



**SAWPA COMMISSION
REGULAR MEETING MINUTES
APRIL 20, 2021**

COMMISSIONERS PRESENT

Jasmin A. Hall, Chair, Inland Empire Utilities Agency
Bruce Whitaker, Vice Chair, Orange County Water District
Brenda Dennstedt, Secretary-Treasurer, Western Municipal Water District
David J. Slawson, Eastern Municipal Water District
June D. Hayes, San Bernardino Valley Municipal Water District

COMMISSIONERS ABSENT

None

**ALTERNATE COMMISSIONERS
PRESENT; NON-VOTING**

T. Milford Harrison, Alternate, San Bernardino Valley Municipal Water District
Kelly E. Rowe, Alternate, Orange County Water District
Mike Gardner, Alternate, Western Municipal Water District

STAFF PRESENT

Jeff Mosher, Karen Williams, Mark Norton, Dean Unger, David Ruhl, Carlos Quintero, Marie Jauregui, Ian Achimore, Sara Villa, Alison Lewis, Haley Mullay, Pete Vitt

OTHERS PRESENT

Andrew D. Turner, Lagerlof, LLP; Nick Kanetis, Eastern Municipal Water District; Cathy Pieroni, Inland Empire Utilities Agency; Ken Tam, Inland Empire Utilities Agency; Shivaji Deshmukh, Inland Empire Utilities Agency; Michael Markus, Orange County Water District; Craig Miller, Western Municipal Water District; Mallory Gandara, Western Municipal Water District; Wayne Miller, UCR, Brooke Jones, Yorba Linda Water District

The Regular Meeting of the Santa Ana Watershed Project Authority Commission was called to order at 9:30 a.m. by Chair Hall on behalf of the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California.

1. CALL TO ORDER

Pursuant to the provisions of Executive Order N-29-20, this meeting was conducted virtually, and all votes were taken by oral roll call.

2. ROLL CALL

An oral roll call was duly noted and recorded by the Clerk of the Board.

3. PUBLIC COMMENTS

There were no public comments; there were no public comments received via email.

4. ITEMS TO BE ADDED OR DELETED

There were no added or deleted items.

5. CONSENT CALENDAR

A. APPROVAL OF MEETING MINUTES: APRIL 6, 2021

Recommendation: Approve as posted.

MOVED, approve the Consent Calendar.

Result:	Adopted by Roll Call Vote (Unanimously)
Motion/Second:	Hayes/Whitaker
Ayes:	Dennstedt, Hall, Hayes, Slawson, Whitaker
Nays:	None
Abstentions:	None
Absent:	None

6. NEW BUSINESS

A. FYE 2022 AND 2023 BUDGET (CM#2021.29)

Karen Williams provided a PowerPoint presentation on the full FYE 2022 and 2023 Budget contained in the agenda packet on pages 17 – 83. Ms. Williams informed the Commissioners that all budget items have been brought forward in previous meetings as informational items for review and discussion. The Project Agreement Committees 22 and 23 both approved their FYE 2022 and FYE 2023 Budget, and Project Agreement Committee 24 will pass the Brine Line Operating and Capital Budget in May. Chair Hall referred to the Reserve Contributions slide (page 40 on the agenda packet) and asked if a certain amount in the reserves needs to be maintained and if a policy has been established; Ms. Williams noted that SAWPA developed reserve policies resulting in a \$10 million minimum for pipeline repair and replacement fund, Debt Service for the SRF Loans, and other items. Commissioner Whitaker questioned where the legal expenses attributable to the Brine Line are categorized; Ms. Williams noted they are under Consulting and Professional Fees. Chair Hall referred to the Member Contributions slide (page 81 on the agenda packet) and asked how the percentage is determined for the significant decrease of FYE 2020 of 3.76% to 0.22% for FYE 2021; Ms. Williams noted that it is determined by the specific projects the Commission has approved for the individual fiscal years. Commissioner Dennstedt referred to Labor Assumptions Used slide (page 71 on the agenda packet) and asked how the decision is made on the 7% for staff salary increases and what is the merit pool; Ms. Williams noted that the merit pool is a pool of money that the general manager at his discretion can give employees a salary increase based on employee evaluations. It was asked if there is a maximum or is it 100% discretionary; Ms. Williams noted this topic would come back to the Commission for the merit and cola amounts. Commissioner Dennstedt referred to the Organization Chart slide (page 73 on the agenda packet) and requested Legal Counsel to be added to the Organization Chart. Regarding the Benefit Assumptions Used slide (page 76 on the agenda packet) it was asked how 10% was determined for the Health Insurance; Ms. Williams noted that ACWA advises SAWPA to project a 5-10% increase, it varies between years. Chair Hall referred to Reserve Balance (EOY) slide (page 42 on the agenda packet) and requested to add a notation for any justifications on the change of any reserve amount. Commissioner Harrison referred to the Organization Chart slide (page 73 on the agenda packet) and requested a version with staff names to be filled in. Commissioner Whitaker recommended not to take action to authorize the budget to allow time to have discussions with their respected boards and receive feedback.

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

B. SANTA ANA RIVER MITIGATION BANK OVERVIEW (CM#2021.30)

Ian Achimore provided a PowerPoint presentation on the Santa Ana River Mitigation Bank Overview contained in the agenda packet on pages 119 – 134. SAWPA staff has worked with the Arundo donax removal on continued eradication and maintenance to prevent regrowth for the invasive weed in the Santa Ana River Watershed. SAWPA is working with Riverside County Parks and the California Fish and Game Code Section 1600 regulatory agency – the California Department of Fish and Wildlife (CDFW) on possible approaches to sell more credits. CDFW has recommended, and Riverside County Parks and SAWPA are interested in, a “permittee responsible” approach. Through a “permittee responsible” approach, the Mitigation Bank would not be formally certified by CDFW under their mitigation banking policy because that approach would be too costly for Riverside County Parks and SAWPA. Instead, the existing structure (i.e., the acres set aside by Riverside County Parks for enhancement) and Riverside County Parks’ experience in selling credits and maintaining riparian habitat would be leveraged to sell acres within the existing Mitigation Bank for Section 1600 impacts (as well as Section 404 impacts) to individual permittees. Commissioner Dennstedt questioned if SAWPA staff has been in communication with Riverside County Parks and the impact with their significant reduced budget; Mr. Achimore noted that recurring meetings occur with the Riverside County Parks and that is the reason this process will take about 1.5 years due to staffing levels and reduction of revenues in the past year. Commissioner Slawson questioned if this is pursued and the permittee is responsible, what are the incentives of seeking a different land bank as mitigation; Mr. Achimore noted that it is based on supply and demand, and the other mitigation supply sources in the watershed for the clean water act. Mr. Achimore noted that the presentation is an informational item, and it is anticipated to bring it back for a decision from the Commission on the mitigation bank in about a month.

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

C. INTEGRATED REGIONAL WATER MANAGEMENT (IRWM) SUPPORT IN FUTURE 2022 RESOURCE BONDS (CM#2021.31)

Jeff Mosher informed the Commission that SAWPA’s Legislative Consultant West Coast Advisors meets every Thursday with the member agency legislative staff and noted that everything is going well and has been very effective. The current resource bonds before the legislature do not have dedicated funding for Integrated Regional Water Management (IRWM). Also, there is a need for and advocating for funding from utilities that would want to see IRWM funding including the bond measures. SAWPA staff has been in communication with San Diego County Water Authority, and they also believe that there needs to be more information on IRWM as part of future bond discussions. SAWPA staff recommends authorization and signature of a joint statewide letter in support of IRWM funding in future resource bonds. Mark Norton provided a brief background of the State release Water Resilience Portfolio led by the Natural Resources Agency, and the upcoming bonds; SB 45 (Portantino – Los Angeles) \$5.6 Billion “Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022”, and AB 1500 (E. Garcia – Coachella) \$6.7 Billion “Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022”. Mr. Norton noted that ACWA is very supportive of seeking other agencies to join the letter showing support of IRWM and general water funding in any future resources bond benefiting the Santa Ana Funding Area and the SAWPA IRWM region. Commissioner Dennstedt referred to the Support Letter in the agenda packet on page 141; and suggested amending staff’s recommendation to include modifying the language to include specific goals and requests. Commissioner Whitaker moved staff’s recommendation as amended.

MOVED, authorize staff to sign onto an IRWM 2022 Resources Bond Support Letter with other interested utilities across the state for the purpose of sending to pertinent legislators to indicate funding support for IRWM in all future 2022 resource bonds, and advised staff to update language to include specific goals and requests.

Result:	Adopted by Roll Call Vote (Unanimously)
Motion/Second:	Whitaker/Dennstedt
Ayes:	Dennstedt, Hall, Hayes, Slawson, Whitaker
Nays:	None
Abstentions:	None
Absent:	None

7. INFORMATIONAL REPORTS

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

- A. CASH TRANSACTIONS REPORT – FEBRUARY 2021**
- B. INTER-FUND BORROWING – FEBRUARY 2021 (CM#2021.26)**
- C. PERFORMANCE INDICATORS/FINANCIAL REPORTING – FEBRUARY 2021 (CM#2021.27)**
- D. PROJECT AGREEMENT 25 – OWOW FUND – FINANCIAL REPORT, JANUARY 2021**
- E. PROJECT AGREEMENT 26 – ROUNDTABLE FUND – FINANCIAL REPORT, JANUARY 2021**
- F. BUDGET VS ACTUAL VARIANCE REPORT – FYE 2021 SECOND QUARTER – DECEMBER 31, 2020 (CM#2021.28)**
- G. FINANCIAL REPORT FOR THE SECOND QUARTER ENDING DECEMBER 31, 2020**
- H. SECOND QUARTER FYE 2021 EXPENSE REPORT**
- I. OWOW QUARTERLY STATUS REPORT: JANUARY 1, 2021 – MARCH 31, 2021**
- J. ROUNDTABLES QUARTERLY STATUS REPORT: JANUARY 31, 2021 – MARCH 31, 2021**
- K. GENERAL MANAGER REPORT**

Jeff Mosher provided a PowerPoint presentation on the SAWPA 100-Day Plan – Update (not included in the agenda packet); and provided a brief overview of the anticipated goals to achieve in a 100-Day Plan timeline. Commissioner Whitaker commended Jeff Mosher on the set of goals and areas where SAWPA's role can be expanded and applied for value. Commissioner Dennstedt questioned if June/July is the actual target date to bring SAWPA staff back to the office full-time; Mr. Mosher noted that it is a placeholder timeframe to have at least a transition plan in place based on staff input and the policies of member agencies. There are policies that need to be reviewed and modified in terms of schedules that was done for the current period of working from home, and once the transition begins, we want to maintain some of the flexibility. Legal Counsel, Andrew Turner noted that there are currently three (3) Bills (AB 339/AB 361/AB 703) in the Legislature that would amend the Brown Act to allow for continued virtual meetings for those agencies that desire to continue to do so. Chair Hall expressed her appreciation to Mr. Mosher on how valuable he is dedicated his time to get an overall assessment of what SAWPA's needs are and how we can be more effective within the region.

- L. STATE LEGISLATIVE REPORT**

M. CHAIR'S COMMENTS/REPORT

There were no comments/reports from the Chair.

N. COMMISSIONERS' COMMENTS

Commissioner Hayes commended Jeff Mosher for the rapid learning curve that he has been working on and his new ideas and visions for SAWPA; and thanked him for all his efforts thus far. Commissioner Hayes requested to seek a smoother process in notifying SAWPA for when a new Board Member gets appointed rather than waiting for the member agency's approved minutes; meeting minutes are approved 30-days after the actual meeting and suggested if an email can be sufficed for a smoother process. Commissioner Hayes requested to have an advance warning of when SAWPA would return to in-person Commission and PA meetings.

O. COMMISSIONERS' REQUEST FOR FUTURE AGENDA ITEMS

Commissioner Hayes requested the process for communicating on new member agency appointees as a future Agenda item.

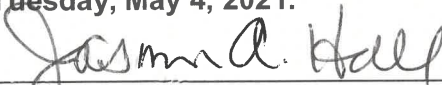
8. CLOSED SESSION

There was no closed session.

9. ADJOURNMENT

There being no further business for review, Chair Hall adjourned the meeting at 11:28 a.m.

Approved at a Regular Meeting of the Santa Ana Watershed Project Authority Commission on Tuesday, May 4, 2021.



Jasmin A. Hall, Chair

Attest:



Sara Villa, Acting Clerk of the Board