



**SAWPA COMMISSION
REGULAR MEETING MINUTES
JUNE 18, 2019**

COMMISSIONERS PRESENT

Ronald W. Sullivan, Chair, Eastern Municipal Water District
Kati Parker, Vice Chair, Inland Empire Utilities Agency
Denis R. Bilodeau, Secretary-Treasurer, Orange County Water District
Brenda Dennstedt, Western Municipal Water District
T. Milford Harrison, San Bernardino Valley Municipal Water District

COMMISSIONERS ABSENT

**ALTERNATE COMMISSIONERS
PRESENT; NON-VOTING**

Jasmin A Hall, Alternate, Inland Empire Utilities Agency
June D. Hayes, Alternate, San Bernardino Valley Municipal Water District

STAFF PRESENT

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

The Regular Commission Meeting of the Santa Ana Watershed Project Authority was called to order at 9:30 a.m. by Chair Sullivan 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. CALIFORNIA MUNICIPAL TREASURERS ASSOCIATION | CERTIFIED CALIFORNIA MUNICIPAL TREASURER

The California Municipal Treasurers Association recently conferred upon Karen Williams the title of Certified California Municipal Treasurer. Chair Sullivan and General Manager Haller congratulated Karen for this achievement. Individuals obtaining this designation have demonstrated in-depth knowledge and understanding of fixed income markets and securities in addition to best practices for investing and managing public funds.

5. CONSENT CALENDAR

A. APPROVAL OF MEETING MINUTES: JUNE 4, 2019

Recommendation: Approve as posted.

B. TREASURER'S REPORT – MAY 2019

Recommendation: Approve as posted.

C. DISPOSAL OF SAWPA SURPLUS PROPERTY (CM#2019.67)

Recommendation: Approve as posted.

MOVED, approve the Consent Calendar.

Result: **Adopted (Unanimously)**
Motion/Second: Parker/Dennstedt
Ayes: Bilodeau, Dennstedt, Harrison, Parker, Sullivan
Nays: None
Abstentions: None
Absent: None

6. NEW BUSINESS

A. STATEMENT OF INVESTMENT POLICY (CM#2019.62)

Karen Williams provided the PowerPoint presentation on the Statement of Investment Policy contained in the agenda packet on pages 25 – 28. The Policy has been updated using the guidelines of the California Municipal Treasurers Association (CMTA) Investment Policy Certification Program. There was no discussion.

MOVED, adopt Resolution No. 2019-6 approving the Statement of Investment Policy and delegating authority to the Chief Financial Officer to invest or reinvest funds consistent with the Statement of Investment Policy.

Result: **Adopted (Unanimously)**
Motion/Second: Dennstedt/Harrison
Ayes: Bilodeau, Dennstedt, Harrison, Parker, Sullivan
Nays: None
Abstentions: None
Absent: None

B. INLAND EMPIRE BRINE LINE PRETREATMENT PROGRAM SAMPLE COLLECTION AND ANALYSIS (CM#2019.63)

David Ruhl provided the PowerPoint presentation about the pretreatment program sample collection and analysis contained in the agenda packet on pages 69 - 73. Chair Sullivan suggested that staff consider other agencies in addition to WMWD relative to future sampling; WMWD has been doing this for many years and a cost analysis might be warranted. Ruhl noted SAWPA staff now performs sampling at many sites once performed by WMWD staff, and the number of sites will continue to increase. OCSD has established a comfort level with WMWD's sampling at the OCSD metering station; staff will evaluate sampling at other discharger locations.

MOVED, authorize the General Manager to execute the following: (1) Work Order No. 2020-02 to E.S. Babcock Laboratories (Babcock) in the amount of \$91,949 for sample collection and analysis services; and, (2) Work Order No. 2020-01 to Western Municipal Water District (WMWD) in the amount of \$75,000 for SAWPA's sample collection program.

Result: **Adopted (Unanimously)**
Motion/Second: Harrison/Bilodeau
Ayes: Bilodeau, Dennstedt, Harrison, Parker, Sullivan
Nays: None
Abstentions: None
Absent: None

C. SAWPA BUILDING RENOVATIONS PROJECT (CM#2019.64)

Carlos Quintero provided a PowerPoint presentation with an update on the SAWPA Building Renovations Project. Staff's recommendation was changed to receive and file. A Notice Inviting Bids was issued on June 5, 2019; however, no bids were received. SAWPA will move forward with the renovations as outlined, ensuring compliance with all provisions of the law.

No action was taken on Agenda Item No. 6.C.

D. ASCE CA INFRASTRUCTURE REPORT CARD UPDATE (CM#2019.65)

Mark Norton provided the PowerPoint presentation contained in the agenda packet on pages 88 – 114. There was no discussion.

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

E. DEPUTY GENERAL MANAGER – AUTHORIZATION TO FILL POSITION (CM#2019.68)

Rich Haller provided an oral report on combining the position of Deputy General Manager with the Chief Financial Officer position. There will be no net increase in personnel by combining positions; Haller recommended promotion of Karen Williams to the position. Funding for the combined position was included in the approved budget for FY 2020 and FY 2021.

MOVED, authorize the General Manager to combine the position of Deputy General Manager with the Chief Financial Officer position and fill the position effective July 1, 2019.

Result:	Adopted (Unanimously)
Motion/Second:	Harrison/Parker
Ayes	Bilodeau, Dennstedt, Harrison, Parker, Sullivan
Nays:	None
Abstentions:	None
Absent:	None

F. SUPPORT POSITION FOR SB 775 (RUBIO) (CM#2019.69)

Larry McKenney provided an oral report. California Association of Mutual Water Companies has requested SAWPA express support for SB775. EMWD has taken a support position previously. SB775 would reconcile the California tax code with the Federal 501(c)(12) not for profit tax designation for Mutual Water Companies, which would resolve a technical tax issue impeding efforts to conserve water and distribute grants statewide to mutual water companies under Proposition 1.

MOVED, adopt a SUPPORT position on SB 775 (Rubio), and direct staff to prepare and provide the necessary correspondence.

Result:	Adopted (Unanimously)
Motion/Second:	Dennstedt/Parker
Ayes	Bilodeau, Dennstedt, Harrison, Parker, Sullivan
Nays:	None
Abstentions:	None
Absent:	None

7. INFORMATIONAL REPORTS

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

A. CASH TRANSACTIONS REPORT – APRIL 2019

- B. INTER-FUND BORROWING – APRIL 2019 (CM#2019.60)
- C. PERFORMANCE INDICATORS/FINANCIAL REPORTING – APRIL 2019 (CM#2019.61)
- D. BUDGET VS ACTUAL VARIANCE REPORT – FYE 2019 THIRD QUARTER – ENDING MARCH 31, 2019 (CM#2019.66)
- E. FINANCIAL REPORT FOR THE THIRD QUARTER ENDING MARCH 31, 2019

F. THIRD QUARTER FYE 2019 EXPENSE REPORTS

G. GENERAL MANAGER REPORT

The July 2 meeting agenda will include a presentation on SAWPA's financial reporting documents and a presentation regarding PFAS.

H. STATE LEGISLATIVE REPORT

I. SAWPA GENERAL MANAGERS MEETING NOTES

- June 11, 2019

J. CHAIR'S COMMENTS/REPORT

Chair Sullivan requested follow up information relating to the ACSE California Infrastructure Report Card on how California ranks in comparison with other Western states.

K. COMMISSIONERS' COMMENTS

Commissioner Dennstedt referenced a concern brought forward during a previous Commission meeting about an article which quoted a consultant hired by LESJWA on a position not taken by LESJWA. A correction has been printed by the newspaper and Commissioner Dennstedt thanked Mark Norton for his efforts.

L. COMMISSIONERS' REQUEST FOR FUTURE AGENDA ITEMS

There were no Commissioners' request for future agenda items.

8. CLOSED SESSION

There was no Closed Session.

9. ADJOURNMENT

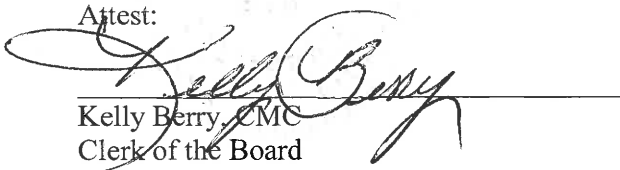
There being no further business for review, Chair Sullivan adjourned the meeting at 10:14 a.m.

Approved at a Regular Meeting of the Santa Ana Watershed Project Authority Commission on Tuesday, July 2, 2019.



Ronald W. Sullivan, Chair

Attest:



Kelly Berry, CMC
Clerk of the Board