



S A W P A

SANTA ANA WATERSHED PROJECT AUTHORITY

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

SPECIAL NOTICE REGARDING CORONAVIRUS DISEASE 2019 (COVID-19) AND PARTICIPATION IN PUBLIC MEETINGS

Pursuant to the provisions of Executive Order N-29-20 and N-08-21, all upcoming Board and Committee meetings of the Santa Ana Watershed Project Authority held pursuant to the Brown Act will be conducted virtually, including meetings of the:

- SAWPA Commission
- PA 22, PA 23, and PA 24 Committees
- OWOW Steering Committee

REGULAR MEETING OF THE COMMISSION TUESDAY, AUGUST 3, 2021 – 9:30 A.M.

PUBLIC PARTICIPATION

Public participation is welcome and encouraged. You may participate in Public Comments during the meeting of the SAWPA Commission by telephone* and virtually through the Zoom app as follows:

| Meeting Access Via Computer (Zoom): | Meeting Access Via Telephone*: |
|---|---|
| <ul style="list-style-type: none"> • https://sawpa.zoom.us/j/87275818466 | <ul style="list-style-type: none"> • 1 (669) 900-6833 |
| <ul style="list-style-type: none"> • Meeting ID: 872 7581 8466 | <ul style="list-style-type: none"> • Meeting ID: 872 7581 8466 |

If you are unable to participate by telephone* or virtually, you may also submit your comments in writing for the Commission’s consideration by sending them to publiccomment@sawpa.org with the subject line “Public Comment”. Submit your written comments by **5:00 p.m. on Monday, August 2, 2021**. All public comments will be provided to the Chair and may be read into the record or compiled as part of the record.

***IMPORTANT PRIVACY NOTE: Participation in the meeting via the Zoom app is strongly encouraged. Please keep in mind: (1) This is a public meeting; as such, the virtual meeting information is published on the World Wide Web and available to everyone. (2) Should you participate remotely via telephone, your telephone number will be your “identifier” during the meeting and available to all meeting participants. Participation in the meeting via the Zoom app is strongly encouraged; there is no way to protect your privacy if you elect to call in to the meeting. The Zoom app is a free download.**



SAWPA

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

PURSUANT TO THE PROVISIONS OF EXECUTIVE ORDER N-29-20 AND N-08-21, THIS MEETING WILL BE CONDUCTED VIRTUALLY. ALL VOTES TAKEN WILL BE CONDUCTED BY ORAL ROLL CALL.

This meeting will be accessible as follows:

| Meeting Access Via Computer (Zoom)*: | Meeting Access Via Telephone*: |
|--|---|
| <ul style="list-style-type: none"> • https://sawpa.zoom.us/j/87275818466 • Meeting ID: 872 7581 8466 | <ul style="list-style-type: none"> • 1 (669) 900-6833 • Meeting ID: 872 7581 8466 |
| * Participation in the meeting via the Zoom app (a free download) is strongly encouraged | |

REGULAR COMMISSION MEETING TUESDAY, AUGUST 3, 2021 – 9:30 A.M.

AMENDED AGENDA

1. CALL TO ORDER | PLEDGE OF ALLEGIANCE (Jasmin A. Hall, 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. ITEMS TO BE ADDED OR DELETED

5. 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: JULY 20, 2021.....7

Recommendation: Approve as posted.

B. TREASURER’S REPORT – JUNE 2021.....11

Recommendation: Approve as posted.

6. NEW BUSINESS

A. OWOW STEERING COMMITTEE APPOINTMENT (CM#2021.57)17

Presenter: Jeff Mosher

Recommendation: Appoint a Commissioner to the OWOW Steering Committee.

B. RESOLUTION RECOGNIZING HOPE SMYTHE FOR HER SERVICE.....21

Presenter: Jeff Mosher and Mark Norton

Recommendation: Approve Resolution 2021-6 recognizing Hope Smythe for her service as Executive Officer of the Santa Ana Regional Water Quality Control Board.

- C. [PROPOSAL FOR GRANT APPLICATION AND ADMINISTRATION SUPPORT FOR SMALL COMMUNITY WATER/WASTEWATER SYSTEMS SERVING DISADVANTAGED COMMUNITIES IN THE SANTA ANA RIVER WATERSHED \(CM#2021.58\)](#)23

This item is subject to the provisions of Project Agreement 25

Presenter: Mark Norton

Recommendation: Receive and file.

7. INFORMATIONAL REPORTS

Recommendation: Receive for information.

- A. GENERAL MANAGERS REPORT – 100-DAY PLAN

Presenter: Jeff Mosher

Recommendation: Receive and file.

- B. CHAIR’S COMMENTS/REPORT

- C. COMMISSIONERS’ COMMENTS

- D. COMMISSIONERS’ REQUEST FOR FUTURE AGENDA ITEMS

8. CLOSED SESSION

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

Name of Case: Southern California Edison Company vs. The Blue-Sky Institute, et al; Riverside County Superior Court Case No. CVRI 2100168

- B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(2)

Number of Potential Cases: One

9. CLOSED SESSION REPORT

10. ADJOURNMENT

PLEASE NOTE:

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

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

Declaration of Posting

I, Sara Villa, Clerk of the Board of the Santa Ana Watershed Project Authority declare that on July 29, 2021, a copy of this agenda has been uploaded to the SAWPA website at www.sawpa.org and posted at SAWPA’s office, 11615 Sterling Avenue, Riverside, California.

2021 SAWPA Commission Meetings/Events

First and Third Tuesday of the Month

(NOTE: All meetings begin at 9:30 a.m., unless otherwise noticed, and are held at SAWPA.)

| | |
|---|---|
| January 1/5/21 Commission Workshop [cancelled] 1/5/21 Special Commission Meeting 1/8/21 Special Commission Meeting 1/12/21 Special Commission Meeting 1/19/21 Regular Commission Meeting | February 2/2/21 Commission Workshop 2/16/21 Regular Commission Meeting |
| March 3/2/21 Commission Workshop 3/16/21 Regular Commission Meeting | April 4/6/21 Commission Workshop 4/20/21 Regular Commission Meeting |
| May 5/4/21 Commission Workshop 5/18/21 Regular Commission Meeting 5/12 – 5/13/21 ACWA Spring Virtual Conference & Exhibition | June 6/1/21 Commission Workshop 6/15/21 Regular Commission Meeting |
| July 7/6/21 Commission Workshop [cancelled] 7/20/21 Regular Commission Meeting | August 8/3/21 Commission Workshop 8/17/21 Regular Commission Meeting |
| September 9/7/21 Commission Workshop 9/21/21 Regular Commission Meeting | October 10/5/21 Commission Workshop 10/19/21 Regular Commission Meeting |
| November 11/2/21 Commission Workshop 11/16/21 Regular Commission Meeting | December 12/7/21 Commission Workshop 12/21/21 Regular Commission Meeting 11/30 – 12/3/21 ACWA Fall Conference, Pasadena |

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SAWPA COMPENSABLE MEETINGS

IMPORTANT NOTE: Due to the spread of COVID-19, and until further notice, the Santa Ana Watershed Project Authority will be holding all upcoming meetings by teleconferencing. Participation information will be included on each posted agenda or meeting notice.

In addition to Commission 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:

<https://sawpa.org/sawpa-calendar/>

MONTH OF: August 2021

| DATE | TIME | MEETING DESCRIPTION | LOCATION |
|---------|----------|---|------------------------|
| 8/2/21 | 2:30 PM | Emerging Constituents Program Task Force Mtg | VIRTUAL/TELEPHONICALLY |
| 8/3/21 | 8:30 AM | PA 23 Committee Mtg | CANCELLED |
| 8/3/21 | 10:00 AM | PA 24 Committee Mtg | VIRTUAL/TELEPHONICALLY |
| 8/10/21 | 8:30 AM | PA 22 Committee Mtg | VIRTUAL/TELEPHONICALLY |
| 8/19/21 | 4:00 PM | LESJWA Board of Directors Mtg | VIRTUAL/TELEPHONICALLY |
| 8/23/21 | 1:30 PM | MSAR TMDL/Regional WQ Monitoring Task Force Mtg | VIRTUAL/TELEPHONICALLY |
| 8/24/21 | 1:30 PM | Basin Monitoring Program Task Force Mtg | VIRTUAL/TELEPHONICALLY |
| 8/30/21 | 1:30 PM | Lake Elsinore/Canyon Lake TMDL Task Force Mtg | VIRTUAL/TELEPHONICALLY |

MONTH OF: September 2021

| DATE | TIME | MEETING DESCRIPTION | LOCATION |
|---------|----------|-----------------------------|------------------------|
| 9/7/21 | 10:00 AM | PA 24 Committee Mtg | VIRTUAL/TELEPHONICALLY |
| 9/14/21 | 8:30 AM | PA 22 Committee Mtg | VIRTUAL/TELEPHONICALLY |
| 9/23/21 | 11:00 AM | OWOW Steering Committee Mtg | VIRTUAL/TELEPHONICALLY |

Please Note: We strive to ensure the list of Compensable Meetings set forth above is accurate and up-to-date; the list is compiled based on input from SAWPA staff and Department Managers regarding meeting purpose and content.

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

COMMISSIONERS PRESENT

Jasmin A. Hall, Chair, Inland Empire Utilities Agency
Bruce Whitaker, Vice Chair, Orange County Water District
Mike Gardner, 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
Brenda Dennstedt, Western Municipal Water District
Kelly E. Rowe, Alternate, Orange County Water District

STAFF PRESENT

Jeff Mosher, Karen Williams, David Ruhl, Carlos Quintero, Marie Jauregui, Rick Whetsel, Ian Achimore, Pete Vitt, Sara Villa, Haley Mulla

OTHERS PRESENT

Andrew D. Turner, Lagerlof, LLP; Joe Mouawad, Eastern Municipal Water District; Ken Tam, Inland Empire Utilities Agency; Shivaji Deshmukh, Inland Empire Utilities Agency; Michael Markus, Orange County Water District; Greg Woodside, Orange County Water District; Nelida Mendoza, Orange County Water District; Mallory Gandara, Western Municipal Water District; Craig Miller, Western Municipal Water District; Brooke Jones, Yorba Linda Water District; Jordan Brandman, City of Anaheim; Wayne Miller

The Regular Meeting of the Santa Ana Watershed Project Authority Commission was called to order at 9:31 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 and N-08-21, 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. WELCOME SAWPA COMMISSIONER

Chair Hall welcomed Commissioner Mike Gardner representing Western Municipal Water District (WMWD); on July 7, 2021, the WMWD's governing board appointed Mike Gardner as Commissioner and Brenda Dennstedt as the Alternate Commissioner for SAWPA. Commissioner Gardner noted their roles were reversed due to Brenda Dennstedt's recent appointment to the Metropolitan Water District Board. Ms. Dennstedt will continue her efforts with the LESJWA Board. Commissioner Bruce Whitaker joined the meeting at 9:33 a.m. during the discussion of Agenda Item No. 4.

5. ITEMS TO BE ADDED OR DELETED

There were no added or deleted items.

6. CONSENT CALENDAR

A. APPROVAL OF MEETING MINUTES: JUNE 15, 2021

Recommendation: Approve as posted.

B. TREASURER'S REPORT – MAY 2021

Recommendation: Approve as posted.

MOVED, approve the Consent Calendar.

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

7. NEW BUSINESS

A. GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA) DISTINGUISHED BUDGET PRESENTATION AWARD (CM#2021.54)

Jeff Mosher provided an oral report on the Government Finance Officers Association (GFOA) Comprehensive Annual Financial Report. The award represents a significant achievement by SAWPA and reflects the commitment of staff to meeting the highest principles of government budgeting. Commissioners expressed their appreciation to Karen Williams, DGM/CFO and the Finance Department staff for maintaining standards deserving of this award. Commissioner Hayes requested for transparency that the financial expenditures be provided/presented when applying for awards in the future.

This item was for informational and discussion purposes; no action was taken on Agenda Item No. 7.A.

B. APPROVAL OF SALARY SCHEDULES (CM#2021.55)

Jeff Mosher provided an oral report on the Salary Schedule for FY 2022 as required by CalPERS. The salary schedule referenced on page 29-30 on the agenda packet was used in preparing the FYE 2022 and 2023 Budget. The following changes were made to the salary schedule:

- Increased the minimum and maximum salary amounts by the approved 2.2% CPI,
- Added Clerk of the Board position,
- Changed the GIS/Data Analyst II position to Information Systems Technician II,
- Added Information Systems Technician I position, and
- Added Communication Specialist position.

Commissioner Gardner requested clarification that there are no new positions listed on the salary schedule, though there are title changes? Jeff Mosher noted that is correct; the previous Clerk of the Board had the title of Administrative Services Department Manager, and the Clerk of the Board title was not listed separately as part of the salary schedule. The change was made to accommodate Sara Villa for the Clerk of the Board position. There is also an approved administrative position that has been changed to the Communications Specialist. Commissioner Gardner questioned if there were salary changes associated with the title changes, and if there is funding in the approved budget to cover it? Karen Williams

confirmed there is funding in the budget to cover all the approved 26 full time employee positions.

Chair Hall questioned if there is a plan to hire a Human Resources (HR) staff, and if so, should the HR position be included to the salary schedule? Jeff Mosher noted that SAWPA has an on-call HR expert firm called CPS that provides HR expert advice/support on an as-needed basis. There's currently a process in place where Karen Williams, as Acting Administrative Services Manager, leads our HR efforts and Zyanya Ramirez on our administrative staff provides HR support as the point of contact for SAWPA staff and coordinating with Karen Williams and CPS. SAWPA's plan is to not hire an HR Manager because there is not enough work for a full-time staff person. The current process in place is working well and we're meeting our current HR needs. Chair Hall questioned why the salary schedule didn't have an HR assistant or HR specialist position; what is Zyanya Ramirez title? Karen Williams noted Zyanya Ramirez is a Senior Administrative Assistant and has other duties aside from HR support. Chair Hall raised concerns that SAWPA's administrative assistant job descriptions need to cover these duties as assigned. Also, employee's need to know who to contact if they have an HR issue. Chair Hall recommends discussing the salary schedule during future strategic planning efforts. Jeff Mosher noted that all the comments/concerns will be taken into consideration, including as part of the strategic plan process.

Commissioner Dennstedt recommended that for the board the salary schedule reflect the names of SAWPA staff in the positions listed. Commissioner Whitaker agrees that the use of services from a consultant firm for SAWPA's HR representation makes sense, and he is comfortable with the salary schedule that Jeff Mosher has provided. Legal Counsel, Andy Turner noted that SAWPA's personnel handbook doesn't instruct that the HR Department is a recipient of complaints within the workplace; it's taken to their supervisor/manager, so there's not a lot of confusion amongst the staff. Chair Hall recommended that a Classification Study be considered so that the salary schedule reflects everyone's job description and titles.

MOVED, approve the salary schedule for FY 2022 as required by CalPERS.

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

C. PROPOSITION 84 ROUND 2 IMPLEMENTATION GRANT AND PROPOSITION 1 ROUND 1 IMPLEMENTATION GRANT STATUS UPDATE (CM#2021.56)

Marie Jauregui provided a presentation on the Proposition 84 & Proposition 1 Status Update contained in the agenda packet on pages 33-50. The Proposition 84 Round 2 Implementation Grant consists of 18 projects (not including grant administration) and has a total project cost of approximately \$126 million. Fifteen projects are complete or pending final reporting; three (3) projects are on schedule and expected to be completed by end of July 2021. The Department of Water Resources and SAWPA Grant agreement was fully executed on April 30, 2021, and six (6) out of eight (8) SAWPA and Project Proponents Sub-agreements are fully executed.

This item was for informational and discussion purposes; no action was taken on Agenda Item No. 7.C.

8. INFORMATIONAL REPORTS

Recommendation: Receive for Information.

- A. **CASH TRANSACTIONS REPORT – MAY 2021**
- B. **INTER-FUND BORROWING – MAY 2021 (CM#2021.52)**
- C. **PERFORMANCE INDICATORS/FINANCIAL REPORTING – MAY 2021 (CM#2021.53)**
- D. **PROJECT AGREEMENT 25 – OWOW FUND – FINANCIAL REPORT, APRIL 2021**
- E. **PROJECT AGREEMENT 26 – ROUNDTABLE FUND – FINANCIAL REPORT, APRIL 2021**
- F. **OWOW QUARTERLY STATUS REPORT: APRIL 1, 2021 – JUNE 30, 2021**
- G. **ROUNDTABLES QUARTERLY STATUS REPORT: APRIL 1, 2021 – JUNE 30, 2021**
- H. **GENERAL MANAGER REPORT**
- I. **STATE LEGISLATIVE REPORT**
Jeff Mosher informed the Commissioners that the Drought and Climate Packages are moving into budget trailer bills and SAWPA staff will work with the Department of Water Resources and West Coast Advisors on future funding opportunities.
- J. **CHAIR’S COMMENTS/REPORT**
There were no comments provided.
- K. **COMMISSIONERS’ COMMENTS**
There were no comments provided.
- L. **COMMISSIONERS’ REQUEST FOR FUTURE AGENDA ITEMS**
Commissioner Gardner requested an update on the General Manager’s 100-Day Plan, and future discussion on the Strategic Planning session. Jeff Mosher noted the 100-Day Plan update can be brought forward on August 3, and the Strategic Planning towards the end of September. Commissioner Harrison requested a closed session on updates on any current legal litigation that SAWPA is involved in.

9. CLOSED SESSION

There was no closed session.

10. ADJOURNMENT

There being no further business for review, Chair Hall adjourned the meeting at 10:23 a.m.

Approved at a Regular Meeting of the Santa Ana Watershed Project Authority Commission on Tuesday, August 3, 2021.

Jasmin A. Hall, Chair

Attest:

Sara Villa, Clerk of the Board

*Santa Ana Watershed
Project Authority*



Finance Department

Santa Ana Watershed Project Authority
TREASURER'S REPORT

June 2021

During the month of June 2021, the Agency's actively managed temporary idle cash earned a return of 1.595%, representing interest earnings of \$11,906. Additionally, the Agency's position in overnight funds L.A.I.F. generated \$9,926 in interest, resulting in \$21,832 of interest income from all sources. Please note that this data represents monthly earnings only, and does not indicate actual interest received. There were zero (0) investment positions purchased, zero (0) positions sold, zero (0) positions matured, and zero (0) positions were called.

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

July 08, 2021

Prepared and Submitted by:

A handwritten signature in blue ink, which appears to read 'Karen Williams', is written over a horizontal line.

*Karen L. Williams, Deputy GM/Chief Financial
Officer*

Santa Ana Watershed Project Authority

INVESTMENT PORTFOLIO - MARKED TO MARKET - UNREALIZED GAINS & LOSSES

June 30, 2021

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

| Investment | Security | | Purchase | Maturity | Call Date | | Yield To | Investment | Market Value | Unrealized | Coupon | Interest | |
|---|-----------------------------|-----------|----------|----------|-----------|-----------|------------------------|------------|------------------------|------------------------|-------------------|---------------|---------------------|
| Type | Type | CUSIP | Dealer | Date | Date | (if appl) | Par Value | Maturity | Current Month | Gain / (Loss) | Rate | Earned | |
| Agency | FHLMC | 3137Eaec9 | WMS | 09-16-16 | 08-12-21 | No Call | \$ 1,000,000.00 | 1.335% | \$ 990,060.00 | \$ 1,001,237.00 | \$ 11,177 | 1.125% | \$ 1,097.22 |
| Agency | FHLMC | 3137Eadb2 | WMS | 04-17-17 | 01-13-22 | No Call | \$ 500,000.00 | 2.375% | \$ 512,767.00 | \$ 506,155.50 | \$ (6,612) | 2.375% | \$ 976.03 |
| Agency | FHLB | 313379Q69 | WMS | 12-14-17 | 06-10-22 | No Call | \$ 1,000,000.00 | 2.150% | \$ 998,930.00 | \$ 1,019,401.00 | \$ 20,471 | 2.125% | \$ 1,767.21 |
| Agency | FHLB | 3130A3GE8 | MBS | 02-04-20 | 12-13-24 | No Call | \$ 500,000.00 | 1.414% | \$ 531,250.00 | \$ 536,683.00 | \$ 5,433 | 2.750% | \$ 581.14 |
| Agency | FNMA | 3135G0X24 | MBS | 02-04-20 | 01-07-25 | No Call | \$ 500,000.00 | 1.398% | \$ 505,380.00 | \$ 517,543.00 | \$ 12,163 | 1.625% | \$ 574.56 |
| Agency | FNMA | 3135G05X7 | WMS | 10-30-20 | 08-25-25 | No Call | \$ 1,000,000.00 | 0.460% | \$ 995,952.00 | \$ 985,666.00 | \$ (10,286) | 0.375% | \$ 378.08 |
| Agency | USTN | 912828S76 | WMS | 12-14-17 | 07-31-21 | No Call | \$ 1,000,000.00 | 2.013% | \$ 969,062.50 | \$ 1,000,895.00 | \$ 31,833 | 1.125% | \$ 1,654.36 |
| Agency | USTN | 91282CAZ4 | WMS | 04-19-21 | 11-30-25 | No Call | \$ 1,000,000.00 | 0.761% | \$ 982,500.00 | \$ 981,797.00 | \$ (703) | 0.375% | \$ 625.20 |
| CORP | Apple Inc | 037833AK6 | WMS | 10-15-18 | 05-03-23 | No Call | \$ 500,000.00 | 3.360% | \$ 479,898.50 | \$ 518,748.00 | \$ 38,850 | 2.400% | \$ 1,380.83 |
| CORP | Toyota Motor Corp Credit | 89236TFNO | WMS | 10-15-18 | 09-20-23 | No Call | \$ 500,000.00 | 3.550% | \$ 497,747.50 | \$ 533,065.00 | \$ 35,318 | 3.450% | \$ 1,458.90 |
| CD | Sallie Mae BK SLT Lake City | 7954503Q6 | MBS | 07-01-19 | 06-27-22 | No Call | \$ 247,000.00 | 2.250% | \$ 247,000.00 | \$ 247,000.00 | \$ - | 2.250% | \$ 456.78 |
| CD | Morgan Stanley Bank NA | 6169OUHP8 | MBS | 07-05-19 | 07-05-22 | No Call | \$ 247,000.00 | 2.200% | \$ 247,000.00 | \$ 247,000.00 | \$ - | 2.200% | \$ 446.63 |
| 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% | \$ 509.59 |
| Total Actively Invested Funds | | | | | | | \$ 8,242,000.00 | | \$ 8,205,547.50 | \$ 8,343,190.50 | \$ 137,643 | 1.595% | \$ 11,906.53 |
| Total Local Agency Investment Fund | | | | | | | | | \$46,092,742.73 | | | 0.262% | \$ 9,925.72 |
| Total Invested Cash | | | | | | | \$ 8,242,000.00 | | \$54,298,290.23 | | | 0.464% | \$ 21,832.26 |

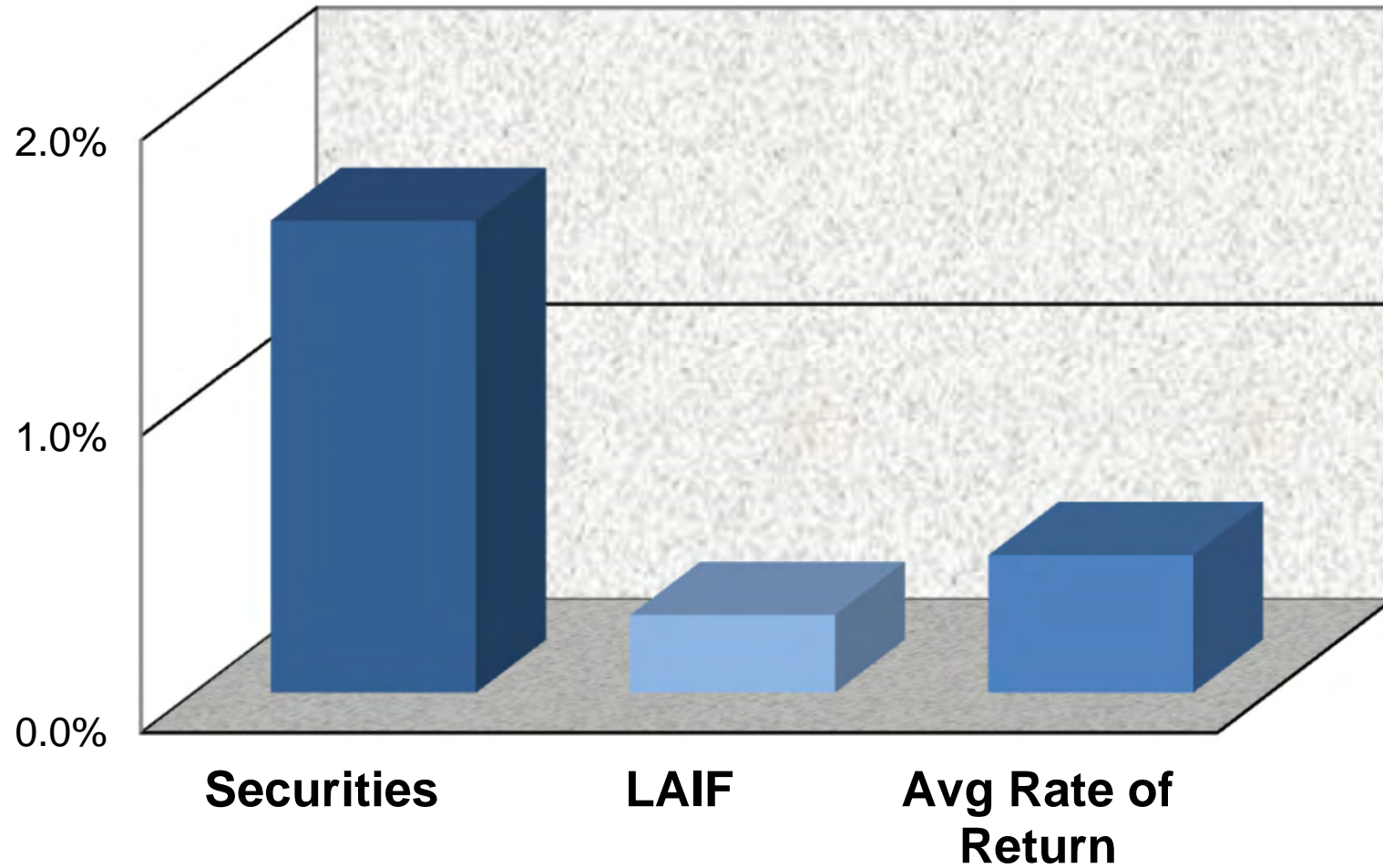
Key to Security Type:

| | |
|-------|--|
| 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:

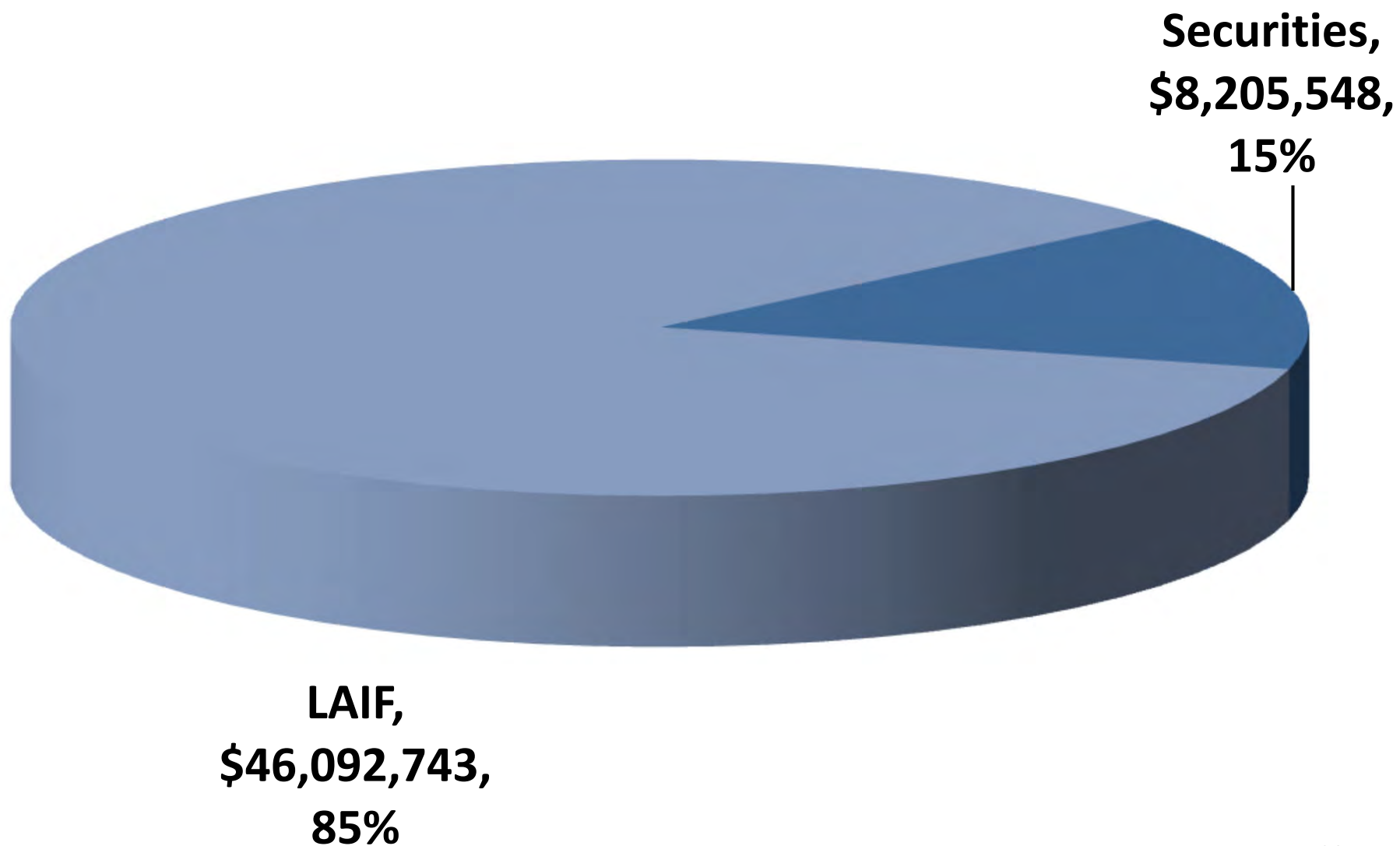
| | |
|-----|-----------------------------|
| FCS | = FinaCorp Securities |
| MBS | = Multi-Bank Securities |
| MS | = Mutual Securities |
| RCB | = RBC Dain Rauscher |
| SA | = Securities America |
| TVI | = Time Value Investments |
| WMS | = Wedbush Morgan Securities |

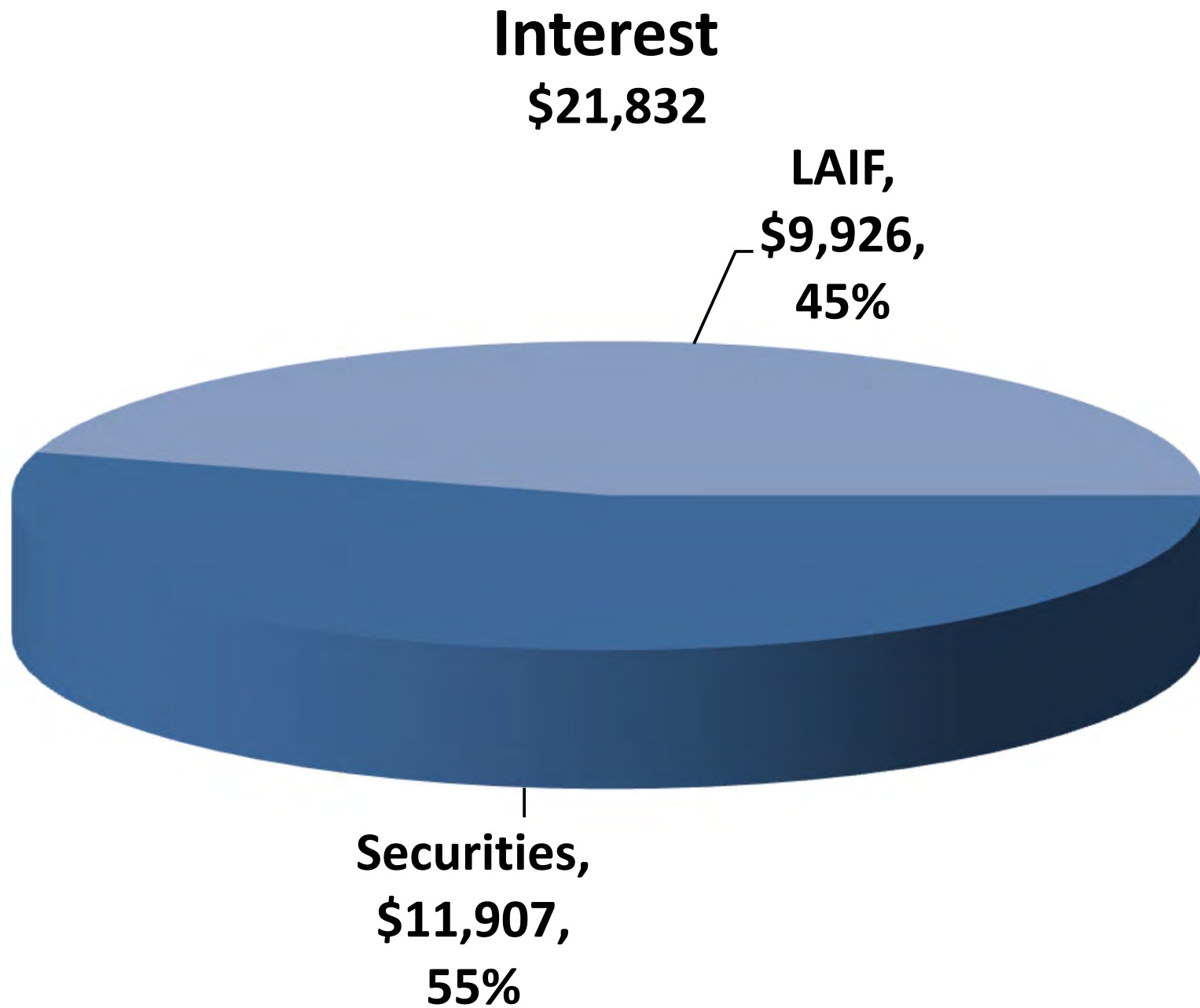
Interest Rate Analysis



Investments

\$54,298,290





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COMMISSION MEMORANDUM NO. 2021.57

DATE: August 3, 2021
TO: SAWPA Commission
SUBJECT: OWOW Steering Committee Appointments
PREPARED BY: Jeff Mosher, General Manager

RECOMMENDATION

It is recommended that the Commission appoint a Commissioner to serve on the OWOW Steering Committee.

DISCUSSION

Consistent with the attached Resolution No 2018-1, the current SAWPA Commission appointees to the OWOW Steering Committee are the Commission Vice Chair, Commissioner Bruce Whitaker, and Commission Secretary-Treasurer, Commissioner Mike Gardner.

Commissioner Gardner's schedule conflicts with the Chino Basin Watermaster Board meetings, therefore he's unable to attend the OWOW Steering Committee meetings as scheduled. Consistent with Resolution No 2018-1, staff is seeking a Commissioner appointment to serve on the OWOW Steering Committee.

Resolution No. 2018-1, which was adopted on January 16, 2018, notes that should either/both the Vice Chair and/or the Secretary-Treasurer of the Commission be unable to serve, the Commission can appoint another Commissioner to the OWOW Steering Committee.

CRITICAL SUCCESS FACTORS

There is no critical success applicable to this action.

RESOURCE IMPACTS

No resource impacts.

Attachments:

1. Resolution No. 2018-1

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RESOLUTION NO. 2018-1

**A RESOLUTION OF THE COMMISSIONERS OF THE
SANTA ANA WATERSHED PROJECT AUTHORITY ESTABLISHING
A ROTATION OF APPOINTMENTS TO THE ONE WATER, ONE WATERSHED
(OWOW) STEERING COMMITTEE
AND RESCINDING RESOLUTION NO. 2017-12**

WHEREAS, the SAWPA Commission established and convened the OWOW Steering Committee in 2008 to provide oversight for the development and implementation of the OWOW Plan through a regional stakeholder process;

WHEREAS, the SAWPA Commission approved an amended governance document defining the OWOW Steering Committee roles and membership in January 2013;

WHEREAS, the governance document provides OWOW Steering Committee members shall be appointed to serve terms of four (4) years with staggered end dates;

WHEREAS, the governance document provides for two members of the SAWPA Commission to be appointed to the OWOW Steering Committee by the SAWPA Commission;

WHEREAS, the SAWPA Commission has established a historical rotation of officers among the member agencies;

WHEREAS, the SAWPA Commission desires that SAWPA's participation in the OWOW Steering Committee be shared by Commissioners on the same rotational basis of member agencies as the historical rotation of officers; and

WHEREAS, the SAWPA Commission desires to provide direction should a Commissioner be unavailable to attend OWOW Steering Committee meetings.

NOW THEREFORE, the SAWPA Commission hereby resolves as follows:

1. The two SAWPA Commission representatives appointed to the OWOW Steering Committee will henceforth be the Commissioner from the member agencies whose board member has been appointed as Vice Chair and Secretary-Treasurer of the Commission.
3. The Vice Chair of the SAWPA Commission shall serve as the Convener of the OWOW Steering Committee.
4. Should either/both the Vice Chair and/or the Secretary-Treasurer of the Commission be unavailable to serve for all or a portion of said four (4) year term, the Commission shall appoint another SAWPA Commissioner to the OWOW Steering Committee in accordance with the established historical rotation of officers among the member agencies, specify the length of the term to be served or portion thereof, and when applicable designate who will serve as Convener.

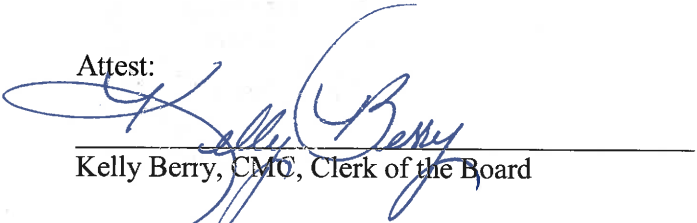
5. Resolution No. 2017-12 is hereby rescinded upon adoption of this Resolution No. 2018-1.

ADOPTED this 6th day of February, 2018.

SANTA ANA WATERSHED PROJECT AUTHORITY

By: 
Susan Lien Longville, Chair

Attest:


Kelly Berry, CMC, Clerk of the Board

RESOLUTION NO. 2021-6

A RESOLUTION OF THE COMMISSION OF THE SANTA ANA WATERSHED PROJECT AUTHORITY RECOGNIZING HOPE SMYTHE FOR HER SERVICE

WHEREAS, Hope Smythe as served with distinction as the Executive Officer of the Santa Ana Regional Water Quality Control Board since 2017. Prior to that role, she served as Assistant Executive Officer since 2016 and the Planning Section and Stormwater, Permitting and Enforcement Division Chief the prior two decades, originally starting with the Regional Board in 1987 as a graduate student assistant; and

WHEREAS, Ms. Smythe's role as Chief of Planning with the Regional Board included participating in a number of cooperative Basin Planning and regulatory development activities with SAWPA staff and stakeholders within the Santa Ana Region. These cooperative efforts with stakeholders, "Task Forces" resulted in major updates of the Basin Plan and the adoption of Total Maximum Daily Loads (TMDLs) for pollutants of concern reflecting some of the first TMDLs adopted in the State; and

WHEREAS, Ms. Smythe worked with SAWPA on several task forces and oversaw the development of TMDLs for Big Bear Lake, Lake Elsinore, Canyon Lake, and the Middle Santa Ana River. Other task force efforts which Ms. Smythe helped to oversee included the Santa Ana River Use Attainability Task Force, the Stormwater Quality Standards Task Force; Emerging Constituents Program Task Force and the Cooperative Agreement to Protect Water Quality and Encourage the Conjunctive Uses of Imported Water in the Santa Ana River Basin.

WHEREAS, Ms. Smythe was particularly instrumental in regularly participating in and supporting the SAWPA Nitrogen and TDS Task Force, a five-year effort involving coordination with SAWPA and 22 major wastewater and water supply agencies, resulted in revisions to most groundwater basin boundaries, new Total Dissolved Solids (TDS) and nitrate water quality standards for basins throughout the Region, as well as a revised Nitrogen/TDS Management Plan that promotes recycled water use; and

WHEREAS, Ms. Smythe, in her position as Executive Officer, effectively oversaw all Regional Board functions including permitting, subsurface investigations, enforcement, basin planning and the stormwater program. In this lead role, Ms. Smythe fully supported the continued active involvement and support role of her Regional Board staff in many ongoing task force efforts within the Santa Ana Region with the support and cooperation of the SAWPA and its member agencies.

THEREFORE, BE IT RESOLVED, by the Santa Ana Watershed Project Authority Board of Commissioners as follows:

1. That the Santa Ana Watershed Project Authority Commission and staff wish to acknowledge the contributions of Hope Smythe over these many years of work with SAWPA as she approaches retirement.
2. That the Santa Ana Watershed Project Authority Commission recognizes that through Ms. Smythe's leadership and support of SAWPA and its task forces, the joint efforts have resulted in the development of consensus-driven and scientifically superior and defensible Basin Planning and water quality regulations.

3. That the Santa Ana Watershed Project Authority Commission wish to recognize and thank Hope Smythe for her 34 years of dedicated service to the water community, the Santa Ana River Watershed, and the citizens of California.
4. That this Resolution be No 2021-6 be entered into the records of the Santa Ana Watershed Project Authority and an original be presented to Ms. Smythe.

ADOPTED this 3rd day of August, 2021.

SANTA ANA WATERSHED PROJECT AUTHORITY

By: _____
Jasmin A. Hall, Chair

Attest:

Sara Villa, Clerk of the Board

COMMISSION MEMORANDUM NO. 2021.58

DATE: August 3, 2021

TO: SAWPA Commission

SUBJECT: Proposal for Grant Application and Administration Support for Small Community Water/Wastewater Systems Serving Disadvantaged Communities in the Santa Ana River Watershed

PREPARED BY: Mark Norton, Water Resources & Planning Manager
(This item is subject to the provisions of Project Agreement 25)

RECOMMENDATION

It is recommended that the SAWPA Commission receive and file this information report about a regional approach to support up to ten Small Community Water/Wastewater Systems serving Disadvantaged Communities (DAC) in the watershed and provide further direction and guidance to SAWPA staff.

DISCUSSION

SAWPA staff is proposing to provide technical assistance support to small community water/wastewater systems that serve disadvantaged communities in the Santa Ana River Watershed. This assistance would be provided for up to ten small community systems that lack the staffing and technical expertise to apply for the Proposition 1 Round 2 Integrated Regional Water Management (IRWM) Implementation DAC grant program with \$4M set aside for disadvantaged community projects. Additional support is also recommended for those grant applicants who are successfully selected for funding to administer and manage the grant after award.

This work would include providing the technical, managerial, and financial support resources needed for the preparation of the Proposition 1 Round 2 IRWM grant applications. This work would be performed by the DCI program partner to SAWPA, the California Rural Water Association (CRWA) under contract with SAWPA. CRWA, a statewide non-profit organization, has extensive experience in this type of support service and has operated similar programs in nearby regions such as the Mojave Water Agency. CRWA can also offer support to successful small communities for grant administration and construction management assistance. The cost for these services can be included in their grant request and are eligible for grant reimbursement.

The cost of the SAWPA program with CRWA to support evaluation of up to ten communities of viable projects and prepare grant applications for eligible projects, likely a subset of five small community projects from among the ten communities is approximately \$150,000. This support would span the next year to evaluate potential projects and prepare grant applications. Unfortunately, the \$150K cost of the proposed SAWPA program is not included in the SAWPA FY21-22 Budget so if supported, a separate funding request of the SAWPA member agencies would need to be made. The attached presentation provides an overview of the Small Community Water/ Wastewater System Assistance Fund proposal.

BACKGROUND

As indicated in the recently completed Water Education Foundation handbook entitled Solving Water Challenges in Disadvantaged Communities: A Handbook to Understanding the Issues in California and Best Practices for Engagement, implementation of water infrastructure in disadvantaged communities often lacks the staff and expertise to properly apply for and manage government grants, with all the requirements of transparency, documentation, and accountability.

On April 13, 2021 a concept was presented to the SAWPA member agency general managers at their regular GMs monthly meeting with SAWPA staff. SAWPA staff provided a conceptual proposal of assistance that SAWPA and the CRWA could potentially provide to small water systems or mutuals water companies that support disadvantaged communities or underrepresented communities like Native American Tribes in the watershed. These services would provide grant preparation support for these small water systems which often do not have the staffing resources or expertise to undertake grant applications.

On May 18, 2021, a informational presentation was provided to the SAWPA Commission about a proposed workshop for SAWPA member agency staff to discuss the concept proposal developed by SAWPA staff for this new regional fund assistance program. The purpose of workshop was to explore with SAWPA member agency staff what is currently being done by the SAWPA member agencies to provide similar services to these communities in the watershed. SAWPA provided updates about the technical assistance, needs assessment and communities in most need as discovered by the grant funded DCI Grant Program implemented by SAWPA and its co-sponsoring partnering organizations in the watershed over the past three years. The results of the workshop reflected some outreach progress by some member agencies but also identified several gaps needed to address critical infrastructure needs.

On June 8, 2021, the SAWPA member agencies were presented with a more detailed proposal focused on small community water/wastewater systems who CRWA and SAWPA were aware of that could most benefit from the program. The GMs noted that six of the small water/wastewater systems that CRWA is currently working with were not equally spaced throughout the watershed but rather were located in or near primarily three SAWPA member agency areas: SBVMWD, WMWD and EMWD. Consequently, those SAWPA member agencies who are benefiting these six small community water/wastewater systems might be more likely to be approached to fund the proposal.

CRITICAL SUCCESS FACTORS

- 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.
- Successful implementation of an integrated regional water resource plan that reflects the watershed management needs of the public and the environment
- A strong reputation and sufficient capacity within SAWPA staff for strategic facilitation, planning, communication, leadership, and community engagement.

RESOURCE IMPACTS

This proposal cost of \$150,000 is not included in the SAWPA budget. If supported by SAWPA member agencies, the total cost of the program could be equally shared among those SAWPA member agencies, \$30,000/member agency, who could most support the most critical small community systems located within the watershed.

Another option to equally sharing among the SAWPA member agencies to fund the program could be funding proportionate to the number of small communities within or near each SAWPA member agency.

Attachments:

1. PowerPoint presentation
2. DAC Water/Wastewater Grant Assistance Proposal

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Grant Support for Small Community Water/Wastewater Systems Serving Disadvantaged Communities in the Santa Ana River Watershed



**Mark Norton, Water Resources & Planning Manager
SAWPA Commission | August 3, 2021
Item No. 6.C.**



Small Community Water/ Wastewater System Assistance Fund

Proposed SAWPA Program

- **Purpose:** provide technical assistance support for small community water/wastewater systems who lack the staffing and technical expertise to apply for government grants.
 - Assemble project information
 - Prepare both OWOW and DWR grant applications
 - Participate in OWOW stakeholder rating and ranking process
- **Outcome:** SAWPA program funding to support the preparation of Prop 1 Round 2 IRWM grant applications for up to ten small water/ wastewater systems serving disadvantaged communities



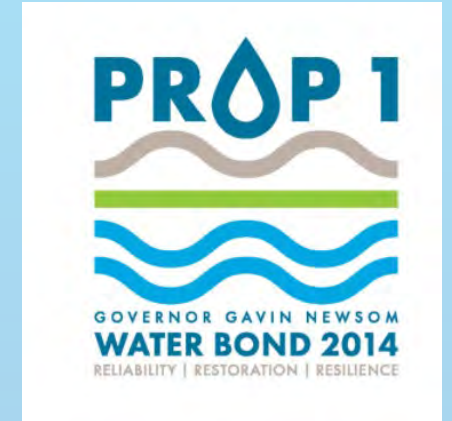
Small Community Water/Wastewater Systems: Definition

- Public agency, mutual water company or association, privately owned system, local government
- Serving less than 3000 customers or less than 3000 AF/YR delivery
- Serving primarily DAC residents annually (income levels below 80% of statewide median income)



SAWPA Member Agency General Managers Committee Meeting – Apr. 13th

- GMs recommended that SAWPA first conduct workshop with SAWPA member agencies staff.
 - To determine the need for ongoing outreach to water systems supporting disadvantaged and Tribal communities.
 - Provide updates to SAWPA member agency staff about work of the SAWPA's grant funded Disadvantaged Community Involvement program.
 - Learn more about California Rural Water Association (CRWA) support services available.
- Update about future workshop was provided to SAWPA Commission on May 18th.



Small Community Water/ Wastewater System Assistance Fund May 25th Virtual Workshop

Participants: SAWPA staff and SAWPA member agencies staff

Topics discussed:

- SAWPA's Disadvantaged Community Involvement (DCI) Grant Program and Needs Assessment Overview
- SAWPA Proposal Program Structure
- California Rural Water Agency Program Support Capacity
- SAWPA Staff Program Support
- Related SAWPA Member Agencies Disadvantaged Community Support Activities



Lessons Learned from May 25th Workshop

- Some proactive outreach programs among SAWPA member agencies do exist
- SAWPA member agencies are not currently implementing similar grant application or grant administration/construction management assistance programs
- Level of communication between SAWPA member agency staff and small systems is not clearly defined.
- Several small community water systems exist outside of SAWPA our member agency service areas
- Trailer parks, campgrounds, and others may have issues with their water delivery systems.



Small Community Water/ Wastewater System Assistance Fund – Proposal Revisions

- Due to limited preparation time to provide support, proposal narrowed and focused:
 - Suggest support for up to ten small water/wastewater community systems currently working with Cal Rural Water Association (CRWA) in watershed be supported under this program
 - Tribal support removed due to no known capacity issues in their ability to apply for implementation grants
 - Options of just funding and support of program, by some rather than all, SAWPA member agencies explored
 - Proposal concept feedback is first step, follow up would be possible contract between SAWPA and CRWA for future Commission meeting

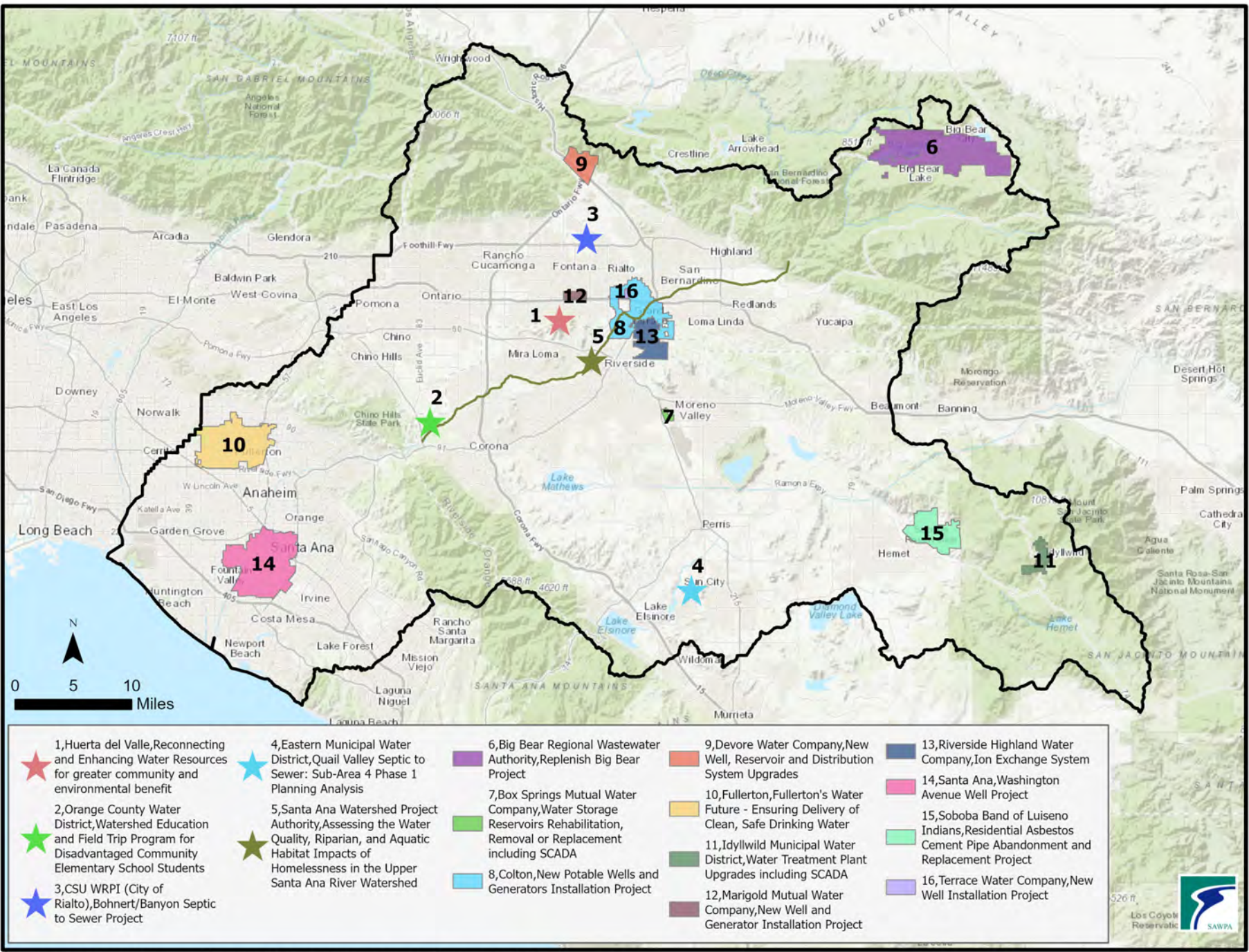


SAWPA Member Agency General Managers Committee Meeting – June 8th







- Refined business proposal presented reflecting business case for support of up to ten small community water/ wastewater systems
- GMs recommended that SAWPA present the proposal to the SAWPA Commission noting:
 - Need for services is not evenly distributed across watershed
 - Determine if all SAWPA member agencies have interest in supporting and possibly funding
 - Determine if initial CRWA grant application support proposal included grant administration support for successful projects
 - SAWPA confirmed that the CRWA offers these additional services, but the grant application proposal at this stage doesn't include project grant administration support



Past Prop 1 Disadvantaged Community Involvement program- Technical Assistance Projects

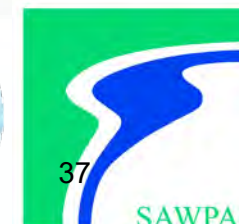
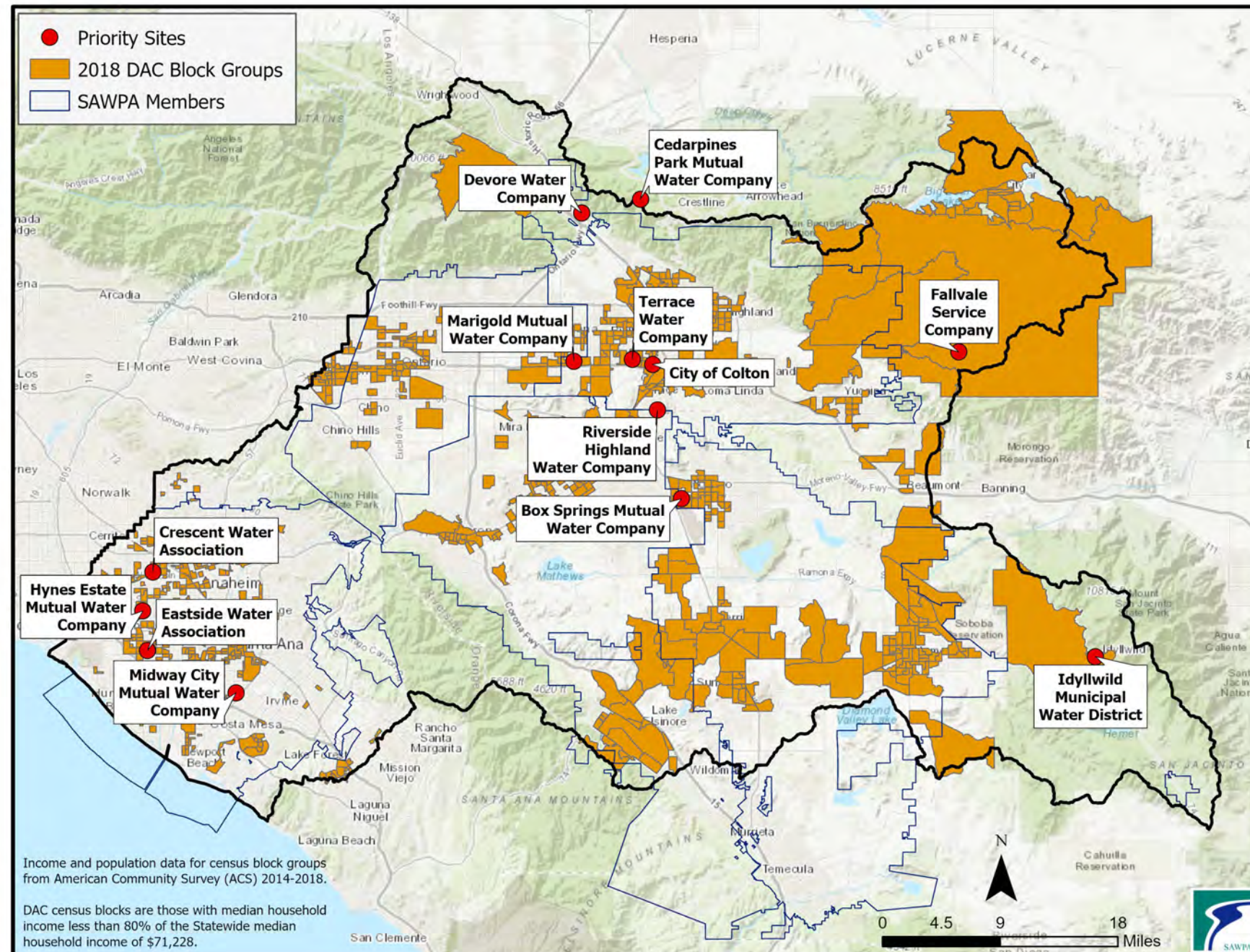


Small Community Water/Wastewater Systems currently working with CRWA (Additional systems in high need have also been identified)

| | | | | | |
|---|---|--|---|---|---|
|  |  |  |  |  |  |
| Marygold Mutual Water Co. within SBVMWD | City of Colton within SBVMWD | Idyllwild Water District Near EMWD | Box Springs Mutual Water Co. within EMWD /WMWD | Devore Water Company near SBVMWD | Terrace Water Company Within SBVMWD |



Map of High Need Small Community Water/Wastewater Systems supporting DACs in watershed




Proposal Schedule - Draft* Round 2 (R2) Schedule



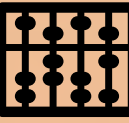
Steering Committee approves Prop 1 Policy

Nov 2018

DWR Releases Draft R2 Grant Guidelines

Aug 2021

Scoring Criteria Adopted by Steering Committee

Sep 2021




OWOW R2 Call for Projects

Oct 2021 - Jan 2022

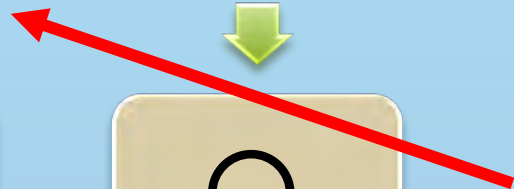



DWR Releases Final R2 Grant Guidelines

Dec 2021



Small Community Water/Wastewater System-Grant applications due




SAWPA finalizes R2 grant agreement

Feb 2023




R2 Application Submittal to DWR

Sep 2022




Steering Committee Approves R2 Projects

Mar 2022




Staff Review & Participatory Budgeting

Jan 2022



Proposed Grant Application Support

- CRWA indicated grant application services could be provided for \$150,000 for up to 10 small communities
- CRWA has been working directly with six communities through SAWPA DCI Technical Assistance program
- These six communities within or near three SAWPA member agency service areas
- CRWA is aware of additional small communities in other SAWPA member agency service areas that may also be ready to apply for grant funding



Proposal Services, Costs and Timing

| Activity | Cost Estimate | SAWPA Member Agency Cost | Timing |
|-------------------|---------------|--------------------------|-----------------|
| Grant Application | \$150,000 | \$30,000 | Thru Sept. 2022 |

Note: Funding support doesn't necessarily need to be equally shared and could be provided based on number of small communities to be funded in or near a SAWPA member agency service area.



Oversight Committee to be formed for Assistance Fund

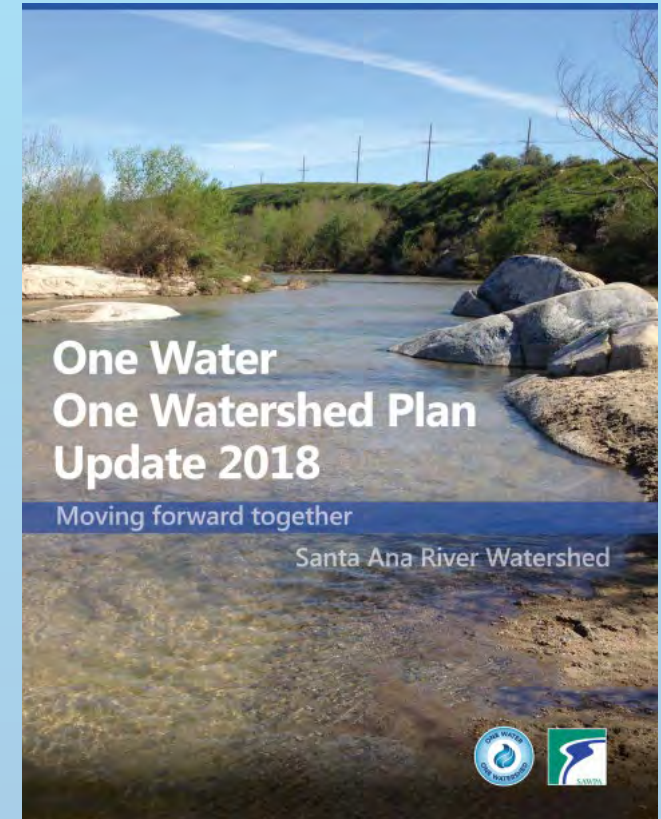
- Committee could be formed to include SAWPA staff; SAWPA's consultant, CRWA; and SAWPA member agency staff to oversee and administer the fund.
- Under the guidance of the committee, specific high-need small water systems projects could be recommended for support.
- Support would be reflective of those systems that lack the staffing, resources, or expertise to effectively apply for grant funding
- Other parties, including SAWPA member agencies, could still apply directly to OWOW Prop 1 IRWM Round 2 Implementation Grant Program Disadvantaged Community Involvement set-aside funding separate from this assistance fund



Small Community Water/ Wastewater System Assistance Fund

Benefits

- Creates funding source to assist small water systems in most need of grant application support.
- Identifies communities most in need and ready to apply for infrastructure implementation grants.
- Proactive and positive outcome of the SAWPA Prop 1 IRWM DCI program.
- Supports CA Dept of Water Resources initiatives for DAC assistance in IRWM regions
- Continues SAWPA's OWOW proactive leadership role and supports OWOW Plan Update 2018 implementation



Recommendation

- That the SAWPA Commission receive and file this information report about a regional approach to support up to ten Small Community Water/Wastewater Systems serving Disadvantaged Communities (DAC) in the watershed and provide further direction and guidance to SAWPA staff.



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Regional Approach to Grant Application Support for Small Community Water/Wastewater Systems Serving Disadvantaged Communities in the Santa Ana River Watershed

Background

As indicated in the recently completed handbook entitled “Solving Water Challenges in Disadvantaged Communities: A Handbook to Understanding the Issues in California and Best Practices for Engagement” prepared by the Water Education Foundation in conjunction with the Santa Ana Watershed Project Authority (SAWPA) under the Proposition 1 IRWM Disadvantaged Community Involvement (DCI) grant, implementation of water infrastructure in disadvantaged communities (DACs) faces many challenges. Regarding the involvement of community in the IRWM process, the report states:

“For the California Department of Water Resources and the agencies that administer grants under Proposition 1 and other programs, a key lesson is the importance of social capital and community capacity. Community groups may have deep connections in their communities but may lack the staff and expertise to properly manage government grants, with all the requirements of transparency, documentation and accountability. Frequent turnover of staff and board members can impede strategic planning and upend the continuity needed to see a grant-funded project to its end.”

On May 25, 2021 SAWPA conducted a workshop with SAWPA member agency staffs to provide background about the SAWPA DCI grant program, to describe the SAWPA concept proposal and to better understand any ongoing outreach and support being provided by SAWPA member agencies targeted for small water/wastewater systems and disadvantaged communities in their respective service area. Based on the workshop, ongoing organized outreach to disadvantaged communities for water



and wastewater infrastructure support varies and is somewhat limited. The outreach program conducted by EWMD for septic-to-sewer conversion support in the disadvantaged community of Quail Valley is a noteworthy exception with a focused sewer infrastructure support program for Quail Valley for over 10 years. Nevertheless, a business case for a broader regional support program can be made.

Proposal

To address the need for regional support of small water/wastewater systems that serve DACs, who lack the staffing and technical expertise to apply for government grants, SAWPA staff proposes a new regional funding assistance program, “Small Community Water/ Wastewater System Assistance Fund”. This fund would provide technical assistance to small community water systems, both public agencies and mutual water companies, and small wastewater systems that provide service to at 75% State designated disadvantaged communities census tracts/block groups. This assistance will provide these water/wastewater systems with the ability to prepare for and complete grant applications under Prop 1 IRWM Round 2 IRWM DAC funding and for the administration of grants where applications are successful. This work would include preparing technical, managerial, and financial (TMF) support resources needed for implementation grant application. Assistance would be directed to the most critical water/wastewater systems that do not have the resources available to apply for and administer State grant funds. Where successful and eligible, the grant funds could be directed to all types of water-related infrastructure needs including drinking water infrastructure such as pumps, wells, storage reservoirs, water treatment and distribution networks as well as septic to sewer connections, collection systems and wastewater treatment.

Implementation

The proposed program would be administered by SAWPA, which in turn would partner with one of the DCI partners, the California Rural Water Association (CRWA), to work directly to implement the program in the Santa Ana River Watershed. CRWA has demonstrated effective hands-on practical experience in support of the SAWPA DCI Technical Assistance program, as well as serving in a similar role for Mojave Water Agency and many other agencies throughout California.



A committee would be formed by the SAWPA member agencies and possibly other entities to oversee and administer the fund. Under the guidance of the committee, feedback could be provided on the specific critical infrastructure needs of small water systems or communities as recommended by CRWA to the committee. These communities would be most reflective of those that lack the staffing, resources, or expertise to effectively apply for and compete for implementation grant funding. This opportunity is particularly important now with the call for applications for the next round of Proposition 1 IRWM Implementation funding set-aside for Disadvantaged Community Implementation set for late summer/early fall of 2021.

Business Case for Program

a. Purpose

SAWPA’s Strategic Plan Assessment defined the following goals for SAWPA to undertake that relation to this proposed program.

- *Facilitate the discovery and development of new watershed solutions.*
- *Maximize funding opportunities and policy influence by uniting efforts watershed wide.*

Critical Success Factors to accomplish these goals are defined as follows:

- *A strong reputation and sufficient capacity within SAWPA staff for strategic facilitation, planning, communication, leadership, and community engagement.*
- *Distribution of benefits from the implementation of all integrated water resources management activities across the watershed in a fair and equitable fashion.*

b. Need

Based on the DCI program, a list of small community water/wastewater systems in the Santa Ana River Watershed has been compiled. A watershed map showing the locations of these systems has been prepared (see pages 7 & 8). By overlaying the DAC census blocks over the known jurisdictions of the small community water/wastewater systems, small community water/wastewater systems often represented by mutual water companies can be defined. From this broader list, CRWA has identified a subset of high need small systems where support can be focused based on personal interviews of members of these communities conducted by CRWA. Funding for proposal assistance is needed to ensure that the small communities will be able to apply for the grant funding to repair or replace aging water and wastewater systems.

A preliminary list of high need, small community water/wastewater systems in the watershed as identified by CRWA are as follows:

| | | | | |
|--------------------------------|--|-----------------|----------------|-----------------------------|
| BOX SPRINGS MUTUAL WC | Privately owned MWC or Assc | MORENO VALLEY | Riverside | WMWD / EMWD |
| CEDARPINES PARK MWC | Privately owned Mutual Water Company or Assc | CEDARPINES PARK | San Bernardino | Mountain Area - Big Bear |
| CITY OF COLTON | Local Government | COLTON | San Bernardino | SBVMWD |
| CRESCENT WATER ASSOCIATION | Privately owned business (non-community) | ANAHEIM | Orange | OCWD |
| DEVORE WC | Privately owned MWC or Assc | SAN BERNARDINO | San Bernardino | SBVMWD |
| EASTSIDE WATER ASSOCIATION | Privately owned MWC or Assc | MIDWAY CITY | Orange | OCWD |
| FALLSVALE SERVICE COMPANY | Privately owned, non-PUC-regulated (CWS) | FOREST FALLS | San Bernardino | Mountain Area - Big Bear |
| HYNES ESTATES MUTUAL WATER CO. | Privately owned MWC or Assc | ANAHEIM | Orange | OCWD |
| IDYLLWILD WATER DISTRICT | Local Government | IDYLLWILD | Riverside | Mountain Area - San Jacinto |

| | | | | |
|----------------------------------|-----------------------------|---------------|----------------|---------------|
| MARYGOLD MWC | Privately owned MWC or Assc | BLOOMINGTON | San Bernardino | SBVMWD |
| MIDWAY CITY MUTUAL WC | Privately owned MWC or Assc | WESTMINSTER | Orange | OCWD |
| RIVERSIDE HIGHLAND WATER COMPANY | Privately owned MWC or Assc | GRAND TERRACE | San Bernardino | WMWD / SBVMWD |
| TERRACE WATER COMPANY | Privately owned MWC or Assc | COLTON | San Bernardino | SBVMWD |

c. Benefits

The proposed Small Community Water/Wastewater System Assistance Fund could provide the following benefits to SAWPA member agencies and SAWPA:

- Creates an immediate and accessible funding source to assist small community water/wastewater systems in most need of grant funding. Implementation/ construction grant funds aimed at disadvantaged communities have been set aside under the Proposition 1 IRWM grant program. \$4.1 million is available to the Santa Ana Funding Area under Round 2 specifically to support disadvantaged communities. The remaining \$23 million under Round 2 can also be used to support DAC projects.
- Provides flexibility to SAWPA member agencies to choose the communities within their service areas that are in most need.
- CA Dept of Water Resources and legislators would view this program as a proactive and positive outcome of the Prop 1 IRWM DCI program, reflecting a local effort by SAWPA and its member agencies to support water infrastructure efforts in disadvantaged communities.
- SAWPA has an effective working relationship with CRWA, which has expertise and bi-lingual technical experts to oversee the program for up to 10 small water systems in the watershed. Six of these small community water/wastewater systems that were rendered technical assistance under the DCI grant program by CRWA are particularly poised to seek implementation grant funding but lack the resources to apply.

d. Options Explored

Other options considered to provide this support include:

- 1) Ask SAWPA member agencies to directly conduct the outreach to support small water and wastewater systems in their respective areas,
- 2) Fund and support only those communities that SAWPA is fully aware of a capacity need i.e., the six small water systems supported by CRWA with technical assistance under the DCI program,
- 3) Ask only the SAWPA member agencies who have communities in or near their service areas to fund the program, and
- 4) Do nothing at this time and allow Prop 1 DAC funding to go to those project proponents who have sufficient resources to apply for grant funding.

e. Program Costs

A cost estimate to investigate and work with up to 10 small community systems to determine if the effective grant applications can be prepared is \$150,000. It is likely that approximately half this number

will be ready and able to move into implementation of projects and formal grant applications would be prepared by CRWA for them.

For the successful grant applicants who are selected through the OWOW process for grant funding, five small community projects estimated, additional support may be needed for grant administration and construction management which can be provided by CRWA. This support is grant reimbursable so these costs could be included in the grant application. The cost to provide oversight of the CRWA contract by SAWPA staff and administer the coordination meetings is estimated to be approximately, \$20,000, but can likely be covered by the annual OWOW 373 Budget.

f. Funding

Due to the immediate need to implement the grant application support, it is suggested that funding for this regional program through SAWPA be provided by the SAWPA member agencies. Since this funding has not been included in the SAWPA budget, separate invoices could be sent to each SAWPA member agency. If this \$150K cost is supported and shared equally, \$30,000/member agency, could be requested to reach out, evaluate viable projects and prepare grant applications for small water communities or DAC communities in the watershed. This funding support alternatively could be provided proportionately by the SAWPA member agencies based on the number of small communities in need within or near any given SAWPA member agency service area since the small community needs are not equally spaced throughout the watershed. Further, this funding would be subject to approval and authorization of the SAWPA Commission likely to be brought to them for consideration in late August 2021.

The initial investigation and grant application/preparations costs are not reimbursable from the Prop 1 IRWM Implementation grant program. However, the grant administration and construction management costs by CRWA for small community project proponents are reimbursable costs from Prop 1 IRWM Round 2 Implementation grant program.

g. Risks

By providing grant application support up to 10 small water/ wastewater community systems, SAWPA member agencies may reduce their competitive advantage based on an increased number of applicants for DAC funding. However, supporting these small systems may outweigh the risks in demonstrating a proactive support in an area of focus by State grant and funding institutions who are looking for IRWM regions who effectively demonstrate active support and outreach to such communities.

Because some of the small water/wastewater community systems may be mutual water companies or small water departments of incorporated cities, these communities are unlikely to have the funding wherewithal to increase rates or float bonds to cover such operational expenses. Even if water rate increases were viable, according to outreach conducted by the CRWA, an increase in water rates to cover these expenses would further exacerbate the economic hardship of the communities they serve. Further, the State has encouraged IRWM regions who received Prop 1 DCI funding to support the DAC communities in applying for the DAC set aside implementation grant funding under the upcoming Prop 1 IRWM Round 2 Implementation grant funding program. It should be noted that mutual water

companies are private not-for-profit organizations and are not classified as for-profit investor-owned utilities. Mutual water companies are eligible for grant funding under Prop 1 IRWM grant program.

Related Efforts

In July 2019, SB 200 established the **Safe and Affordable Drinking Water Fund**, which provides \$130 million annually to the SWRCB and led to the creation of the Safe and Affordable Funding for Equity and Resilience (SAFER) program. The SAFER Program provides tools, funding sources, and regulatory authorities to meet the goals of safe, accessible, and affordable drinking water for all Californians. The State Board is currently soliciting Statements of Qualifications (SOQs) to develop a pool of drinking water system administrators that can aid regions across the State. The administrators must "... have extensive experience, preferably 3 years of more, in managerial aspects of providing public water service and have demonstrated experience working with disadvantaged communities that may be multi-cultural and/or multilingual. All candidates must demonstrate managerial experience in communication, supervision, outreach, and financial management." Unfortunately, this funding is currently not accessible in the short time frame needed for Prop 1 Round 2 Grant Application preparation.

Eastern Municipal Water District is working with legislators on the Small System Water Authority Act, which would create a process for small agencies that are not physically touching to consolidate their technical, managerial and financial personnel under one management umbrella. By this effort, the significant expense for a small water agency to have a GM, CFO, Engineer etc., can be shared among multiple agencies. If agencies can take a JPA type approach to manage the small agencies under one umbrella, it will allow them to attract better talent, and spread costs over many more organizations. See link to draft legislative bill from 2019: [Bill Text - SB-414 Small System Water Authority Act of 2019. \(ca.gov\)](#)

Prepared by SAWPA Planning Dept.

| Map ID | Water System Name | Water System Ownership | Physical location | City | County | SAWPA Member Agency Service Area | DAC Census Block Group (count) | Percent DAC Population |
|--------|-------------------------------------|--|-------------------|----------------|-----------------------------|----------------------------------|--------------------------------|------------------------|
| 3 | EAST ORANGE COUNTY WD - Retail Zone | Local Government | ORANGE | Orange | OCWD | | | |
| 13 | SERRANO WATER DISTRICT | Local Government | VILLA PARK | Orange | OCWD | | | |
| 21 | EASTSIDE WATER ASSOCIATION | Privately owned MWC or Assc | MIDWAY CITY | Orange | OCWD | | | |
| 29 | MIDWAY CITY MUTUAL WC | Privately owned MWC or Assc | WESTMINSTER | Orange | OCWD | | no data | |
| 32 | HYNES ESTATES MUTUAL WATER CO. | Privately owned MWC or Assc | ANAHEIM | Orange | OCWD | | no data | 100% |
| 33 | LIBERTY PARK WATER ASSOCIATION | Privately owned MWC or Assc | HUNTINGTON BEACH | Orange | OCWD | | no data | |
| 36 | PAGE AVENUE MUTUAL WATER COMPANY | Privately owned MWC or Assc | FULLERTON | Orange | OCWD | | no data | 100% |
| 35 | SOUTH MIDWAY CITY MUTUAL WATER CO. | Privately owned, non-PUC-regulated (CWS) | MIDWAY CITY | Orange | OCWD | | no data | |
| 17 | GOLDEN STATE WC - COWAN HEIGHTS | Privately owned, PUC-regulated, for profit water | PLACENTIA | Orange | OCWD | | | |
| 22 | MARYGOLD MWC | Privately owned MWC or Assc | BLOOMINGTON | San Bernardino | SBVMWD | | | 90% |
| 11 | SAN ANTONIO WATER COMPANY | Privately owned, non-PUC-regulated (CWS) | UPLAND | San Bernardino | IEUA | | | |
| 42 | WEST END CONSOLIDATED WATER COMPANY | Privately owned, PUC-regulated, for profit water | UPLAND | San Bernardino | IEUA | | no data | |
| 40 | NORTH PERRIS WATER SYSTEM | Local Government | PERRIS | Riverside | EMWD | | no data | |
| 8 | NUEVO WATER COMPANY | Privately owned MWC or Assc | NUEVO | Riverside | EMWD | | | |
| 1 | BOX SPRINGS MUTUAL WC | Privately owned MWC or Assc | MORENO VALLEY | Riverside | WMWD / EMWD | | 1 | 100% |
| 5 | HOME GARDENS COUNTY WD | Local Government | CORONA | Riverside | WMWD | | 2 | 62% |
| 12 | SANTA ANA RIVER WATER COMPANY | Privately owned MWC or Assc | JURUPA VALLEY | Riverside | WMWD | | 2 | 36% |
| 28 | BLOCK 77 WATER COMPANY | Privately owned MWC or Assc | NORCO | Riverside | WMWD | | no data | |
| 27 | FARM MUTUAL W.C. (THE) | Privately owned, non-PUC-regulated (CWS) | WILDOMAR | Riverside | WMWD | | | |
| 2 | EAGLE VALLEY MUTUAL WATER COMPANY | | | Riverside | WMWD | | | |
| 10 | RIVERSIDE HIGHLAND WATER COMPANY | Privately owned MWC or Assc | GRAND TERRACE | San Bernardino | WMWD / SBVMWD | | 3 | 28% |
| 38 | GLEN HELEN WATER SYSTEM | Local Government | SAN BERNARDINO | San Bernardino | SBVMWD | | | |
| 7 | MUSCOY MWC NO. 1 | Privately owned MWC or Assc | SAN BERNARDINO | San Bernardino | SBVMWD | | 4 | 100% |
| 14 | SOUTH MESA WC | Privately owned MWC or Assc | CALIMESA | Riverside | SBVMWD | | 2 | 39% |
| 15 | TERRACE WATER COMPANY | Privately owned MWC or Assc | COLTON | San Bernardino | SBVMWD | | 2 | 100% |
| 16 | WESTERN HEIGHTS WATER COMPANY | Privately owned MWC or Assc | YUCAIPA | San Bernardino | SBVMWD | | 3 | 75% |
| 18 | DEVORE WC | Privately owned MWC or Assc | SAN BERNARDINO | San Bernardino | SBVMWD | | 1 | |
| 20 | GLEN MARTIN MWC | Privately owned MWC or Assc | ANGELES OAKS | San Bernardino | SBVMWD | | 1 | 100% |
| 25 | MILL CREEK MSC | Privately owned MWC or Assc | MENTONE | San Bernardino | SBVMWD | | no data | 100% |
| 31 | RECHE CANYON MUTUAL WATER CO. | Privately owned MWC or Assc | COLTON | Riverside | SBVMWD | | no data | |
| 43 | ROCKY COMFORT MUTUAL WATER CO | Privately owned, non-PUC-regulated (CWS) | MENTONE | San Bernardino | SBVMWD | | no data | 100% |
| 39 | LYTLE SPRINGS WC | Privately owned, PUC-regulated, for profit water | RIALTO | San Bernardino | SBVMWD | | no data | |
| 44 | CHERRY VALLEY WATER COMPANY | Privately owned, non-PUC-regulated (CWS) | CHERRY VALLEY | Riverside | San Gorgonio area | | no data | |
| 23 | OAK GLEN DOMESTIC WATER | Privately owned MWC or Assc | YUCAIPA | San Bernardino | Mountain Area - Big Bear | | no data | |
| 24 | FOREST PARK MWC | Privately owned MWC or Assc | FOREST FALLS | San Bernardino | Mountain Area - Big Bear | | no data | 100% |
| 26 | NORTH SHORE MWC | Privately owned MWC or Assc | FAWNSKIN | San Bernardino | Mountain Area - Big Bear | | no data | 100% |
| 19 | FALLSVALE SERVICE COMPANY | Privately owned, non-PUC-regulated (CWS) | FOREST FALLS | San Bernardino | Mountain Area - Big Bear | | no data | 100% |
| 4 | FERN VALLEY WD | Local Government | IDYLLWILD | Riverside | Mountain Area - San Jacinto | | 1 | |
| 6 | IDYLLWILD WATER DISTRICT | Local Government | IDYLLWILD | Riverside | Mountain Area - San Jacinto | | 1 | 100% |
| 9 | PINE COVE WATER DISTRICT | Local Government | IDYLLWILD | Riverside | Mountain Area - San Jacinto | | 1 | 100% |
| 30 | THOMAS MOUNTAIN WATER COMPANY | Privately owned MWC or Assc | MOUNTAIN CENTER | Riverside | Mountain Area - San Jacinto | | no data | |
| 34 | PARADISE VALLEY MWC | Privately owned MWC or Assc | MOUNTAIN CENTER | Riverside | Mountain Area - San Jacinto | | no data | |
| 37 | TRAILS END MUTUAL WATER COMPANY | Privately owned MWC or Assc | MOUNTAIN CENTER | Riverside | Mountain Area - San Jacinto | | no data | |
| 41 | STONE CREEK WATER CO. | Privately owned, PUC-regulated, for profit water | IDYLLWILD | Riverside | Mountain Area - San Jacinto | | no data | 100% |
| 47 | City of Colton | Local Government | COLTON | San Bernardino | SBVMWD | | 15 | 65% |
| 46 | CRESCENT WATER ASSOCIATION | Privately owned business (non-community) | ANAHEIM | Orange | OCWD | | no data | |
| 45 | CEDARPINES PARK MWC | Privately owned Mutual Water Company or Assc | CEDARPINES PARK | San Bernardino | Mountain Area - Big Bear | | no data | |

Note: Highlighted map IDs reflect priority small water/wastewater systems based on feedback from CRWA

