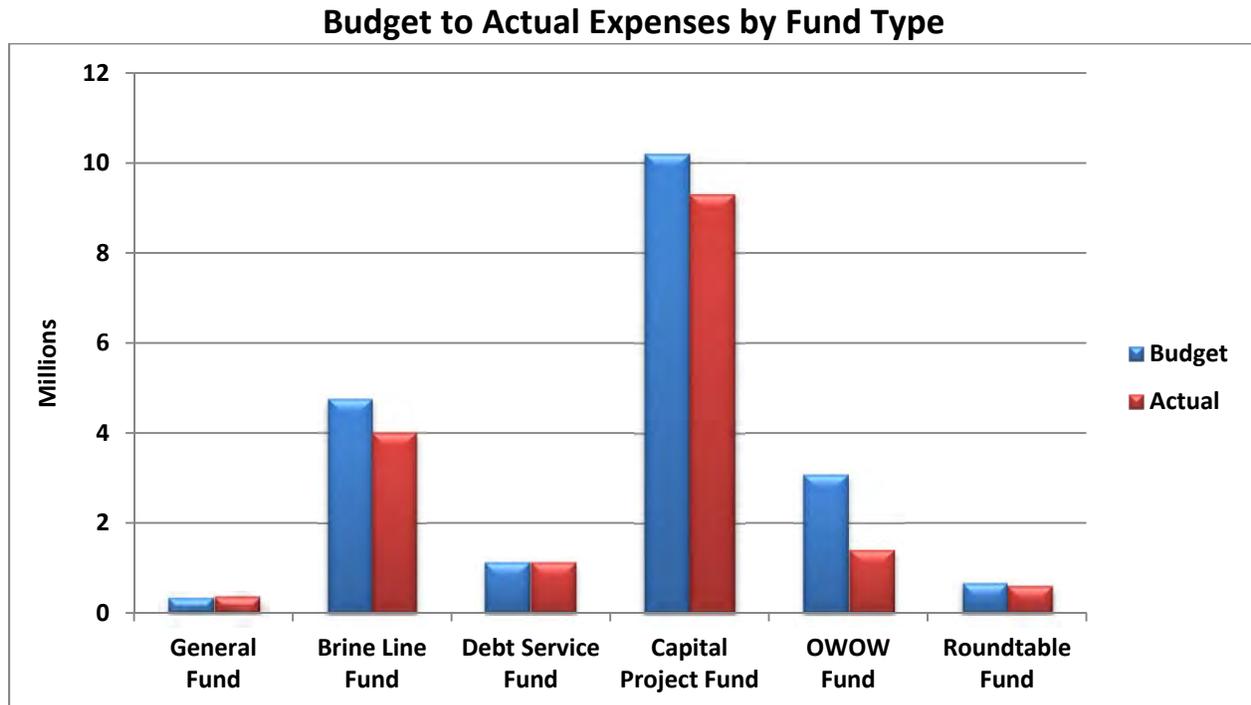


**Santa Ana Watershed Project Authority
Executive Financial Information Report
November 2017**

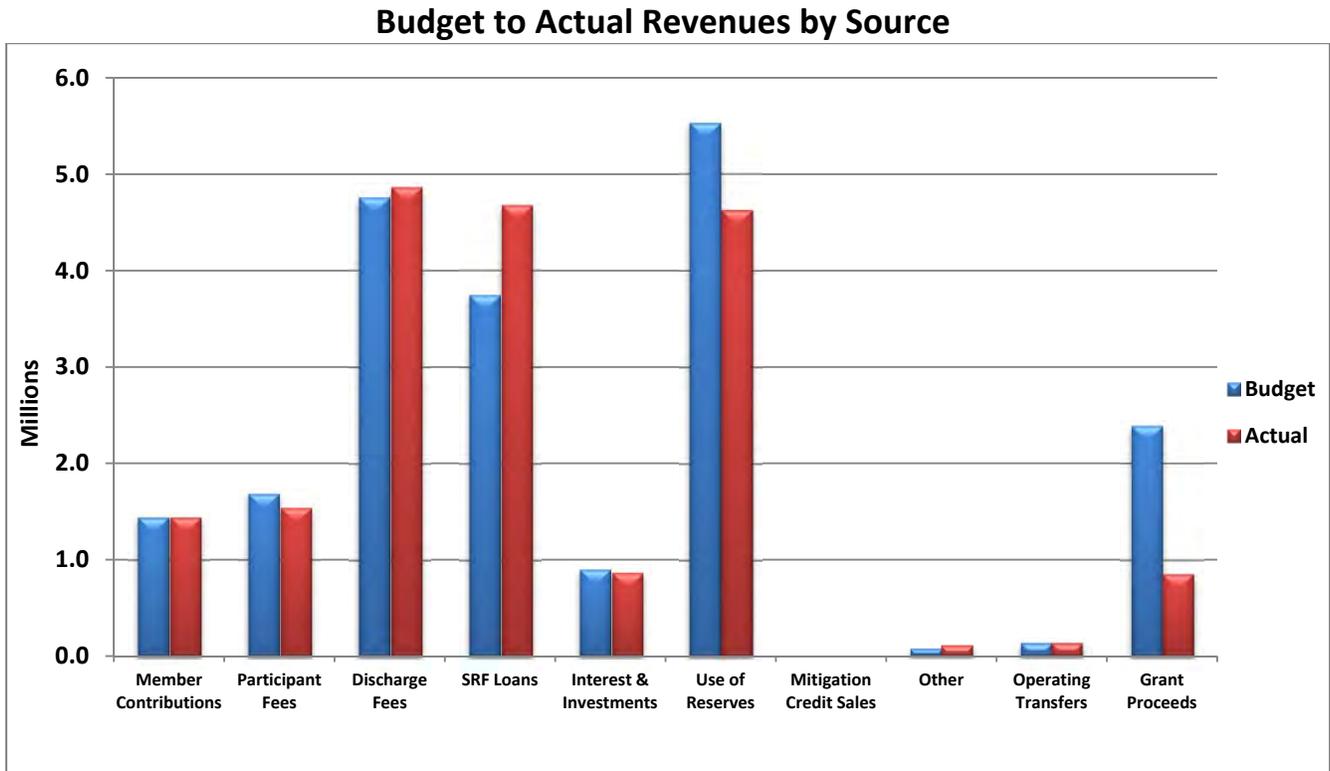
Staff comments provided on the last page are an integral part of this report.

Overview	This report highlights the agency's key financial indicators for the Fiscal Year-to-Date (FYTD) through November 2017 unless otherwise noted.
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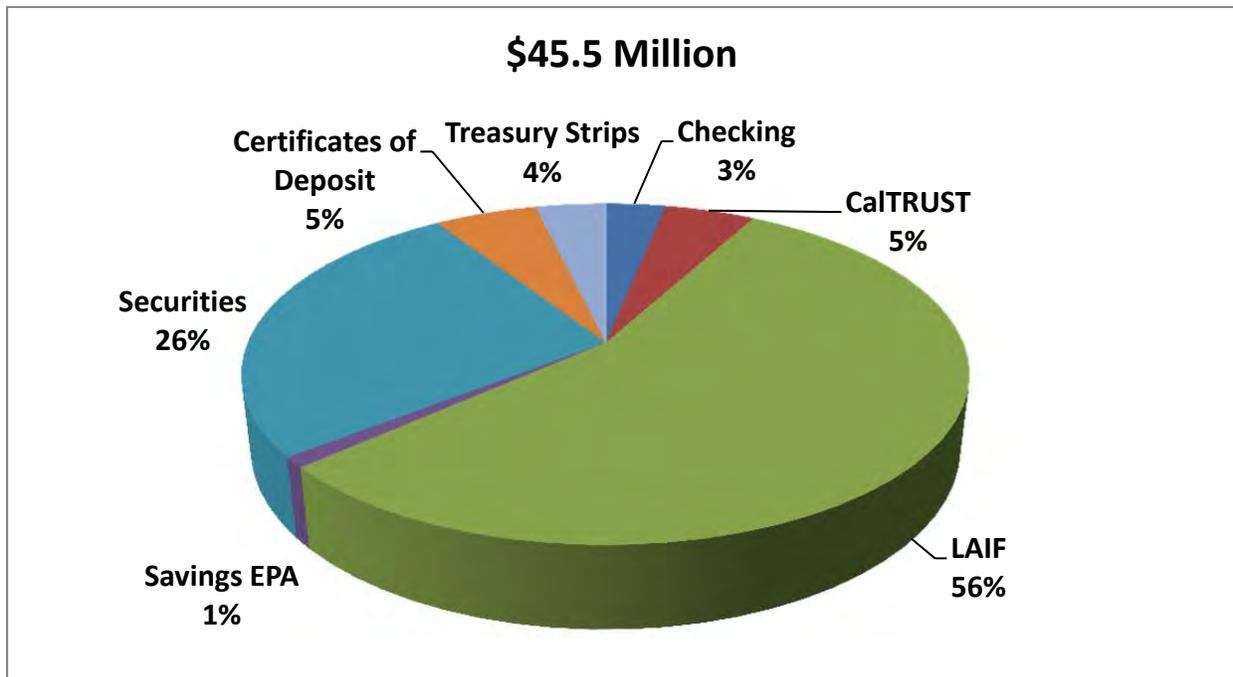
Budget to Actual Expenses by Fund Type				 Favorable
	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
General Fund	\$646,118	\$332,856	\$365,890	(\$33,034)
Brine Line Enterprise	11,427,616	4,761,507	4,014,555	746,952
Debt Service Fund	3,060,719	1,126,278	1,126,278	-
Capital Project Fund	15,714,532	10,216,311	9,316,335	899,976
OWOW Fund	7,403,317	3,084,715	1,419,137	1,665,578
Roundtable Fund	1,419,206	675,483	616,180	59,303
Total	\$39,671,508	\$20,197,150	\$16,858,375	\$3,338,775



Budget to Actual Revenues by Source				✖	Concern
	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance	
Member Contributions	\$1,442,118	\$1,442,118	\$1,442,118	\$-	
Participant Fees	1,682,056	1,682,056	1,538,612	(143,444)	
Discharge Fees	11,427,616	4,761,507	4,867,449	105,942	
SRF Loans	7,500,000	3,750,000	4,681,637	931,637	
Interest & Investments	1,994,772	900,276	866,729	(33,547)	
Use of Reserves	9,280,479	5,534,674	4,634,566	(900,108)	
Mitigation Credit Sales	88,980	-	-	-	
Other	202,027	84,178	118,501	34,323	
Operating Transfers	144,252	144,252	144,252	-	
Grant Proceeds	5,741,297	2,392,207	860,659	(1,531,548)	
Total	\$39,503,596	\$20,691,268	\$19,154,523	(\$1,536,745)	



Total Cash & Investments - November



Reserve Fund Balance - November

	Amount
General Fund	\$2,863,899
Building Fund	922,837
Legal Defense Fund	447,960
OWOW Fund	1,803,999
Roundtable Fund	1,935,605
Self Insurance	3,904,429
Debt Retirement	5,508,280
Pipeline Replacement	10,739,506
OCSD Rehabilitation	3,536,190
Capacity Management	7,920,025
Future Capacity	1,733,766
Flow Imbalance	86,742
Brine Line Operating	4,093,367
Total Reserves	\$45,496,605

Legend

Compared to Budget

	Ahead or Favorable	Above +5% Favorable Revenue or Expense Variance
	On Track	+5% to -2% Variance
	Behind	-3% to -5% Variance
	Concern	Below -5% Variance

Staff Comments

For this month's report, the item(s) explained below are either "behind", a "concern", or have changed significantly from the prior month.

- 1) Grant Proceeds are 36% lower than budget. While this is a concern it is projected that these projects will be within the budget amount for FYE 2018. The variance is due to several issues. For Proposition 84 Drought projects, there has been an unanticipated delay by retail agencies in the implementation of conservation based rates. There were also unanticipated cost savings from several of the projects. Those funds will be reallocated to other projects within the Drought round. For Proposition 84 SARCCUP there has been a delay on the negotiation of the sub-grantee agreement for Smartscape and a lack of implementing legislation regarding the new water use efficiency standards which has slowed down the project.

Aside from Grant Proceeds, all other revenue sources and non-grant related expenses are on track.

GENERAL MANAGERS MEETING NOTES

TUESDAY, FEBRUARY 13, 2018

PARTICIPANTS PRESENT

Paul Jones
Halla Razak
Michael Markus
Doug Headrick (Via-Conference Call)
Craig Miller
Rich Haller
Karen Williams
Mark Norton
Larry McKenney (Via-Conference Call)
David Ruhl
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

CALL TO ORDER

The meeting was called to order at 7:35 a.m. at SAWPA, 11615 Sterling Avenue, Riverside, California.

AGENDA, CONTENT, SEQUENCE, PURPOSE OF MEETING

Rich Haller noted that the purpose of the General Managers Meetings is to inform the General Managers of what SAWPA is working on and that there are no surprises in the Commission Meetings. If there are any concerns or issues, they could be brought up at these meetings for discussion.

FUTURE SAWPA COMMISSION AGENDA ITEMS

Rich Haller referenced the handout that was provided of the Agenda Planning Matrix (SAWPA Commission, OWOW Steering Committee, PA22, PA23, and Outside Meetings).

PROJECT AGREEMENTS

Larry McKenney referenced the handout that was previously emailed out and that was his analysis of EMWD's edits to the draft PA 24 Agreement. He asked that the General Managers look through his comments and provide their feedback. Paul Jones suggested setting up a meeting with his legal counsel and Larry McKenney to work through the proposed changes on February 21, 2018 following EMWD's Board Meeting. Larry McKenney and Rich Haller concurred.

CLOSED SESSION ATTENDANCE – DRAFT RESOLUTION

Larry McKenney referenced the handout that was provided of his analysis of EMWD's edits to the closed session attendance draft resolution. He noted that based on his perspective and what he heard in the Commission discussion it was important for the Commission to retain its own power to decide the closed session attendance. McKenney said that he outlined a process for SAWPA staff purposes, where the SAWPA General Manager would say whom the essential participants are and it gives the Commissioners a chance to say yes or no. Larry McKenney recommended setting up a meeting with Paul Jones and his legal counsel to go over the draft resolution. Paul Jones and Rich Haller concurred.

DISADVANTAGED COMMUNITIES INVOLVEMENT PROGRAM POLICY PRINCIPLES

Mark Norton provided an oral update and referenced the Disadvantaged Communities Involvement (DCI) Program Policy Principles. He asked the General Managers to review and provide feedback. Michael Markus expressed concerns with the language on Policy Principle No. 9. Norton noted that the SAWPA Commissioners Jasmin Hall and Brenda Dennstedt requested language be incorporated to address the sanitation issues and the spread of disease such as hepatitis, and "if such projects involve the displacement of homeless encampments, project proponents should bear in mind the potential human impacts of displacing the homeless population and the need for providing sheltering options before displacements occur." It was questioned if there were any other SAWPA Commissioners against adding such language. Norton responded no. Halla Razak suggested going over the IRWM Guidelines in front of the Commission. Norton noted that they have and the Commission is aware. Paul Jones stated that these are policy principles to guide how you would utilize a funding source for the broadest

benefit and look at different projects and he can't support the language. Rich Haller noted that he would look into substantially re-writing it or taking it out. Razak questioned if there is a true desire for the Commission to look for other sheltering options for homeless in the community. Haller noted that the focus is on the water quality issues not the homeless. Doug Headrick noted that he suggested to Chair Longville that we should turn this evaluation over to the HCP Coalition, who he believes has the most direct connection to what we are trying to accomplish, and that is to try to find a real justified nexus between homelessness and water. Headrick sees this as a way to continue to move forward and not abandon or ignore the homeless issues but to get it back in a context of a water supply focus. Larry McKenney noted that with regard to this DCI Grant, the grant agreement language describes how projects will be vetted and decisions made; we have to think about what the Grant Agreement actually says.

Markus questioned whether SAWPA entering in an MOU with the City of Riverside precludes Riverside from submitting on a project, or SAWPA from evaluating a submitted project? McKenney said no, this is not the typical IRWM Grant Round, this is under a specific Grant Agreement that says you will be doing involvement and outreach and technical assistance to help develop projects. The Grant Agreement talks about the Technical Advisory Committee and the OWOW Steering Committee being involved in the discussion of what projects from that process will be funded for implementation. Norton noted that there is a separation of the two documents; one is the policy principles about the DCI Grant and how money is allocated for technical assistance. Then there's the MOU; there is nothing in the DCI Grant that establishes separate agreements and there is no commitment of funding under the MOU. Markus expressed concern about the perception that if a project gets submitted to the Steering Committee and the proponent has an MOU with SAWPA, it gives that proposal additional weight in the eyes of the Steering Committee.

Jones suggested that the DCI policy principles number 9 be taken out, and that it be explained to the Commission that this doesn't foreclose the homelessness issues, that it can be evaluated in other projects that may come forward to provide those broader benefits. Razak noted that another point to share with the Commission is that other DAC applicants might feel slighted that the homelessness issue is specifically written in the policy principles while their issues are not necessarily there – it needs to be clean and not have any project type specified. It was questioned if Chair Longville was receptive to the idea of having HCP form the MOU with Riverside versus SAWPA. Headrick noted that she agreed to have him ask this group to think about it and open up for discussion. He asked the General Managers to talk to their Commissioners about the concept. Markus asked if this item will be taken to Commission on February 20, or will it be deferred? Haller noted he would talk to Chair Longville and have the MOU item deferred. There was a consensus from the General Managers to have both the MOU and Policy Principles items deferred, though Haller suggested he take the Policy Principles to the SAWPA Commission on February 20 without Policy Principle No. 9. All General Managers concurred.

OWOW UPDATE

Mark Norton informed the General Managers that DWR will distribute the completed Draft Project Solicitation Package (PSP) by the end of this month to share with the Roundtable Regions. The Draft PSP will come out in April, and the Final in June. He noted that DWR is envisioning a negotiated approach by working with SAWPA.

ROUNDTABLES UPDATE

Mark Norton informed the General Managers that a meeting has been scheduled for March 5 with the signatories of the Imported Water Recharge Cooperative Agreement. There is a MSAR TMDL Task Force meeting today at the Regional Board to provide feedback of an audit that the Regional Board requested. There is a Basin Monitoring Program Task Force meeting scheduled for February 20. Norton noted that SAWPA is in the process of creating outreach brochures for each of the roundtables.

BRINE LINE UPDATE

David Ruhl provided updates on the following:

- Lease Capacity Pool –SAWPA staff is working on updating the Lease and Capacity Pool Agreement and distributing out to the member agencies.

- Reach V Repairs – A Notice of Completion for the Reach V Repairs was filed last week and in thirty five (35) days SAWPA will likely be releasing retention on the project.
- Pretreatment Program Update:
 - Update of Program Documents –SAWPA is currently reviewing the member agencies comments on the Pretreatment Program documents. It is anticipated to submit the documents to OCSD in March.
- OCSD Rock Removal – SAWPA will have the revised plans and specifications on the rock removal by February 23. It is anticipated to advertise for bid in April, and construction to start in the summer.
- Reach IV-D Pipe Corrosion Proposals – Four (4) Proposals were submitted for the Reach IV-D Pipe Corrosion project. Interviews are scheduled today, and EMWD staff will participate in the interview process.
- Rate Model – The rate model is due at the end of this month and SAWPA will be reaching out to the member agencies to schedule a workshop. The workshop is tentatively scheduled for March 26.
- Inland Bioenergy Permit Status – A draft Inland Bioenergy permit was submitted to OCSD last week. They have ten (10) days to review and provide comments.
- Beaumont Request to Discharge to Brine Line – SAWPA hasn't received all the additional information, and is in the process of issuing another letter asking for the status.
- WMWD Pipeline – SAWPA received notice that WMWD pipeline construction will start in the next few weeks in the SAWPA parking lot. Carlos Quintero attended the weekly progress meeting to gather more information.

JOB DESCRIPTIONS

Rich Haller informed the General Managers that SAWPA is currently working on updating/revising all of the job descriptions and salary ranges for the Administrative Services Department. He noted that they don't reflect current practices and skill requirements. It is anticipated to take it to the SAWPA Commission in March. He noted that he is looking at what the member agencies have. Paul Jones noted that they recently went through a class and comp study and rewrote their job descriptions.

SCHEDULING – NEXT GM MEETING

The next General Managers meeting is scheduled for March 13, 2018, at 7:30 a.m. at SAWPA.

The meeting adjourned at 8:47 a.m.

COMMISSION REVIEW: February 20, 2018

2018-2-13 GM Mtg Notes

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Legislative Status Report for SAWPA 2/12/2018

- [AB 18](#)** (**[Garcia, Eduardo D](#)**) **California Clean Water, Climate, Coastal Protection, and Outdoor Access For All Act of 2018.**
Current Text: Amended: 8/30/2017 [html](#) [pdf](#)
Introduced: 12/5/2016
Last Amend: 8/30/2017
Status: 9/1/2017-From committee: Do pass and re-refer to Com. on APPR. (Ayes 4. Noes 1.) (August 31). Re-referred to Com. on APPR.
Location: 9/1/2017-S. APPR.
Summary: Under current law, programs have been established pursuant to bond acts for, among other things, the development and enhancement of state and local parks and recreational facilities. This bill would enact the California Clean Water, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in an amount of \$3,470,000,000 pursuant to the State General Obligation Bond Law to finance a clean water, climate, coastal protection, and outdoor access for all program.
- [AB 1270](#)** (**[Gallagher R](#)**) **Dams and reservoirs: inspections and reporting.**
Current Text: Amended: 1/22/2018 [html](#) [pdf](#)
Introduced: 2/17/2017
Last Amend: 1/22/2018
Status: 2/5/2018-Read third time. Urgency clause adopted. Passed. Ordered to the Assembly. In Assembly. Concurrence in Senate amendments pending. May be considered on or after February 7 pursuant to Assembly Rule 77.
Location: 2/5/2018-A. CONCURRENCE
Calendar: 2/12/2018 #1 ASSEMBLY CONCURRENCE IN SENATE AMENDMENTS
Summary: Current law requires the Department of Water Resources, from time to time, to make inspections of dams and reservoirs at state expense for the purpose of determining their safety. This bill would repeal those provisions and instead would require the department to inspect dams, reservoirs, and appurtenant structures once per fiscal year with the exception of low hazard potential dams which the bill would require to receive inspections at least every 2 fiscal years, as specified. The bill would require the owner of a dam to operate critical outlet and spillway control features on an annual basis and to demonstrate their full operability in the presence of the department every 3 years or as directed by the department.
- [AB 1654](#)** (**[Rubio D](#)**) **Water conservation.**
Current Text: Amended: 7/12/2017 [html](#) [pdf](#)
Introduced: 2/17/2017
Last Amend: 7/12/2017
Status: 7/17/2017-Withdrawn from committee. Re-referred to Com. on RLS. (Set for hearing) (1/23/2018 - Immune to Deadlines according to JR61(f). Deadlines do not apply to bills in a Rules committee.)
Location: 7/17/2017-S. RLS.
Summary: Would state the intent of the Legislature to enact legislation necessary to help make water conservation a California way of life.
- [AB 1668](#)** (**[Friedman D](#)**) **Water management planning.**
Current Text: Amended: 9/8/2017 [html](#) [pdf](#)
Introduced: 2/17/2017
Last Amend: 9/8/2017
Status: 9/15/2017-From committee: Do pass and re-refer to Com. on RLS. (Ayes 5. Noes 0.) (September 15). Re-referred to Com. on RLS.
Location: 9/15/2017-S. RLS.
Summary: Current law requires the state to achieve a 20% reduction in urban per capita water use in California by December 31, 2020. Current law requires each urban retail water supplier to develop urban water use targets and an interim urban water use target, as specified. This bill would require the State Water Resources Control Board, in coordination with the Department of Water Resources, to adopt long-term standards for the efficient use of water, as provided, and performance measures for commercial, industrial, and institutional water use on or before June 30, 2021.
- [AB 1876](#)** (**[Frazier D](#)**) **Sacramento-San Joaquin Delta: Delta Stewardship Council.**
Current Text: Introduced: 1/16/2018 [html](#) [pdf](#)
Introduced: 1/16/2018
Status: 1/29/2018-Referred to Com. on W.,P., & W.
Location: 1/29/2018-A. W.,P. & W.

Summary: The Sacramento-San Joaquin Delta Reform Act of 2009 establishes the Delta Stewardship Council, which consists of 7 members, and requires the council to develop, adopt, and commence implementation of a comprehensive management plan for the Delta, known as the Delta Plan. This bill would increase the membership of the council to 13 members, including 11 voting members and 2 nonvoting members, as specified.

AB 1991 (Mathis R) Safe Drinking Water State Revolving Fund Law of 1997.

Current Text: Introduced: 2/1/2018 [html](#) [pdf](#)

Introduced: 2/1/2018

Status: 2/2/2018-From printer. May be heard in committee March 4.

Location: 2/1/2018-A. PRINT

Summary: Current law, the Safe Drinking Water State Revolving Fund Law of 1997, establishes the Safe Drinking Water State Revolving Fund to provide grants or revolving fund loans for the design and construction of projects for public water systems that will enable those systems to meet safe drinking water standards. This bill would make nonsubstantive changes in those provisions.

AB 2017 (Chiu D) Public employers: employee organizations.

Current Text: Introduced: 2/5/2018 [html](#) [pdf](#)

Introduced: 2/5/2018

Status: 2/6/2018-From printer. May be heard in committee March 8.

Location: 2/5/2018-A. PRINT

Summary: Would prohibit a public employer from deterring or discouraging prospective public employees from becoming or remaining members of an employee organization.

AB 2042 (Steinorth R) Residential graywater reuse systems: incentives.

Current Text: Introduced: 2/6/2018 [html](#) [pdf](#)

Introduced: 2/6/2018

Status: 2/7/2018-From printer. May be heard in committee March 9.

Location: 2/6/2018-A. PRINT

Summary: Would express the intent of the Legislature to enact legislation to extend financial incentives to single-family and multi-family homeowners to incentivize the purchase of residential graywater reuse systems.

AB 2050 (Caballero D) Small System Water Authority Act of 2018.

Current Text: Introduced: 2/6/2018 [html](#) [pdf](#)

Introduced: 2/6/2018

Status: 2/7/2018-From printer. May be heard in committee March 9.

Location: 2/6/2018-A. PRINT

Summary: Would create the Small System Water Authority Act of 2018 and state legislative findings and declarations relating to authorizing the creation of small system water authorities that will have powers to absorb, improve, and competently operate noncompliant public water systems. The bill would define various terms and require a change in organization to be carried out as set forth in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

AB 2060 (Garcia, Eduardo D) Water: grants: advanced payments.

Current Text: Introduced: 2/6/2018 [html](#) [pdf](#)

Introduced: 2/6/2018

Status: 2/7/2018-From printer. May be heard in committee March 9.

Location: 2/6/2018-A. PRINT

Summary: Current law requires a regional water management group, within 90 days of notice that a grant has been awarded, to provide the Department of Water Resources with a list of projects to be funded by the grant funds where the project proponent is a nonprofit organization or a disadvantaged community, or the project benefits a disadvantaged community. Current law requires the department, within 60 days of receiving the project information, to provide advanced payment of 50% of the grant award for those projects that satisfy specified criteria, including that the grant award for the project is less than \$1,000,000 and requires the advanced funds to be handled as prescribed. This bill would instead require the department to provide advanced payment for those projects of \$500,000 or 50% of the grant award, whichever is less.

AB 2064 (Gloria D) Integrated regional water management plans: grants: advanced payment.

Current Text: Introduced: 2/7/2018 [html](#) [pdf](#)

Introduced: 2/7/2018

Status: 2/8/2018-From printer. May be heard in committee March 10.

Location: 2/7/2018-A. PRINT

Summary: Current law, until January 1, 2025, requires a regional water management group, within 90 days of notice that a grant has been awarded, to provide the Department of Water Resources with a

list of projects to be funded by the grant funds if the project proponent is a nonprofit organization or a disadvantaged community or the project benefits a disadvantaged community. Current law requires the department, within 60 days of receiving this project information, to provide advanced payment of 50% of the grant award for those projects that satisfy specified criteria and require the advanced funds to be handled, including that the funds are required to be spent within 6 months of the date of receipt unless the department waives this requirement. The bill, until January 1, 2025, would require a project proponent, upon completion of the first one-half of a project receiving an above-described grant award, to provide a first one-half project accountability report to the department that reports the completion of objectives for the first one-half of the project and documents the expenditure and use of advanced grant funds.

[SB 49](#)

(De León D) California Environmental, Public Health, and Workers Defense Act of 2017.

Current Text: Amended: 9/12/2017 [html](#) [pdf](#)

Introduced: 12/5/2016

Last Amend: 9/12/2017

Status: 9/12/2017-From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 9/11/2017-A. RLS.

Summary: Would require specified agencies to take prescribed actions to maintain and enforce certain requirements and standards pertaining to air, water, and protected species. By imposing new duties on local agencies, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

[SB 606](#)

(Skinner D) Water management planning.

Current Text: Amended: 9/6/2017 [html](#) [pdf](#)

Introduced: 2/17/2017

Last Amend: 9/6/2017

Status: 9/13/2017-Assembly Rule 96 suspended. Withdrawn from committee. Ordered to third reading.

Location: 9/13/2017-A. THIRD READING

Calendar: 2/12/2018 #13 ASSEMBLY THIRD READING FILE - SENATE BILLS

Summary: Current law requires the state to achieve a 20% reduction in urban per capita water use in California by December 31, 2020. Current law requires each urban retail water supplier to develop urban water use targets and an interim urban water use target, as specified. The bill would require an urban retail water supplier to calculate an urban water use objective no later than July 1, 2022, and by July 1 every year thereafter, and its actual urban water use by those same dates.

[SB 623](#)

(Monning D) Water quality: Safe and Affordable Drinking Water Fund.

Current Text: Amended: 8/21/2017 [html](#) [pdf](#)

Introduced: 2/17/2017

Last Amend: 8/21/2017

Status: 9/1/2017-From committee: Without recommendation. (Ayes 11. Noes 0.) (September 1) Re-referred to Com. on RLS.

Location: 9/1/2017-A. RLS.

Summary: Would establish the Safe and Affordable Drinking Water Fund in the State Treasury and would provide that moneys in the fund are continuously appropriated to the State Water Resources Control Board. The bill would require the board to administer the fund to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure. The bill would authorize the state board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, and settlements from parties responsible for contamination of drinking water supplies.

[SB 919](#)

(Dodd D) Water resources: stream gages.

Current Text: Introduced: 1/22/2018 [html](#) [pdf](#)

Introduced: 1/22/2018

Status: 2/1/2018-Referred to Com. on N.R. & W.

Location: 2/1/2018-S. N.R. & W.

Summary: Current law provides for the establishment of the California Water Quality Monitoring Council, which is administered by the State Water Resources Control Board, and requires the council to undertake various actions relating to water quality data collection, and to review existing water quality monitoring, assessment, and reporting efforts and recommend specific actions and funding needs necessary to coordinate and enhance those efforts. This bill would require the board, upon appropriation by the Legislature, to develop a plan to deploy a network of stream gages that includes a determination of funding needs and opportunities for reactivating existing gages.

[SB 934](#)

(Allen D) Water quality: minor violations.

Current Text: Introduced: 1/25/2018 [html](#) [pdf](#)

Introduced: 1/25/2018

Status: 2/8/2018-Referred to Com. on RLS.

Location: 1/25/2018-S. RLS.

Summary: The Porter-Cologne Water Quality Control Act authorizes the State Water Resources Control Board and the California regional water quality control boards to conduct inspections and utilize other enforcement measures for violations of specified law relating to water quality. The act requires the state board and the regional boards to determine the types of violations that are minor violations and requires the state board to implement the minor violation provisions through adoption of regulations or state policy for water quality control, as prescribed. This bill would make nonsubstantive changes to the provision relating to minor violations.

SB 952 (Anderson R) Water conservation: local water supplies.

Current Text: Introduced: 1/30/2018 [html](#) [pdf](#)

Introduced: 1/30/2018

Status: 2/8/2018-Referred to Com. on RLS.

Location: 1/30/2018-S. RLS.

Summary: Would state the intent of the Legislature to enact legislation that would require the State Water Resources Control Board to recognize local water agency investment in water supply and will ensure that local agencies receive sufficient credit for these investments in meeting any water conservation or efficiency mandates.

SB 979 (Cannella R) Water Quality, Supply, and Infrastructure Improvement Act of 2014.

Current Text: Introduced: 2/1/2018 [html](#) [pdf](#)

Introduced: 2/1/2018

Status: 2/2/2018-From printer. May be acted upon on or after March 4.

Location: 2/1/2018-S. RLS.

Summary: The Water Quality, Supply, and Infrastructure Improvement Act of 2014 provides that the sum of \$810,000,000 is to be available, upon appropriation by the Legislature, for expenditures on, and competitive grants and loans to, projects that are included in and implemented in an adopted integrated regional water management plan and respond to climate change and contribute to regional water security. The bond act requires \$200,000,000 of that amount to be available for grants for multibenefit stormwater management projects. This bill would make a nonsubstantive change in those grant provisions.

SB 998 (Dodd D) Water shutoffs: urban and community water systems.

Current Text: Introduced: 2/5/2018 [html](#) [pdf](#)

Introduced: 2/5/2018

Status: 2/6/2018-From printer. May be acted upon on or after March 8.

Location: 2/5/2018-S. RLS.

Summary: Would require an urban and community water system, defined as a public water system that supplies water to more than 200 service connections, to have a written policy on residential service shutoff available in English, Spanish, or any other language spoken by at least 5% of the people residing in its service area. The bill would require the policy to include certain components and be available on the system's Internet Web site and be provided annually to customers in writing.

SCA 4 (Hertzberg D) Water conservation.

Current Text: Introduced: 2/2/2017 [html](#) [pdf](#)

Introduced: 2/2/2017

Status: 2/16/2017-Referred to Com. on RLS.

Location: 2/2/2017-S. RLS.

Summary: The California Constitution requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable and that the waste or unreasonable use or unreasonable method of use of water be prevented. This measure would declare the intent of the Legislature to amend the California Constitution to provide a program that would ensure that affordable water is available to all Californians and to ensure that water conservation is given a permanent role in California's future.

SCA 10 (Moorlach R) Public employee retirement benefits.

Current Text: Introduced: 2/17/2017 [html](#) [pdf](#)

Introduced: 2/17/2017

Status: 6/20/2017-June 26 set for first hearing canceled at the request of author.

Location: 3/2/2017-S. P.E. & R.

Summary: Would prohibit a government employer from providing public employees any retirement benefit increase until that increase is approved by a 2/3 vote of the electorate of the applicable jurisdiction and that vote is certified. The measure would define retirement benefit to mean any postemployment benefit and would define benefit increase as any change that increases the value of an employee's retirement benefit. The measure would define a government employer to include, among others, the state and any of its subdivisions, cities, counties, school districts, special districts,

the Regents of the University of California, and the California State University.

Total Measures: 21

Total Tracking Forms: 21